

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

NOTICE IS HEREBY GIVEN that the **2017** Annual General Meeting of members of the Company will be held at:

THE ST KILDA SOLDIERS' AND SAILORS' MEMORIAL HALL BUILDING

1ST. FLOOR

88-90A ACLAND STREET, ST KILDA

ON

WEDNESDAY 29 NOVEMBER, 2017 AT 7:30 PM

AGENDA

1. To elect a Chairman for the Meeting.
2. To confirm the minutes of the previous Annual General Meeting.
3. 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 3 open Board positions. The following directors are retiring, and being eligible, offers themselves for re-election:

- Mr Russell Jessop
- Mr John Laan
- Mr Don Shaw

4. MD's Report
5. Chair's Report
6. To receive the accounts and the budget.
7. To appoint an auditor

Edgewater Service Ltd

8. 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.

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
ABN 22 004 514 596

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

I have audited the attached Detailed Statement of Financial Performance for the year ended 30th June 2017 and audited the reconciliation of total expenses \$441,436, to the amount detailed payments to suppliers \$445,417 as disclosed in the Statement of Cash Flows for the year ended 30th June 2017.

This amount of \$441,436 is the equivalent of \$4,370.65 for each of the 101 apartments.

CURSIO & CO
Chartered Accountants

Date: 21 September 2017

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 2017

	2017	2016
	\$	\$
Income		
Contributions & Levies Received	479,289	488,472
Laundry Receipts	3,307	1,257
Interest Received		
- Other Corporations	80	618
Interest Receivable - Owners	2,759	4,684
Recoveries		
- FOBS	1,698	1,666
- Owner	831	3,849
- Tenants	258	-
- Legal Fees	-	7,997
Other Revenue		
- Proceeds from Insurance Policies	6,641	6,305
- Other Income - Admin	334	(1,800)
	495,197	513,048
Expenditure		
Accountancy & Audit Fees	9,727	11,418
Bank Charges	74	2
Consultancy Fees	4,000	8,698
Ex-Gratia Payments	-	198
Filing Fees	1,492	1,236
GST Adjustment Expense	95	595
Insurance	38,149	36,556
Legal Costs	3,362	13,525
Electricity / Public Lighting	17,272	17,580
Management Fees	31,302	35,000
Meeting Costs	706	813
Postage	836	1,270
Prior Periods Adjustment Expense	-	93,279
Property Maintenance		
- Caretaking	59,366	48,365
- Computer & Internet	-	2,101
- Electrical	5,895	7,050
- Fire Protection	15,003	13,655
- Fire Protection - MFB Call Out	-	3,186
- General Repairs	7,584	14,503
- Intercom	1,845	26,281
- Lift	41,427	43,591
- Light Fittings	269	54
- Locks, Keys & Card Keys	2,722	6,573
- Miscellaneous	2,367	3,066
- Plumbing & Drainage	10,763	10,774
- Security Doors & Gates	7,234	3,560
- Security Surveillance Equipment	26,463	1,140
- TV Antenna & Cables	216	444
- Windows / Doors	15,311	1,250

EDGEWATER SERVICE LTD
ABN 66 004 514 596
Profit and Loss Statement
For the Year ended 30 June 2017

	2017	2016
	\$	\$
- Gates	-	5,925
- Lawns & Gardening	7,840	2,220
- Concrete Remediation	-	22,735
- Roof Enabling Works	5,673	39,967
- Roof Membrane (Waterproofing)	26,338	71,588
- Smoke Alarm Replacement	17,309	528
- Cleaning - Windows / Glass	10,200	-
- Insurance Repairs	6,324	-
- Pest / Vermin Control	1,112	-
- Mechanical Plant Relocation	34,809	-
- Video Intercom Replacement	24,286	-
Water & Sewerage	123	122
Strata Conversion Expenses	-	3,200
Sundry Expenses	1,020	1,686
Telephone & Internet	2,922	1,317
	<u>441,436</u>	<u>555,051</u>
Profit before Income Tax	<u>53,761</u>	<u>(42,003)</u>
Income Tax Expense	(24)	(176)
Profit after Income Tax	<u><u>53,737</u></u>	<u><u>(42,179)</u></u>

EDGEWATER SERVICE LTD
ACN 004 514 596

FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2017

**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 2016 to 30 June 2017.

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 Lee Jessop
Mark Brickles
Shane Douglas Jenkins (resigned 4 July 2017)
Ty Justyn Brierley
Matthew Benjamin Edwards (resigned 31 August 2017)
Donald Cameron Shaw (appointed 4 October 2017)

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 \$53,738.

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.

