

ST KILDA GATEHOUSE INCORPORATED
ABN: 76 557 051 941

SPECIAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018

CONTENTS	Page No
Committee's Report	3
Auditor's Independence Declaration	5
Statement of Profit or Loss and Other Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements	10
Committee Member's Declaration	20
Independent Auditor's Report	22

Committee's Report

The committee members present their report, together with the financial statements, on St Kilda Gatehouse Inc for the financial year ended 30 June 2018.

Committee Members

The names of committee members throughout the year and at the date of this report are:

Mark Watt (Chair)	James Burnett (retired December 2017)
Felicity Langton (Secretary)	Amanda Bartley (from September 2017)
Dianne Azoor Hughes (Treasurer)	Desiree Smit (from November 2017)
Pauline Richards	Ruth Baker

Principal Activities

St Kilda Gatehouse is a not for profit incorporated association which works alongside those involved in street based sex work or affected by commercial sexual exploitation as a result of hardship. St Kilda Gatehouse works to restore a sense of dignity and hope through providing immediate support and building trust and relationship by:

- providing a place of belonging;
- creating connections and the opportunity to participate in community life;
- helping individuals navigate pathways off the streets; and
- holistically building on individual strengths and capacity.

Significant Changes in the State of Affairs

In July 2017 St Kilda Gatehouse opened a boutique op shop "Greeves St." located at 12-16 Belford Street, St Kilda. The primary objective of the Op Shop is to establish a source of sustainable funding for outreach activities. Secondary objectives include: providing interaction in community activities and an employment pathway for clients; and utilising non-financial contributions from volunteers and others who support our mission.

Except for this social enterprise initiative, there have been no significant changes in the state of affairs of the association during the financial year ended 30 June 2018.

Matters Subsequent to the End of Financial Year

No matter or circumstance has arisen since 30 June 2018 that has significantly affected, or may significantly affect the incorporated association's operations, the results of those operations, or the incorporated association's state of affairs in future financial years.

Operating Result

The entity made a surplus of \$189,732 (2017: loss of \$159,080). The main reasons for the increase in 2018 can be attributed to:-

- Additional government funding to continue the operations of the St Kilda Drop In Centre located in Greeves Street;

- Reduced staff costs due to key positions remaining unfunded, with short term support from board members;
- Funding provided by the Greeves St. Op Shop launched in July 2017.

St Kilda Gatehouse continues to seek long term partners to provide financial support for its critical outreach activities.

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2018 has been received and can be found on page 5 of the financial report.

This report is signed in accordance with a resolution of the members of the committee.



.....
MARK WATT



.....
S. DIANNE AZOOR HUGHES

St Kilda
19 November 2018



RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As auditor for the audit of the financial report of St Kilda Gatehouse Incorporated for the year ended 30 June 2018, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

RSM AUSTRALIA PARTNERS

WARWICK SPARGO
Partner

Dated: 19 November 2018
Melbourne, Victoria



STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 30 June 2018

	Note	2018 \$	2017 \$
Government funding		194,574	104,957
Trusts and foundations		380,350	459,522
Donations		86,701	89,822
Other income		63,940	55,977
Greeves St. social enterprise		116,904	12,553
Interest income		668	1,676
Total revenue	2	843,137	724,507
Program expenses		(166,017)	(157,907)
Fundraising and promotional expenses		(10,028)	(11,360)
Staff expenses		(421,645)	(651,874)
Depreciation and amortisation	6,7	(18,493)	(22,901)
Administration expense		(37,222)	(37,787)
Total expenditure	2	(653,405)	(881,829)
Net result from transactions		189,732	(157,322)
Other economic flows included in the net results			
Net gain/(loss) on non-financial assets		-	(1,758)
Net surplus/(deficit) for the year		189,732	(159,080)
Other comprehensive income for the year		-	-
Total comprehensive income/(loss) for the year		189,732	(159,080)

