

# *Edgewater Service Ltd*

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*C/- BBC Strata Management, 42/738 Burke Road, Camberwell, VIC. 3124*  
***www.edgewater Towers.com.au***

## **RE AGM - WEDNESDAY 18 FEBRUARY, 2015 AT 7:00 PM**

Please note that the correct date for the Annual General Meeting is Wednesday 18 February, 2015 at 7.00pm and **not** 18 February **2014** as appears on the notice.

Please accept our apologies as this error was not discovered until after printing had been completed.

EDGEWATER SERVICE LIMITED  
12 MARINE PARADE, ST KILDA  
NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2014 Annual General Meeting of members of the Company will be held at:

THE ST KILDA SOLDIERS' AND SAILORS' MEMORIAL HALL BUILDING  
1<sup>ST</sup>. FLOOR  
88-90A ACLAND STREET, ST KILDA  
ON  
WEDNESDAY 18 FEBRUARY, 2014 AT 7:00 PM

## AGENDA

1. To elect a Chairman for the Meeting.
2. To confirm the minutes of the previous Annual General Meeting.
3. Chairman's Report.
4. To elect Directors.

Nominations for Directors **must** be lodged with Ms. Anne McVean at the registered office no later than 72 hours before the Annual General Meeting.

There are 4 open Board positions. The following directors are retiring, and being eligible, offer themselves for re-election:

- Mr Ty Brierley
- Mr Mark Brickles
- Mr Russell Jessop
- Mr John van der Laan

5. To receive the accounts and the budget.
6. To appoint an auditor
7. Any other business.

Proposals for any other business **must** be lodged with Ms. Anne McVean at the registered office no later than 72 hours before the Annual General Meeting.

# *Edgewater Service Ltd*

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Pursuant to section 249N of the Corporations Act 2001, Notice of Proposed Motion can only be given by one or more shareholders representing at least 5% of the votes.

Accordingly, any owner wishing to propose a motion for consideration at the Annual General Meeting, **must** lodge it with Ms. Anne McVean at the registered office no later than 72 hours before the Annual General Meeting together with at least 6 valid signatures.

## **EDGEWATER SERVICE LIMITED**



**ANNE McVEAN**  
Secretary

Suite 42  
738 Burke Road  
Camberwell VIC 3124  
9836 9210

**PROXIES** : Every shareholder entitled to vote at the Annual General Meeting is entitled to appoint a proxy or attorney to attend in his or her stead. Proxies and powers of attorney must be lodged with Ms. Anne McVean at the registered office no later than 48 hours before the Annual General Meeting or they will not be recognised. You may, if you wish, appoint "The Chairman" as your proxy.

# Edgewater Service Ltd

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## PROXY FORM

I/We .....

of .....

being a member of **EDGEWATER SERVICE LIMITED**  
at **12 MARINE PARADE, ST KILDA**  
and Registered Proprietor/s of UNIT NUMBER .....

HEREBY APPOINT  
(please tick appropriate box)

- The Secretary (Ms A. McVean)  
 The Chairman  
 A person attending the meeting (insert name of proxy) .....

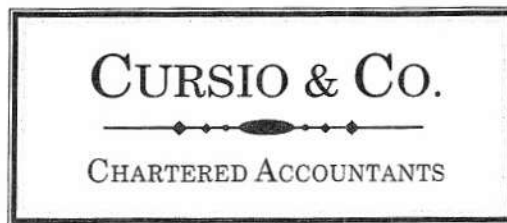
as proxy to vote and act for me and on my behalf at the Annual General Meeting of the Company (or at any adjournment thereof)

which is to be held on **WEDNESDAY 18 FEBRUARY, 2014 AT 7:00 PM**

at **THE ST KILDA SOLDIERS' AND SAILORS' MEMORIAL HALL BUILDING, 1ST. FLOOR,**  
**88-90A ACLAND STREET, ST KILDA**

**DATED** this            day of            , 2015

**SIGNATURE** : .....



**EDGEWATER SERVICE LTD**  
ABN 22 004 514 596

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
EDGEWATER SERVICE LTD

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I have audited the attached Detailed Statement of Financial Performance for the year ended 30<sup>th</sup> June 2014 and audited the reconciliation of total expenses \$556,157 to the amount detailed payments to suppliers and employees \$535,563 as disclosed in the Statement of Cash Flows for the year ended 30<sup>th</sup> June 2014.

This amount of \$535,563 is the equivalent of \$5,302 for each of the 101 apartments.

