

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

NOTICE IS HEREBY GIVEN that the **2018** 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
TUESDAY 13 NOVEMBER, 2018 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 Mr. Tal Sahar at the registered office no later than 72 hours before the Annual General Meeting. Please send all nominations to

There are 2 open Board positions. The following directors are retiring, and being eligible, offer themselves for re-election:

- Mr Sym Kohn
 - Mr Ty Brierley
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 Mr. Tal Sahar 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 Mr. Tal Sahar at the registered office **no later than** 72 hours before the Annual General Meeting together with at least 6 valid signatures.

EDGEWATER SERVICE LIMITED



Tal Sahar
Tideways Pty Ltd

Suite 1, level 3
521 Toorak Road
Toorak VIC 3142

PO Box 1027
Caulfield North VIC 3161

9534 4614

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 Mr. Tal Sahar at the if you wish, appoint "The Chairman" as your proxy.

Edgewater Service Ltd

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 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 **TUESDAY 13 NOVEMBER, 2018 AT 7:30 PM**

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

DATED this day of , 2018

SIGNATURE:



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 2018 and audited the reconciliation of total expenses \$602,852, to the amount detailed payments to suppliers \$602,852 as disclosed in the Statement of Cash Flows for the year ended 30th June 2018.

This amount of \$602,852 is the equivalent of \$5,968.83 for each of the 101 apartments

CURSIO & CO
Chartered Accountants

Date: 05 October 2018

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 2018

	2018	2017
	\$	\$
Income		
Contributions & Levies Received - Admin Fund	449,909	479,289
Contributions & Levies Received - Sinking Fund	9,181	-
Laundry Receipts	2,976	3,307
Interest Received		
- Admin Fund	213	80
- Sinking Fund	1,000	-
Interest Receivable - Owners		
Interest Receivable - Owners	1,683	2,759
- Sinking Fund	19	-
Recoveries		
- FOBS	1,391	1,698
- Owner	-	831
- Tenants	-	258
Other Revenue		
- Proceeds from Insurance Policies	-	6,641
- Other Income - Admin	3,248	334
	469,620	495,197
Expenditure		
Accountancy & Audit Fees	13,873	9,727
Bank Charges	127	74
Consultancy Fees	-	4,000
Ex-Gratia Payments	82	-
Filing Fees	1,201	1,492
GST Adjustment Expense	489	95
Insurance	42,838	38,149
Legal Costs	-	3,362
Electricity / Public Lighting	16,404	17,272
Management Fees	39,839	31,302
Meeting Costs	903	706
Postage	666	836
Property Maintenance		
- Caretaking	50,415	59,366
- Computer & Internet	40	-
- Electrical	5,396	5,895
- Fire Protection	9,581	15,003
- General Repairs	25,358	7,584
- Intercom	-	1,845
- Lift	12,910	41,427
- Light Fittings	-	269
- Locks, Keys & Card Keys	255	2,722
- Miscellaneous	13,657	2,367
- Plumbing & Drainage	4,185	10,763
- Security Doors & Gates	5,119	7,234
- Security Surveillance Equipment	45,042	26,463
- TV Antenna & Cables	168	216

EDGEWATER SERVICE LTD
ABN 66 004 514 596
Detailed Statement of Financial Performance
For the Year ended 30 June 2018

	2018	2017
	\$	\$
- Windows / Doors	1,555	15,311
- Lawns & Gardening	1,875	7,840
- Roof Enabling Works	22,512	5,673
- Roof Membrane (Waterproofing)	-	26,338
- Smoke Alarm Replacement	-	17,309
- Cleaning - Windows / Glass	3,000	10,200
- Insurance Repairs	5,481	6,324
- Pest / Vermin Control	1,520	1,112
- Mechanical Plant Relocation	-	34,809
- Video Intercom Replacement	-	24,286
- Internet Connection	23,691	-
- Rooftop	250,703	-
Water & Sewerage	122	123
Sundry Expenses	1,046	1,020
Telephone & Internet	2,799	2,922
	<u>602,852</u>	<u>441,436</u>
Loss before Income Tax	<u>(133,232)</u>	<u>53,761</u>
Income Tax Expense	(364)	(24)
Loss after Income Tax	<u><u>(133,596)</u></u>	<u><u>53,737</u></u>