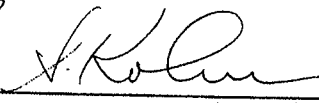
Auditor's Independence declaration

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: John van der Laan 

Dated: 18 SEP 17

Director: 

Dated: 18 SEP 17

SYM KOHN

EDGEWATER SERVICE LTD
ACN 004 514 596

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
Revenue	2	495,197	513,048
Management Expenses		(31,302)	(35,000)
Depreciation & Amortisation		-	-
Professional Expenses		(17,089)	(33,641)
Property Maintenance Expenses		(330,356)	(365,113)
Other Expenses		(62,689)	(121,297)
		(441,436)	(401,613)
Profit before income tax	3	53,761	(42,003)
Income tax expense		(24)	(176)
Profit / (Loss) for the period		53,737	(42,179)
Total comprehensive income for the period		53,737	(42,179)
Total comprehensive income attributable to members of the entity		53,737	(42,179)

The accompanying notes form part of these financial statements

EDGEWATER SERVICE LTD
ACN 004 514 596

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

	Note	2017 \$	2016 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	472,217	395,082
Trade and other receivables	5	<u>8,825</u>	<u>28,355</u>
TOTAL CURRENT ASSETS		<u>481,042</u>	<u>423,437</u>
TOTAL ASSETS		<u><u>481,042</u></u>	<u><u>423,437</u></u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	78,404	74,431
Current tax liabilities	7	<u>24</u>	<u>129</u>
TOTAL CURRENT LIABILITIES		<u>78,428</u>	<u>74,560</u>
TOTAL LIABILITIES		<u>78,428</u>	<u>74,560</u>
NET ASSETS (LIABILITIES)		<u><u>402,613</u></u>	<u><u>348,877</u></u>
EQUITY			
Share capital	8	2,210	2,210
Sinking Fund	9	40,000	40,000
Retained earnings (accumulated losses)	10	<u>360,404</u>	<u>306,667</u>
		<u><u>402,614</u></u>	<u><u>348,877</u></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 2017

	Note	2017 \$	2016 \$
Opening Balance		306,667	348,846
Retained Earnings			
Profit attributable to shareholders		53,737	(42,179)
Dividends Provided for / Paid		-	-
		<u>53,737</u>	<u>(42,179)</u>
Closing Balance		<u>360,404</u>	<u>306,667</u>
Reconciliation of Retained Earnings			
Opening balance		306,667	348,846
Profit attributable to shareholders		53,737	(42,179)
Dividends Provided for / Paid		-	-
		<u>360,404</u>	<u>306,667</u>
Reconciliation of Sinking Fund			
Opening balance		40,000	40,000
Increase / (decrease) in sinking fund		-	-
		<u>40,000</u>	<u>40,000</u>
Reconciliation of Issued Capital			
Opening balance		2,210	2,210
Issued shares		-	-
		<u>2,210</u>	<u>2,210</u>
Total Equity		<u>402,614</u>	<u>348,877</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 2017

	Note	2017 \$	2016 \$
Cash Flow From Operating Activities			
Receipts from current receivables		504,601	535,725
Laundry Receipts		3,307	1,257
Proceeds from Insurance		6,641	6,305
Recoveries		5,546	13,512
Interest received		80	618
Other receipts		334	-
Bike room bond deposits received		550	100
Payments to suppliers		(445,417)	(457,196)
GST		(3,496)	(6,684)
Income taxes paid		(129)	(406)
Other Adjustments		5,117	9,153
Net cash provided by (used in) operating activities	11	77,134	102,384
Cash Flow from Investing Activities			
Proceeds from sale (purchase) of Investments		-	-
Sale (purchase) of Property, Plant & Equipment		-	-
Net cash provided by (used in) investing activities		-	-
Cash Flow from Financing Activities			
Proceeds from and repayments of long term borrowings		-	-
Advance / Repayment of unsecured loan		-	-
Dividend Paid		-	-
Net cash provided by (used in) financing activities		-	-
Net increase (decrease) in cash held		77,134	102,384
Cash at beginning of the year		395,083	292,699
Cash at end of the year		472,217	395,083

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 2017

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.

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.

**EDGEWATER SERVICE LTD
ACN 004 514 596**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017**

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 2017 and 30 June 2016.

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 net of GST.

Expenses

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

Income Tax

Based on the mutuality of an Owner's Corporation, tax is only assessed on the interest derived from the bank account of the entity.

Due to Government changes, the company tax rate for 2017 financial year for the company is 30%.