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

STATEMENT OF FINANCIAL POSITION

As at 30 June 2018

	Note	2018 \$	2017 \$
Current Assets			
Cash and cash equivalents	3	431,412	222,943
Accounts receivable and other debtors	4	21,131	24,691
Prepayments	5	<u>15,968</u>	<u>21,928</u>
Total Current Assets		<u>468,511</u>	<u>269,562</u>
Non-Current Assets			
Plant and equipment	6	14,618	31,584
Intangible Assets	7	<u>-</u>	<u>-</u>
Total Non-Current Assets		<u>14,618</u>	<u>31,584</u>
Total Assets		<u>483,129</u>	<u>301,146</u>
Current Liabilities			
Accounts payable and other payables	8	38,521	37,962
Grants received in advance	9	180,978	188,137
Employee Provisions	10	<u>35,610</u>	<u>40,887</u>
Total Current Liabilities		<u>255,109</u>	<u>266,986</u>
Non-Current Liabilities			
Employee Provisions	10	<u>11,778</u>	<u>7,650</u>
Total Non-Current Liabilities		<u>11,778</u>	<u>7,650</u>
Total Liabilities		<u>266,887</u>	<u>274,636</u>
Net Assets		<u>216,242</u>	<u>26,510</u>
Equity			
Retained surplus		<u>216,242</u>	<u>26,510</u>
Total Equity		<u>216,242</u>	<u>26,510</u>

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

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 30 June 2018

	Retained Surplus \$	Total Equity \$
Balance at 1 July 2016	185,590	185,590
Profit/(loss) attributed to equity	<u>(159,080)</u>	<u>(159,080)</u>
Balance at 30 June 2017	<u>26,510</u>	<u>26,510</u>
Balance at 1 July 2017	26,510	26,510
Profit/(loss) attributed to equity	<u>189,732</u>	<u>189,732</u>
Balance at 30 June 2018	<u>216,242</u>	<u>216,242</u>

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

STATEMENT OF CASH FLOWS

For the financial year ended 30 June 2018

	Note	2018 \$	2017 \$
Cash flow from operating activities			
Receipts from donations and grants		646,910	694,453
Receipts from fundraising events		131,392	76,831
Receipts from other income		119,012	16,375
Payments to suppliers		(272,295)	(209,422)
Payments to employees		(412,701)	(654,719)
Net cash generated from / (used in) operating activities	11	<u>212,318</u>	<u>(76,482)</u>
Cash flow from investing activities			
Proceeds for disposal of investment		-	56,714
Proceeds for disposal of plant and equipment		-	25,636
Payment for plant and equipment		(3,849)	(430)
Net cash used in investing activities		<u>(3,849)</u>	<u>81,920</u>
Net increase / (decrease)		208,469	5,438
Cash and cash equivalents at the beginning of the financial year		<u>222,943</u>	<u>217,505</u>
Cash and cash equivalents at the end of the financial year		<u>431,412</u>	<u>222,943</u>

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2018

Note 1. Summary of Significant Accounting Policies

The following significant accounting policies, which are consistent with the previous period unless stated otherwise, have been adopted in the preparation of these financial statements.

a. Reporting entity

The financial statements cover St Kilda Gatehouse Incorporated as an individual entity. The financial statements are presented in Australian dollars, which is the entity's functional and presentation currency.

St Kilda Gatehouse Incorporated is a not-for-profit incorporated association, incorporated and domiciled in Australia. Its registered office and principal place of business is:

12-16 Belford Street
St Kilda VIC 3182

A description of the nature of the incorporated association's operations and its principal activities are included in the Committee's report, which is not part of the financial statements.

The financial statements were authorised for issue on 19 November 2018.

b. Basis of preparation

(i) *Special purpose financial report*

In the committee's opinion, the incorporated association is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the requirements of the *Associations Incorporation Report Act 2012 (Vic)* and the *Australian Charities and Not-for-profits Commission Act 2012*. The committee has determined that the accounting policies adopted are appropriate to meet the needs of the members of St Kilda Gatehouse Incorporated.