**CURSIO & CO**  
Chartered Accountants

**Date:** 21 December 2014

26 Young Street  
**MOONEE PONDS VIC 3039**



**PETER CURSIO**  
Principal

*Liability limited by a scheme approved under Professional Standards Legislation*

26 Young Street  
Moonee Ponds Vic 3039  
Correspondence: PO Box 142  
Ascot Vale Vic 3032



Peter Cursio Pty. Ltd.  
A.B.N. 62 006 593 497  
Telephone: (03) 9370 9860  
Facsimile: (03) 9370 7431

**EDGEWATER SERVICE LTD**  
**ABN 66 004 514 596**  
**Detailed Statement of Financial Performance**  
**For the Year ended 30 June 2014**

	2014	2013
	\$	\$
<b>Income</b>		
Contributions & Levies Received	367,364	345,454
Interest Received	3,099	13,091
Interest Receivable - Owners	5,612	8,010
Other Revenue	7,075	2,805
	383,150	369,360
<b>Expenditure</b>		
Accountancy & Audit Fees	6,315	6,155
Bank Charges	8	-
Cleaning	12,064	4,000
Communication Costs	6,931	-
Committee Expenses	2,060	-
Depreciation	14,220	16,897
Filing Fees	1,113	2,447
Fire Protection Services	19,580	6,778
Gardening	1,315	1,110
Insurance	43,662	52,322
Interest Paid	-	26,794
Legal Costs	1,525	8,050
Lift Maintenance	36,377	33,043
Light & Power	20,888	19,352
Management Fees	36,419	39,839
Meeting Costs	-	1,710
Parking Expenses	794	-
Pest & Sanitation	340	1,890
Printing & Stationery	-	3,719
Professional Fees	9,522	-
Property Maintenance	334,304	554,811
Rates & Taxes	113	56
Report Costs and Engineers	-	4,564
Security Costs	-	1,310
Sundry Expenses	6,373	-
Telephone	1,986	2,134
Waste Disposal	248	-
	556,157	786,981
<b>Loss before Income Tax</b>	(173,007)	(417,621)
Income Tax Expense	1,017	3,841
<b>Loss after Income Tax</b>	(174,024)	(421,462)

*The accompanying notes form part of these financial statements.  
These financial statements have not been subject to audit or review and should be read in conjunction with the attached Compilation Report.*

**EDGEWATER SERVICE LTD**  
**ACN 004 514 596**

**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2014**

**EDGEWATER SERVICE LTD**  
**ACN 004 514 596**

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**EDGEWATER SERVICE LTD  
ACN 004 514 596**

**DIRECTORS' REPORT**

Your directors presents their report of the company for the financial year ended 1 July 2013 to 30 June 2014

**Directors**

The name of the directors in office at any time during, or since the end of the year are:

John Van Der Laan  
Sym Kohn  
Russell Jessop  
Mark Brickles  
Shane Douglas Jenkins

The directors have been in office since the start of the financial year to the end date of this report unless otherwise stated.

**Review of Operations**

The profit (loss) of the company for the financial year after providing for income tax amounted to (\$173,094)

**Principal Activities**

The principal activities of the company are as follows:

Ownership and management of 12 Marine Parade, St Kilda.

**Significant Changes in the State of Affairs**

There were no significant changes in the nature of the prinipal activities during the financial year.

**Events Subsequent to the End of the Reporting Period**

No matters or circumstances have arisen since the end of the reporting period which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in the future financial years.

**Likely Developments and Expected Results of Operations**

Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

**Environmental Regulation**

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or a state or territory.

**Dividends**

Dividends paid or recommended are as follows:

The directors did not declare any dividends.

**EDGEWATER SERVICE LTD**  
**ACN 004 514 596**

**DIRECTORS' REPORT**

**Options**

No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

**Indemnification of Officers**

No indemnities have been granted or insurance premiums paid, during or since the end of the financial year, for any persons who is or has been an officer or auditor of the company

**Proceedings on Behalf of the Company**

No persons have applied for leave of court to bring proceedings on behalf of the company or 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 any part of those proceedings.


The company was not a part to any of those proceedings during the year.

**Auditor's independence declaration**

A copy of the auditor's independence declaration as required under the section 307C of the Corporations Act 2001 is attached.

The directors report is signed in accordance with the resolution of the Director made pursuant to s.298(2) of the Corporations Act 2001.