EDGEWATER SERVICE LTD
ACN 004 514 596

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
2 Revenue and Other Income		
Revenue		
Contributions & Levies Received	479,289	488,472
Interest Received - Bank	80	618
Interest Received - Owners	2,759	4,684
Laundry Receipts	3,307	1,257
Recoveries	9,763	13,512
Other Income	-	4,505
	<u>495,197</u>	<u>513,048</u>
3 Profit for the year		
Profit before income tax from continuing operations includes the following specific expenses:		
Expenses		
Management fees	31,302	35,000
4 Cash and Cash Equivalents		
Cash at Bank - Macquarie 18058	326,497	289,993
Cash at Bank - Macquarie 07365	3,158	2,608
Cash at Bank - Macquarie 89960	102,561	102,481
Cash at Bank - Macquarie 34919	40,000	-
	<u>472,217</u>	<u>395,082</u>
5 Trade and Other Receivables		
Levies / Contributions Receivable	<u>8,826</u>	<u>28,355</u>

EDGEWATER SERVICE LTD
ACN 004 514 596

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
7 Trade and Other Payables		
Bike Room Bond	2,350	1,800
Trade Creditors	-	3,981
Levies Paid In Advance	74,233	68,451
GST Payable	1,821	200
	<u>78,404</u>	<u>74,431</u>
8 Current Tax Liabilities		
Provision for income tax	<u>24</u>	<u>129</u>
9 Issued Capital		
5 Ordinary Class A Shares @ \$2	10	10
1100 Ordinary Shares @ \$2	2,200	2,200
	<u>2,210</u>	<u>2,210</u>
10 Sinking Fund		
Sinking Fund	<u>40,000</u>	<u>40,000</u>
11 Retained Earnings (Accumulated Losses)		
(Accumulated losses) Retained earnings at the beginning of the financial year	306,667	348,846
Net Profit / (Loss) attributable to members of the company	53,761	(42,003)
Income Tax	(24)	(176)
Dividend Paid	-	-
Retained earnings at the end of the financial year	<u>360,405</u>	<u>306,667</u>

EDGEWATER SERVICE LTD
ACN 004 514 596

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
12 Notes to the Statement of Cash Flows		
Reconciliation of Cash		
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 - Macquarie 18058	326,497	289,993
Cash at Bank - Macquarie 07365	3,158	2,608
Cash at Bank - Macquarie 89960	102,561	102,481
Cash at Bank - Macquarie 34919	40,000	-
	<u>472,217</u>	<u>395,082</u>
	<u>472,217</u>	<u>395,082</u>
Reconciliation of Net Cash provided by Operating Activities to profit from ordinary activities after income tax.		
Operating profit (loss) after income tax	53,737	(42,179)
Non-cash flow in profit from ordinary activities		
Depreciation	-	-
Prior periods adjustment expense	-	93,279
Income Tax expense	24	-
Other	(235)	-
Changes in assets and liabilities		
Increase (decrease) in trade & other creditors	(1,810)	4,260
Increase (decrease) in provision for income tax	105	(230)
Decrease (increase) in trade & other debtors	25,312	47,253
Decrease (increase) in prepayments	-	-
	<u>77,133</u>	<u>102,383</u>
Cash flow from operations	<u>77,133</u>	<u>102,383</u>

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 13, 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 2017 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: John van der Laan



Dated:

18 SEP 17

Director: Sym Kohn



SYM KOHN

Dated:

18 SEP 17



EDGEWATER SERVICE LTD
ABN 22 004 514 596

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
EDGEWATER SERVICE LTD

Auditor's Opinion

We have audited the financial report of *Edgewater Service Ltd* (the Company), which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of *Edgewater Service Ltd* is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2017 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards to the extent described in note 1, and the *Corporations Regulations 2001*; and

Basis of Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* 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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary

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to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

CURSIO & CO
Chartered Accountants

Date: 21 September 2017

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 2017** 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: 21/09/2017