The financial report has been prepared in accordance with all recognition and measurement principles of Australian Accounting Standards and other mandatory professional requirements in Australia. It contains only those disclosures that are considered necessary by the committee to meet the needs of the members of the association. The association is a not-for-profit entity for the purposes of preparing the financial statements.

(ii) *Historical cost convention*

These financial statements have been prepared under the historical cost convention unless otherwise stated in the notes.

c. Revenue

Government funding and income from trusts and foundations includes non-reciprocal grant revenue.

Non-reciprocal grant revenue is recognized in the profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2018

Note 1. Summary of Significant Accounting Policies (cont'd)

c. Revenue (cont'd)

Donations and bequests are recognized as revenue when received.

Interest revenue is recognized when received.

Revenue from the rendering of a service is recognized upon the delivery of the service to the customer.

Revenue from the sale of goods is recognized when the funds are received.

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

d. Inventory

Inventories comprise preloved goods donated to the Greeves St. Boutique Op Shop. These inventories are carried at \$nil cost.

e. Plant and Equipment

Each class of plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the committee to ensure it is not in excess of the recoverable amount of those assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

In the event that the carrying amount of plant and equipment is greater than the recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present.

Plant and equipment that have been contributed at no cost, or for nominal cost, are recognized at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets, including capitalized lease assets, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

	2018	2017
Plant and Equipment	20 – 33%	20 – 33%
Motor Vehicles	20%	20%
Leasehold Improvements	20 – 33%	20 – 33%

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2018

Note 1. Summary of Significant Accounting Policies (cont'd)

e. Plant and Equipment (cont'd)

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds on disposal with the carrying amount. These gains and losses are recognized in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

f. Intangibles

Software is recorded at cost. It has a finite life and is carried at cost less accumulated amortization and any impairment losses. Software has an estimated useful life of between one and three years. It is assessed annually for impairment.

g. Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the association, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the year.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

h. Financial Instruments

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the association commits itself to either purchase or sell the asset.

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Gains and losses on disposals are determined by comparing the proceeds on disposal with the carrying amount. These gains and losses are recognized in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2018

Note 1. Summary of Significant Accounting Policies (cont'd)

i. Impairment of assets

At the end of each reporting period, the committee reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognized in the income and expenditure statement.

j. Employee benefits

Provisions for employee benefits are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provision is made for the association's liability for employee benefits arising from services rendered by employees to balance date.

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 as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. 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.

Regardless of the expected timing of settlement, provisions made in respect of employee benefits are classified as a current liability unless there is an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date, in which case it would be classified as a non-current liability.

Defined contribution superannuation expense

Contributions are made by the association to an employee superannuation fund and are charged as expenses when incurred.

k. Provisions

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2018

Note 1. Summary of Significant Accounting Policies (cont'd)

l. Cash and cash equivalent

Cash and cash equivalents includes cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

m. Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from donors and any outstanding grant receipts. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

o. Accounts Payable and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period which remain unpaid. The balance is recognized as a current liability with the amount being normally paid within 30 days of recognition of the liability.

p. Goods and Services Tax (GST)

Revenues, expenses and assets are recognized net of the amount 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 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 ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

q. Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

r. Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

When an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

s. Critical Accounting Estimates and Judgments

The committee evaluates estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the association.