Director:

  
\_\_\_\_\_  
Sym Kohn

Dated:

21 DEC 14

Director:

  
\_\_\_\_\_  
John Van Der Laan

Dated:

21 DEC 14

**EDGEWATER SERVICE LTD**  
**ACN 004 514 596**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014**

	Note	2014 \$	2013 \$
Revenue	2	383,150	369,361
Management Expenses		(36,419)	(39,839)
Depreciation & Amortisation		(14,220)	(16,897)
Professional Expenses		(17,362)	(14,205)
Property Maintenance Expenses		(447,890)	(659,827)
Technology Expenses		-	-
Travelling Expenses		-	-
Other Expenses		(40,266)	(29,418)
		<u>(556,157)</u>	<u>(760,187)</u>
Finance Costs		-	(26,794)
Profit before income tax	3	(173,007)	(417,621)
Income tax expense		<u>(1,017)</u>	<u>(3,841)</u>
Profit / (Loss) for the period		(174,024)	(421,461)
Total comprehensive income for the period		<u><u>(174,024)</u></u>	<u><u>(421,461)</u></u>
Total comprehensive income attributable to members of the entity		(174,024)	(421,461)

The accompanying notes form part of these financial statements

**EDGEWATER SERVICE LTD**  
**ACN 004 514 596**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2014**

	Note	2014 \$	2013 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	203,190	379,530
Trade and other receivables	5	40,572	10,847
Other current assets	6	-	7,528
<b>TOTAL CURRENT ASSETS</b>		<u>243,762</u>	<u>397,905</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	105,593	119,813
<b>TOTAL ASSETS</b>		<u>349,355</u>	<u>517,718</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	8	6,619	1,067
Current tax liabilities	9	114	5
<b>TOTAL CURRENT LIABILITIES</b>		<u>6,733</u>	<u>1,072</u>
<b>TOTAL LIABILITIES</b>		<u>6,733</u>	<u>1,072</u>
<b>NET ASSETS (LIABILITIES)</b>		<u>342,622</u>	<u>516,646</u>
<b>EQUITY</b>			
Share capital	10	2,210	2,210
General Reserve	11	40,000	40,000
Retained earnings (accumulated losses)	12	300,412	474,436
		<u>342,622</u>	<u>516,646</u>

The accompanying notes form part of these financial statements

**EDGEWATER SERVICE LTD**  
ACN 004 514 596

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014**

	Note	2014 \$	2013 \$
<b>Opening Balance</b>		474,436	895,897
<b>Retained Earnings</b>			
Profit attributable to shareholders		(174,024)	(421,461)
Dividends Provided for / Paid		-	-
		<u>(174,024)</u>	<u>(421,461)</u>
<b>Closing Balance</b>		<u>300,412</u>	<u>474,436</u>
<b>Reconciliation of Retained Earnings</b>			
Opening balance		474,436	895,897
Profit attributable to shareholders		(174,023)	(421,461)
Dividends Provided for / Paid		-	-
Closing balance		<u>300,413</u>	<u>474,436</u>
<b>Reconciliation of General Reserve</b>			
Opening balance		40,000	40,000
Increase / (decrease) in general reserve		-	-
Closing balance		<u>40,000</u>	<u>40,000</u>
<b>Reconciliation of Issued Capital</b>			
Opening balance		2,210	2,210
Issued shares		-	-
Closing balance		<u>2,210</u>	<u>2,210</u>
<b>Total Equity</b>		<u>342,623</u>	<u>516,646</u>

The accompanying notes form part of these financial statements

**EDGEWATER SERVICE LTD**  
**ACN 004 514 596**

**STATEMENT OF CASHFLOWS**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014**

	Note	2014 \$	2013 \$
<b>Cash Flow From Operating Activities</b>			
Receipts from current receivables		341,368	427,073
Recoveries Insurance		3,500	
Interest received		4,981	23,907
Other receipts		3,576	-
Bike room bond deposits received		1,500	-
Payments to suppliers		(535,563)	(775,387)
GST		5,119	-
Income taxes paid		(821)	-
<b>Net cash provided by (used in) operating activities</b>	<b>13</b>	<u>(176,340)</u>	<u>(324,407)</u>
<b>Cash Flow from Investing Activities</b>			
Proceeds from sale (purchase) of Investments		-	-
Sale (purchase) of Property, Plant & Equipment		-	-
<b>Net cash provided by (used in) investing activities</b>		<u>-</u>	<u>-</u>
<b>Cash Flow from Financing Activities</b>			
Proceeds from and repayments of long term borrowings		-	-
Advance / Repayment of unsecured loan		-	-
Dividend Paid		-	-
<b>Net cash provided by (used in) financing activities</b>		<u>-</u>	<u>-</u>
<b>Net increase (decrease) in cash held</b>		<u>(176,340)</u>	<u>(324,407)</u>
<b>Cash at beginning of the year</b>		<u>379,530</u>	<u>703,937</u>
<b>Cash at end of the year</b>		<u><u>203,190</u></u>	<u><u>379,530</u></u>

The accompanying notes form part of these financial statements

**EDGEWATER SERVICE LTD**  
**ACN 004 514 596**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014**

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**1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements cover Edgewater Service Ltd as an individual entity. Edgewater Service Ltd is a company limited by shares, incorporated and domiciled in Australia.