Address: 26 Young Street, Moonee Ponds
Victoria 3039

Liability limited by a scheme approved under Professional Standards Legislation

Estimated Annual Increase of Expenses - 6%				6.0%
	Actual 16/17	Budget 16/17	Variance	Budget 17/18
Income				
Monthly Net Service Fees	\$ 479,289	\$ -	0.00	\$ 459,090
Interest	\$ 2,839	\$ -	0.00	\$ 2,000
Laundry Receipts	\$ 3,307	\$ -	0.00	\$ 3,000
Recovery of Expenses	\$ 2,787	\$ -	0.00	\$ 2,500
Insurance Recovery	\$ 6,641	\$ -	0.00	\$ -
Other Income	\$ 334	\$ -	0.00	\$ -
Total Income	\$ 495,197	\$ -	0.00	\$ 466,590
Ongoing Maintenance				
Admin - ASIC	\$ 1,492	\$ 1,310	\$ (182)	\$ 1,470
Admin - Audit	\$ 9,727	\$ 14,000	\$ 4,273	\$ 12,000
Admin - Bank Charges	\$ 74	\$ -	\$ (74)	\$ 80
Admin - Consultants	\$ 4,000	\$ 9,220	\$ 5,220	\$ 7,500
Admin - Ex Gratia Payments	\$ -	\$ 5,000	\$ 5,000	\$ 2,000
Admin - Exec C'tee Expenses	\$ 706	\$ 1,500	\$ 794	\$ 1,000
Admin - Income Tax & GST	\$ 95	\$ 12,000	\$ 11,905	\$ 6,000
Admin - Insurance	\$ 38,149	\$ 42,000	\$ 3,851	\$ 45,000
Admin - Legal	\$ 3,362	\$ 15,000	\$ 11,638	\$ 7,500
Admin - Mgt Fees - Standard	\$ 31,302	\$ 35,000	\$ 3,698	\$ 35,000
Admin - Other Expenses	\$ 1,020	\$ 3,000	\$ 1,980	\$ 3,000
Admin - Postage	\$ 836	\$ 1,350	\$ 514	\$ 1,000
Admin - Telephone	\$ 2,922	\$ 1,400	\$ (1,522)	\$ 3,130
Maint Bldg - Caretaking	\$ 59,366	\$ 55,000	\$ (4,366)	\$ 65,000
Maint Bldg - Cleaning - Windows/Glass	\$ 10,200	\$ 24,000	\$ 13,800	\$ 18,000
Maint Bldg - Computer & Internet	\$ -	\$ 2,280	\$ 2,280	\$ -
Maint Bldg - Electrical	\$ 5,895	\$ 7,470	\$ 1,575	\$ 8,000
Maint Bldg - Fire Protection	\$ 15,003	\$ 18,000	\$ 2,997	\$ 16,000
Maint Bldg - Floors	\$ -	\$ -	\$ -	\$ 5,000
Maint Bldg - General Repairs	\$ 7,584	\$ 15,370	\$ 7,786	\$ 20,000
Maint Bldg - Insurance Recovery	\$ 6,324	\$ -	\$ (6,324)	\$ -
Maint Bldg - Intercom	\$ 1,845	\$ -	\$ (1,845)	\$ 1,960
Maint Bldg - Lift	\$ 41,427	\$ 46,210	\$ 4,783	\$ 43,910
Maint Bldg - Light Fittings	\$ 269	\$ 250	\$ (19)	\$ 290
Maint Bldg - Locks, Keys, and Cards	\$ 2,722	\$ 2,500	\$ (222)	\$ 2,890
Maint Bldg - Misc	\$ 2,367	\$ 3,260	\$ 893	\$ 2,510
Maint Bldg - Pest Control	\$ 1,112	\$ 2,580	\$ 1,468	\$ 1,800
Maint Bldg - Plumbing & Drainage	\$ 10,763	\$ 11,420	\$ 657	\$ 11,410
Maint Bldg - Security Doors & Gates	\$ 7,234	\$ 5,000	\$ (2,234)	\$ 7,710
Maint Bldg - Security Surveillance Equipment	\$ -	\$ 1,210	\$ 1,210	\$ 500
Maint Bldg - TV Antenna	\$ 216	\$ 1,000	\$ 784	\$ 500
Maint Bldg - Windows & Doors	\$ 15,311	\$ 2,500	\$ (12,811)	\$ 6,000
Maint Grounds - Fences	\$ -	\$ 6,280	\$ 6,280	\$ 1,000
Maint Grounds - Gardening	\$ 7,840	\$ 2,350	\$ (5,490)	\$ 5,000
Utilities - Elec & Lighting	\$ 17,272	\$ 19,000	\$ 1,728	\$ 19,000
Utilities - Water & Sewage	\$ 123	\$ 140	\$ 17	\$ 140
Projects				
Concrete Remediation		\$ 10,000	\$ 10,000	\$ 10,000
Intercom Replacement	\$ 24,286		\$ (24,286)	
High-Speed Internet				\$ 30,000
Smoke Alarm Replacement	\$ 17,309	\$ 25,000	\$ 7,691	
Security Surveillance Equipment	\$ 26,463	\$ 28,000	\$ 1,537	\$ 40,000
Strata Conversion		\$ 60,000	\$ 60,000	\$ 20,000
Roof - Membrane	\$ 26,338	\$ 60,000	\$ 33,662	
Roof - Enabling Works	\$ 5,673	\$ 5,000	\$ (673)	
Roof - Load Test				\$ 20,000
Roof - Mechanical Plant Relocation	\$ 34,809	\$ 50,000	\$ 15,191	
Roof - Paving Screening and Security		\$ 210,000	\$ 210,000	\$ 222,000
Total Expenditure	\$ 441,436	\$ 814,600		\$ 703,300
SHORTFALL				\$ (236,710)
Total Planned Current Expenditure				\$ 703,300
Add - Sinking Fund				\$ 20,000
				\$ 723,300
Actual Quarterly Service Fees				\$ 1,790
Proposed Quarterly Service Fees				\$ 1,250