Note 1. Summary of Significant Accounting Policies (cont'd)

t. New Accounting Standards for Application in Future Periods

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the entity for the annual reporting period ended 30 June 2018. The entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the entity, are set out below:

Title	Summary	Application date	Expected Impact
<i>AASB 1058 Income for not for profit entities</i>	This standard replaces AASB 1004 Contributions and establishes revenue recognition principles for transactions where the consideration to acquire an asset is significantly less than fair value to enable to not-for-profit entity to further its objectives.	Annual reporting period beginning on or after 1 January 2019	The assessment has indicated that revenue from capital grants that are provided under an enforceable agreement that have sufficiently specific obligations, will now be deferred and recognised as performance obligations are satisfied. As a result, the timing recognition of revenue will change.
<i>AASB 16 Leases</i>	The key changes introduced by AASB 16 include the recognition of most operating leases (which are current not recognised) on balance sheet.	Annual reporting period beginning on or after 1 January 2019	The assessment has indicated that as most operating leases will come on balance sheet, recognition of the right-of-use assets and lease liabilities will cause net debt to increase. Rather than expensing the lease payments, depreciation of right-of-use assets and interest on lease liabilities will be recognised in the income statement with marginal impact on the operating surplus. No change for lessors.
<i>AASB 15: Revenue from Contracts with Customers, and related amending standards and interpretations</i>	This standard establishes a new control-based revenue recognition model which changes the basis for deciding whether revenue is to be recognised over time or at a point in time and provides new and more detailed guidance on specific topics and expands disclosures about revenue.	Annual reporting period beginning on or after 1 January 2019	Management has assessed that the impact of initial application of this standard will not be significant.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2018

Note 2. Revenue and Expenses

Revenue and expenses for the financial year have been presented in the classifications used for funding acquittals and internal reporting.

Comparative information has been restated as appropriate.

	2018	2017
	\$	\$
Note 3. Cash and Cash Equivalents		
Cash at bank	431,012	222,243
Cash float	400	700
	<u>431,412</u>	<u>222,943</u>

Note 4. Accounts Receivable and Other Debtors

CURRENT		
Accounts receivables	21,131	21,389
GST Receivables	-	3,302
	<u>21,131</u>	<u>24,691</u>

Note 5. Prepayments

CURRENT		
Prepayments	<u>15,968</u>	<u>21,928</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2018

Note 6. Plant and Equipment

	2018	2017
	\$	\$
Plant and equipment - at cost	49,407	60,281
less accumulated depreciation	<u>(41,854)</u>	<u>(43,767)</u>
	7,553	16,514
Motor vehicles - at cost	20,075	20,075
less accumulated depreciation	<u>(13,718)</u>	<u>(9,703)</u>
	6,357	10,372
Leasehold improvement - at cost	12,044	15,625
less accumulated amortisation	<u>(11,336)</u>	<u>(10,927)</u>
	708	4,698
Total plant and equipment	<u>14,618</u>	<u>31,584</u>

a. Movements in Carrying Amounts

Movements in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year.

	Plant and equipment	Motor vehicle	Leasehold improvement	Total
		\$	\$	\$
Balance at 1 July 2016	28,025	43,814	9,610	81,449
Additions	429	-	-	429
Disposals	(389)	(27,004)	-	(27,393)
Depreciation and amortisation	(11,551)	(6,438)	(4,912)	(22,901)
Balance at 30 June 2017	<u>16,514</u>	<u>10,372</u>	<u>4,698</u>	<u>31,584</u>
Additions	3,849	-	-	3,849
Disposals	(2,050)		(272)	(2,322)
Depreciation and amortisation	(10,760)	(4,015)	(3,718)	(18,493)
Balance at 30 June 2018	<u>7,553</u>	<u>6,357</u>	<u>708</u>	<u>14,618</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2018

Note 7. Intangible Assets

	2018	2017
	\$	\$
Computer software - at cost	14,560	14,560
less accumulated amortisation	<u>(14,560)</u>	<u>(14,560)</u>
	<u><u>-</u></u>	<u><u>-</u></u>

Note 8. Accounts Payables and Other Payables

Suppliers and services	10,517	6,406
Other payable	15,732	31,556
GST Payable	<u>12,273</u>	
	<u>38,522</u>	<u>37,962</u>

Note 9. Grants Received in Advance

Repayable government and philanthropic grants	<u>180,978</u>	<u>188,137</u>
	<u>180,978</u>	<u>188,137</u>

This liability represents funds from gifts received, but not yet spent in accordance with the wishes of the donors. Funds are brought to account through the Income and Expenditure Statement as expenses are incurred and projects are completed.