**Basis of Preparation**

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

**Accounting Policies**

**Going Concern**

The financial report of the company has been prepared on the basis that the company is a going concern and continues to trade. The directors believe that the company will achieve profitable operations in the future given the financial support and guarantee of the company and its directors.

**Property, Plant and Equipment**

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

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity, all other decreases are charged to the income statement.

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment.

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

The cost of fixed assets constructed with the company includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

**EDGEWATER SERVICE LTD  
ACN 004 514 596**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014**

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**Depreciation**

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line or reducing balance basis over the asset's life.

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

An assets' 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 proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

**Provisions**

Provisions are recognised when the company has a legal or constructive obligation, as 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 recognised represent the best estimate 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 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.

**Revenue and Other Income**

Revenue received is made up of levy contributions by owners which is then managed by the body corporate managers BBC Strata Management Pty Ltd.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Interest revenue also consists of interest calculated on late payment of levies by the owners.

**Trade and Other Payable**

Trade and other payables represent the liabilities for goods and services received by the company that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of liability.

**Contingencies**

There are no contingent liabilities or contingent assets at 30 June 2014 and 30 June 2013.



**EDGEWATER SERVICE LTD**  
**ACN 004 514 596**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014**

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**Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of goods and services tax, except:

- i) where the amount of GST incurred is not recoverable from the Australian Tax Office. It is recognised as part of the cost of acquisition of an asset or as part of an item of the expense.
- ii) receivables and payables are shown inclusive of GST.

Cashflows presented in the cash flow statement are on a net basis.

**Expenses**

All expenses are recognised in the income statement on an accrual basis.

**Related Party Transactions**

All transactions with related parties are concluded on normal commercial terms and conditions.

**Income Tax**

The income tax expense is based on the profit from ordinary activities adjusted for any permanent and timing differences.

Timing differences which arise due to the different accounting periods in which items or revenue and expenses are included in the determination of accounting profit and income tax, are not brought to account as either a deferred tax asset or liability.

**EDGEWATER SERVICE LTD**  
**ACN 004 514 596**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014**

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
<b>2 Revenue and Other Income</b>		
<b>Revenue</b>		
Contributions & Levies Received	367,364	345,454
Interest Received - Bank	3,099	13,091
Interest Received - Owners	5,612	8,010
Reimbursed Expenses	2,000	-
Recoveries - Insurance	3,500	-
Other Income	1,575	2,805
	<u>                    </u>	<u>                    </u>
	<u>383,150</u>	<u>369,360</u>
<b>3 Profit for the year</b>		
Profit before income tax from continuing operations includes the following specific expenses:		
<b>Expenses</b>		
Depreciation of property, plant and equipment	36,419	39,839
<b>4 Cash and Cash Equivalents</b>		
Cash at Bank - Trading Account	-	58,853
Cash at Bank - Interest Bearing Account	-	320,677
Cash at Bank - Macquarie 18058	203,190	-
	<u>                    </u>	<u>                    </u>
	<u>203,190</u>	<u>379,530</u>
<b>5 Trade and Other Receivables</b>		
Levies / Contributions Receivable	<u>40,572</u>	<u>10,847</u>
<b>6 Other Current Assets</b>		
Prepayments	<u>                    </u>	<u>7,528</u>
<b>7 Property, Plant and Equipment</b>		
Freehold Land	<u>2,200</u>	<u>2,200</u>
Building Improvements	<u>52,312</u>	<u>52,312</u>
Furniture & Fittings	227,313	227,313
Less Accumulated Depreciation	<u>(176,232)</u>	<u>(162,012)</u>
	<u>51,081</u>	<u>65,301</u>

**EDGEWATER SERVICE LTD**  
**ACN 004 514 596**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014**

		2014 \$	2013 \$
<b>8</b>	<b>Trade and Other Payables</b>		
	Bike Room Bond	1,500	-
	Sundry Creditors	-	1,067
	GST Payable	5,119	-
		6,619	1,067
		6,619	1,067
<b>9</b>	<b>Current Tax Liabilities</b>		
	Provision for income tax	114	5
		114	5
<b>10</b>	<b>Issued Capital</b>		
	5 Ordinary Class A Shares @ \$2	10	10
	1100 Ordinary Shares @ \$2	2,200	2,200
		2,210	2,210
		2,210	2,210
<b>11</b>	<b>General Reserve</b>		
	General Reserve	40,000	40,000
		40,000	40,000
<b>12</b>	<b>Retained Earnings (Accumulated Losses)</b>		
	(Accumulated losses) Retained earnings at the beginning of the financial year	474,436	895,897
	Net Profit / (Loss) attributable to members of the company	(174,023)	(421,461)
	Income Tax	-	-
	Dividend Paid	-	-
		-	-
	Retained earnings at the end of the financial year	300,413	474,436

**EDGEWATER SERVICE LTD**  
**ACN 004 514 596**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014**

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
<b>13 Notes to the Statement of Cash Flows</b>		
<b>Reconciliation of Cash</b>		
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:		
Cash at Bank - Trading Account	-	58,853
Cash at Bank - Interest Bearing Account	-	320,677
Cash at Bank - Macquarie 18058	203,190	-
	<u>203,190</u>	<u>379,530</u>
 <b>Reconciliation of Net Cash provided by Operating Activities to profit from ordinary activities after income tax.</b>		
Operating profit (loss) after income tax	(174,024)	(421,461)
<b>Non-cash flow in profit from ordinary activities</b>		
Depreciation	14,220	16,897
Income Tax expense	-	3,841
<b>Changes in assets and liabilities</b>		
Increase (decrease) in trade & other creditors	5,552	159
Increase (decrease) in contributions in advance	(39,521)	7,583
Increase (decrease) in provision for income tax	109	(3,911)
Decrease (increase) in trade & other debtors	9,796	74,037
Decrease (increase) in prepayments	7,528	(1,552)
	<u>(176,340)</u>	<u>(324,407)</u>
<b>Cash flow from operations</b>	<b>(176,340)</b>	<b>(324,407)</b>

EDGEWATER SERVICE LTD  
ACN 004 514 596

DIRECTORS DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 1 to 14, are in accordance with the Corporations Act 2001 and:
  - (a) comply with Accounting Standards, and
  - (b) give a true and fair view of the financial position as at 30 June 2014 and of the performance for the year ended on that date of the company.
2. In the directors' 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.


Director:

  
\_\_\_\_\_  
Sym Kohn

Dated:

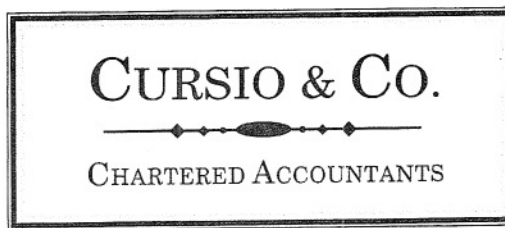
21 DEC 14

Director:

  
\_\_\_\_\_  
John Van Der Laan

Dated:

21 DEC 14



**EDGEWATER SERVICE LTD**  
ABN 22 004 514 596

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INDEPENDENT AUDIT REPORT TO THE MEMBERS OF  
EDGEWATER SERVICE LTD

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Scope

We have audited the accompanying financial report of Edgewater Service Ltd for the year period ended **30 June 2014**, which comprises of the Directors' Report, Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cashflows, Notes to the Financial Statements and Directors' Declaration for the year ended on that date.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

*Liability limited by a scheme approved under Professional Standards Legislation*



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

**Basis for Qualified Opinion**

On 11<sup>th</sup> June 2014 the directors' changed body corporate managers from Victoria Body Corporate Management Services Pty Ltd to BBC Strata Management Pty Ltd. Due to the change in body corporate managers VBCS were unwilling to provide the required supporting documentation or provide sufficient explanations to audit queries. As a result we were unable to obtain sufficient appropriate audit evidence surrounding revenue, revenue recognition, trade debtors and GST, limiting the scope of our audit.

**Independence**

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

**Qualified Audit Opinion**

- (a) In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial report presents fairly 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 2014 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

**CURSIO & CO**  
Chartered Accountants

**Date:** 21 December 2014

26 Young Street  
**MOONEE PONDS VIC 3039**



**PETER CURSIO**  
Principal



## Auditor's Independence Declaration

UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF  
**EDGEWATER SERVICE LTD**  
**A.B.N. 66 004 514 596**

I declare that, to the best of my knowledge and belief, during the year ended **30 June 2014** there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit/review, and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit/review.

Name of Firm: **Cursio & Co.**

Name of Principal: **Peter Cursio**

Date: 21/12/2014

Address: 26 Young Street, Moonee Ponds  
Victoria 3039

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EDGEWATER SERVICE Limited ACN 004 514 596

Written resolution of directors pursuant to section 248B of the Corporations Act 2001

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We are the directors of the company who are entitled to vote.

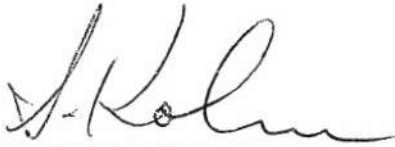
We are in favour of the following resolution and pass it unanimously:

Noted that:

1. The directors have reviewed and considered the audited general purpose financial report of Edgewater Service Ltd for the year ended 30 June 2014.