Note 10. Employee Provisions

CURRENT

Provisions for annual leave	23,055	26,392
Provisions for long service leave - unconditional	<u>12,555</u>	<u>14,495</u>
	35,610	40,887

NON-CURRENT

Provisions for long service leave - conditional	<u>11,778</u>	<u>7,650</u>
	11,778	7,650

Total employee provisions

	<u>47,388</u>	<u>48,537</u>
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2018

Note 11. Reconciliation of cash flows from operations with net current year surplus

	2018	2017
	\$	\$
Net current year surplus / (deficits)	189,732	(159,080)
Non-cash flows in profit		
Depreciation and amortisation	18,492	22,901
(Gain) / loss on disposal of plant and equipment	2,323	1,758
Changes in assets and liabilities		
(Increase) / decrease in accounts receivable	3,560	47,697
(Increase) / decrease in other assets	5,959	1,037
Increase / (decrease) in grants received in advance	(7,159)	15,455
Increase / (decrease) in trade and other payables	560	6,139
Increase/ (decrease) in provisions	(1,149)	(12,389)
Net cash flows from operating activities	<u>212,318</u>	<u>(76,482)</u>


COMMITTEE MEMBERS' DELCARATION

For the financial year ended 30 June 2018

In the opinion of the members of the committee of St Kilda Gatehouse Inc:

- (a) St Kilda Gatehouse Inc is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 1 to the financial statements, the attached special purpose financial statements have been prepared for the purpose of complying with the *Associations Incorporation Reform Act 2012* (Vic) and the *Australian Charities and Not-for-profits Commission Act 2012* (Cth);
- (b) the financial statements and notes set out on pages 6 to 19, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
 - (i) giving a true and fair view of St Kilda Gatehouse Inc's financial position as at 30 June 2018 and of its performance for the financial year ended on that date;
 - (ii) complying with Australian Accounting Standards and other mandatory professional reporting requirements; and
- (c) there are reasonable grounds to believe that the incorporated association will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the members of the committee:



.....
MARK WATT



.....
S. DIANNE AZOOR HUGHES

St Kilda

19 November 2018

ST KILDA GATEHOUSE INC
CERTIFICATE BY MEMBERS OF THE COMMITTEE

I, Mark Watt of St Kilda Gatehouse Inc certify that:

- a. I attended the annual general meeting of the St Kilda Gatehouse Inc held on 19 November 2018.
- b. The financial statements for the year ended 30 June 2018 were submitted to the members of committee at its annual general meeting.

Dated this 19 November 2018



MARK WATT (CHAIR)

INDEPENDENT AUDITOR'S REPORT To the Members of the St Kilda Gatehouse Inc

Opinion

We have audited the financial report of the St Kilda Gatehouse Inc, which comprises the statement of financial position as at 30 June 2018, 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 statements, including a summary of significant accounting policies, and the Board Members' declaration.

In our opinion, the accompanying financial report of St Kilda Gatehouse Inc is in accordance with the *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not-For-Profits Commissions Act 2012*, including:

- (i) giving a true and fair view of the organisation's financial position as at 30 June 2018 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements, *Associations Incorporation Reform Act 2012* 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 organisation in accordance with the auditor independence requirements of the Australian professional accounting bodies 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.

Responsibilities of the Directors for the Financial Report

The board of St Kilda Gatehouse Inc are responsible for the preparation of the special purpose financial report that gives a true and fair view in accordance with Australian Accounting Standards – and *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not-For-Profits Commissions Act 2012* and for such internal control as the Board 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 Board are responsible for assessing the ability of St Kilda Gatehouse Inc to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intend to liquidate the organisation 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.



RSM AUSTRALIA PARTNERS



WARWICK SPARGO

Partner

Melbourne, Victoria

Dated: 23 November 2018