**Resolved** that the directors have agreed to sign off on the audited general purpose financial report for the year ended 30 June 2014 by signing the Directors' Report and Directors' Declaration.

Confirmed




Signature of Sym Kottari

Dated: 21 DEC 2014



Signature of John van der Laan

Dated: 21 DEC 2014



Signature of SWANE JENKINS

Dated: 21 DECEMBER 2014.



21 December 2014

Edgewater Service Ltd  
Attention: Sym Kohn  
PO Box 1383  
ST KILDA VIC 3182

Dear Sym,

**RE: 2014 AUDIT MANAGEMENT LETTER**

We now enclose our **qualified** audit report for the year ended **30 June 2014**.

The basis for the qualified audit report was due to Victoria Body Corporate Services Pty Ltd's (VBCS) lack of co-operation in providing the necessary supporting documentation or sufficient explanations to audit queries. This has resulted in limiting the scope of our audit as we were unable to obtain sufficient appropriate audit evidence surrounding revenue, revenue recognition, trade debtors and GST. Due to a lack of reconciliations provided by VBCS several account reconstructions and adjustments were required to be made to the profit and loss statement and balance sheet provided by VBCS to bring it to a point where we believe that the financial statements presents fairly the company's financial position and its performance.

Our audit relied heavily on analytical audit procedures instead of substantive testing due to the lack of information obtainable from VBCS. While using analytical procedures to analyze revenue and trade debtors we came across variances which were greater than our set materiality levels. This also contributed to us issuing a qualified audit report for 2014. However, this does not mean that the revenue amount on the financial statements is not presented fairly in accordance with the Corporations Act 2001.

We are of the opinion that moving forward with the BBC Strata Management Pty Ltd as the new body corporate managers, will enable us to complete future audits in a more efficient and effective manner.

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26 Young Street  
Moonee Ponds Vic 3039  
Correspondence: PO Box 142  
Ascot Vale Vic 3032



Peter Cursio Pty. Ltd.  
A.B.N. 62 006 593 497  
Telephone: (03) 9370 9860  
Facsimile: (03) 9370 7431

We thank you for you and your staff for their full co-operation in allowing us to perform our audit.

If you have any queries, please do not hesitate to contact our office.

Yours faithfully,

**CURSIO & CO**

A handwritten signature in black ink, appearing to read 'Peter Cursio', written over a horizontal line.

PETER CURSIO

Email: [pcursio@cursioco.com.au](mailto:pcursio@cursioco.com.au)



# Copy of financial statements and reports

If there is insufficient space in any section of the form, you may photocopy the relevant page(s) and submit as part of this lodgement

**Company/scheme details**

Company/scheme name

ACN/ARSN/PIN/ABN

**Lodgement details**

Who should ASIC contact if there is a query about this form?  
 ASIC registered agent number (if applicable)

Firm/organisation

Contact name/position description

Telephone number (during business hours)

Email address (optional)

Postal address

Suburb/City

State/Territory

Postcode

## 1 Reason for lodgement of statement and reports

- Tick appropriate box.
- A public company or a disclosing entity which is not a registered scheme or prescribed interest undertaking (A)
  - A Tier 2 public company limited by guarantee (L)
  - A registered scheme (B)
  - Amendment of financial statements or directors' report (company) (C)
  - Amendment of financial statements or directors' report (registered scheme) (D)
  - A large proprietary company that is not a disclosing entity (H)
  - A small proprietary company that is controlled by a foreign company for all or part of the period and where the company's profit or loss for the period is not covered by the statements lodged with ASIC by a registered foreign company, company, registered scheme, or disclosing entity (I)
  - A small proprietary company, or a small company limited by guarantee that is requested by ASIC to prepare and lodge statements and reports (J)
  - A prescribed interest undertaking that is a disclosing entity (K)

See Guide for definition of Tier 2 public company limited by guarantee

See Guide for definition of large proprietary company

See Guide for definition of small proprietary company

Dates on which financial year begins and ends

Financial year begins   /   /   to   /   /

[D] [D] [M] [M] [Y] [Y] [D] [D] [M] [M] [Y] [Y]

## 2 Details of large proprietary company

See Guide for definition of large and small proprietary companies.

If the company is a large proprietary company that is not a disclosing entity, please complete the following information as at the end of the financial year for which the financial statements relate:

A What is the consolidated revenue of the large proprietary company and the entities that it controls?

B What is the value of the consolidated gross assets of the large proprietary company and the entities that it controls?

C How many employees are employed by the large proprietary company and the entities that it controls?

D How many members does the large proprietary company have?

## 3 Auditor's or reviewer's report

Tick one box and complete relevant section(s)

Were the financial statements audited or reviewed?

Audited - complete B only

Reviewed - complete A and B

No

If no, is there a class or other order exemption current for audit/review relief?

Yes

No

### A. Reviewed

Is the reviewer a registered company auditor, or member of The Institute of Chartered Accountants in Australia, CPA Australia Limited, or Institute of Public Accountants and holds a practising certificate issued by one of those bodies?

Yes

No

### B. Audited or Reviewed

Is the opinion/conclusion in the report:

Modified? (The opinion/conclusion in the report is qualified, adverse or disclaimed)

Yes

No

Does the report contain an Emphasis of Matter and/or Other Matter paragraph?

Yes

No

## 4 Details of current auditor or auditors

**Notes:**

- Registered schemes must advise ASIC of the appointment of an auditor on a Form 5137 *Appointment of scheme auditor* within 14 days of the appointment of the auditor.
- A public company limited by guarantee may, in some circumstances, have their accounts reviewed. These companies are still required to have an auditor and these details must be provided.

Auditor registration number (for individual auditor or authorised audit company)

Family name

Given name

or

Company name

ACN/ABN

or

Firm name (if applicable)

Office, unit, level

Street number and Street name

Suburb/City

State/Territory

Postcode

Country (if not Australia)

Date of appointment











[D] [D] / [M] [M] / [Y] [Y]

A company may have two appointed auditors, provided that both auditors were appointed on the same date. Otherwise, an appointed auditor must resign, be removed or otherwise ceased before a subsequent appointment may be made.

Auditor registration number (for individual auditor or authorised audit company)

Family name

Given name

or

Company name

ACN/ABN

or

Firm name (if applicable)

Office, unit, level

Street number and Street name

Suburb/City

State/Territory

Postcode

Country (if not Australia)

## 5 Statements and reports to be attached to this form

Financial statements for the year (as required by s295(2) and accounting standards)

- Statement of comprehensive income, may also include a separate income statement for the year
- Statement of financial position as at the end of the year
- Statement of cash flows for the year
- Statement of changes in equity.

OR

If required by accounting standards — the consolidated statements of comprehensive income/income statement, financial position, cash flows and changes in equity.

Notes to financial statements (see s295(3))

- Disclosures required by the regulations
- Notes required by the accounting standards
- Any other information necessary to give a true and fair view (see s297).

The signed directors' declaration about the statements and notes (see s295(4)).

The signed directors' report for the year, including the copy of the auditor's or reviewer's independence declaration (see s298 to s300A).

Signed auditor's report or, where applicable, reviewer's report (see s301, s307 to s308).

Concise report (if any) (see s319).

### Signature

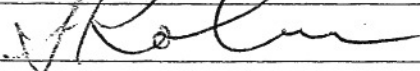
See Guide for details of signatory.

I certify that the attached documents marked ( ) are a true copy of the original reports required to be lodged under s319 of the *Corporations Act 2001*.

Name

SYM KOHN

Signature



Capacity

Director

Company secretary

Date signed

21 / 12 / 14

[D] [D] [M] [M] [Y] [Y]

### Lodgement

Send completed and signed forms to:  
Australian Securities and Investments Commission,  
PO Box 4000, Gippsland Mail Centre VIC 3841.

For more information

Web [www.asic.gov.au](http://www.asic.gov.au)

Need help? [www.asic.gov.au/question](http://www.asic.gov.au/question)

Telephone 1300 300 630

Or lodge the form electronically by:

- visiting the ASIC website [www.asic.gov.au](http://www.asic.gov.au)
- using Standard Business Reporting enabled software. See [www.sbr.gov.au](http://www.sbr.gov.au) for more details.

Budget 14/15

Edgewater Service Ltd.

Estimated COL Increase

5.0%

5.0%

5.0%

5.0%

	Actual 13/14	Budget 13/14	Budget 14/15	Budget 15/16	Budget 16/17
Admin - Audit	\$ 6,315	\$ 2,190	\$ 5,000	\$ 5,250	\$ 5,510
Admin - Bank Charges	\$ 8	\$ 110	\$ 10	\$ 10	\$ 10
Admin - Exec C'tee Expenses	\$ 2,060	\$ 1,910	\$ 2,160	\$ 2,270	\$ 2,380
Admin - Postage	\$ 6,931	\$ 5,470	\$ 7,280	\$ 7,640	\$ 8,020
Admin - Legal	\$ 2,638	\$ 12,000	\$ 15,000	\$ 15,750	\$ 16,540
Admin - Mgt Fees - Standard	\$ 36,419	\$ 35,360	\$ 38,240	\$ 39,390	\$ 40,570
Admin - Consultants	\$ 9,522	\$ 23,440	\$ 10,000	\$ 10,500	\$ 11,030
Insurance	\$ 43,662	\$ 65,830	\$ 68,460	\$ 71,200	\$ 74,050
Maint Bldg - Caretaking	\$ 58,168	\$ 65,000	\$ 61,080	\$ 64,130	\$ 67,340
Maint Bldg - Cleaning - Windows/Glass	\$ 12,064	\$ 4,620	\$ 12,670	\$ 13,300	\$ 13,970
Maint Bldg - Electrical	\$ 14,717	\$ 8,594	\$ 15,450	\$ 16,070	\$ 16,710
Maint Bldg - Fire Protection	\$ 19,580	\$ 15,779	\$ 20,560	\$ 21,590	\$ 22,670
Maint Bldg - Fire Protection - Contract		\$ 1,390	\$ -	\$ -	\$ -
Maint Bldg - General Repairs	\$ 11,015	\$ 3,135	\$ 11,570	\$ 12,150	\$ 12,760
Maint Bldg - Glass	\$ 9,580	\$ 600	\$ 10,060	\$ 10,560	\$ 11,090
Maint Bldg - Intercom	\$ 5,526	\$ 1,247	\$ 5,800	\$ 6,090	\$ 6,390
Maint Bldg - Lift - Service Contract	\$ 36,377	\$ 38,160	\$ 40,070	\$ 42,070	\$ 44,170
Maint Bldg - Lift Repair	\$ 2,057	\$ 5,183	\$ 2,160	\$ 2,270	\$ 2,380
Maint Bldg - Phone Line	\$ 1,986	\$ 2,470	\$ 2,090	\$ 2,190	\$ 2,300
Maint Bldg - Light Fittings		\$ 887	\$ -	\$ -	\$ -
Maint Bldg - Locks, Keys, and Cards	\$ 1,198	\$ 4,634	\$ 7,500	\$ 7,880	\$ 8,270
Maint Bldg - Misc	\$ 7,528	\$ 2,408	\$ 7,900	\$ 8,300	\$ 8,720
Maint Bldg - Pest Control	\$ 340	\$ 2,180	\$ 2,290	\$ 2,400	\$ 2,520
Maint Bldg - Plumbing & Drainage	\$ 18,109	\$ 7,000	\$ 19,010	\$ 19,770	\$ 20,560
Maint Bldg - Roof Membrane		\$ 15,000	\$ 90,000	\$ 60,000	\$ -
Maint Bldg - Security Doors & Gates	\$ 8,882	\$ 11,554	\$ 9,330	\$ 9,800	\$ 10,290
Maint Bldg - TV Antenna	\$ 1,152	\$ 1,349	\$ 1,210	\$ 1,270	\$ 1,330
Maint Bldg - Gardening	\$ 1,315	\$ 1,280	\$ 1,380	\$ 1,450	\$ 1,520
Utilities - Elec & Lighting	\$ 20,888	\$ 23,420	\$ 21,930	\$ 23,680	\$ 25,570
Utilities - Water & Sewage	\$ 125	\$ 60	\$ 130	\$ 140	\$ 150
Lobby & Corridor Beautification		\$ -	\$ -	\$ -	\$ 25,000
Window Frames	\$ 33,678	\$ -			
Airlock Works	\$ 68,047	\$ 98,000	\$ 20,000	\$ -	\$ -
Bike Room		\$ 3,600	\$ -	\$ -	\$ -
Concrete Remediation			\$ 10,000		
Paint Corridors & Carpet Replacement	\$ 53,157	\$ 84,000	\$ -	\$ -	\$ -
Eco Lighting	\$ 56,573	\$ 52,000	\$ -	\$ -	\$ -
Lobby Mailbox repair	\$ 6,540	\$ 7,000	\$ -	\$ -	\$ -
Roof - Balustrade			\$ 40,000	\$ -	\$ -
Roof Enabling Works			\$ 40,000	\$ -	\$ -
Roof - Decking Screening and Security		\$ -	\$ -	\$ 90,000	\$ 60,000
<b>Total Expenditure</b>	<b>\$ 556,157</b>	<b>\$ 606,861</b>	<b>\$ 598,340</b>	<b>\$ 567,120</b>	<b>\$ 521,820</b>
<b>Less - Carry Over Projects</b>					
Roof - Balustrade			\$ 40,000	\$ -	\$ -
			<b>\$ 40,000</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Planned Current Expenditure</b>			<b>\$ 558,340</b>	<b>\$ 567,120</b>	<b>\$ 521,820</b>
<b>Actual Quarterly Service Fees</b>		<b>\$ 1,050</b>	<b>\$ 1,382</b>	<b>\$ 1,404</b>	<b>\$ 1,292</b>
<b>Proposed Quarterly Service Fees</b>			<b>\$ 1,300</b>	<b>\$ 1,350</b>	<b>\$ 1,200</b>