**EDGEWATER SERVICE LTD
ACN 004 514 596**

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018**

EDGEWATER SERVICE LTD
ACN 004 514 596

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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

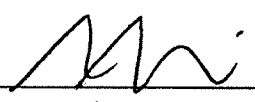
A copy of the auditor's independence declaration as required under the section 307C of the Corporations Act 2001 is attached.

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 KORIN

Dated: 01 OCT 18

Director: 

TY BRIENLEY

Dated: 02/OCTOBER / 2018

**EDGEWATER SERVICE LTD
ACN 004 514 596**

DIRECTORS' REPORT

Your directors presents their report of the company for the financial year ended 1 July 2017 to 30 June 2018.

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
Ty Justyn Brierley
Donald Cameron Shaw

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 (\$133,596)

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

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
Revenue	2	469,619	495,197
Management Expenses		(39,839)	(31,302)
Depreciation & Amortisation		-	-
Professional Expenses		(13,873)	(17,089)
Property Maintenance Expenses		(482,461)	(330,356)
Other Expenses		(66,678)	(62,689)
		(602,852)	(441,436)
Profit before income tax	3	(133,232)	53,761
Income tax expense		(364)	(24)
Profit / (Loss) for the period		(133,596)	53,737
Total comprehensive income for the period		(133,596)	53,737
Total comprehensive income attributable to members of the entity		(133,596)	53,737

The accompanying notes form part of these financial statements

EDGEWATER SERVICE LTD
ACN 004 514 596

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	282,834	472,217
Trade and other receivables	5	<u>18,942</u>	<u>8,825</u>
TOTAL CURRENT ASSETS		<u>301,776</u>	<u>481,042</u>
TOTAL ASSETS		<u>301,776</u>	<u>481,042</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	32,370	78,404
Current tax liabilities	7	<u>388</u>	<u>24</u>
TOTAL CURRENT LIABILITIES		<u>32,758</u>	<u>78,428</u>
TOTAL LIABILITIES		<u>32,758</u>	<u>78,428</u>
NET ASSETS (LIABILITIES)		<u>269,018</u>	<u>402,614</u>
EQUITY			
Share capital	8	2,210	2,210
Retained earnings Sinking Fund	9	49,900	40,000
Retained earnings Administration Fund	10	<u>216,908</u>	<u>360,404</u>
		<u>269,018</u>	<u>402,614</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 2018

	Note	2018 \$	2017 \$
Reconciliation of Retained Earnings - Admin Fund			
Opening balance		360,404	306,667
Profit attributable to shareholders		(143,496)	53,737
Dividends Provided for / Paid		-	-
Closing balance		<u>216,908</u>	<u>360,404</u>
Reconciliation of Retained Earnings - Sinking Fund			
Opening balance		40,000	40,000
Profit attributable to shareholders		9,900	-
Closing balance		<u>49,900</u>	<u>40,000</u>
Total Retained Earnings		<u><u>266,808</u></u>	<u><u>400,404</u></u>
Reconciliation of Issued Capital			
Opening balance		2,210	2,210
Issued shares		-	-
Closing balance		<u>2,210</u>	<u>2,210</u>
Total Equity		<u><u>269,018</u></u>	<u><u>402,614</u></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 2018

	Note	2018 \$	2017 \$
Cash Flow From Operating Activities			
Receipts from current receivables		415,266	504,601
Laundry Receipts		2,976	3,307
Proceeds from Insurance		-	6,641
Recoveries		1,391	5,546
Interest received		1,213	80
Other receipts		3,248	334
Bike room bond deposits received		(200)	550
Payments to suppliers		(602,852)	(445,417)
GST		(10,945)	(3,496)
Income taxes paid		-	(129)
Other Adjustments		520	5,117
Net cash provided by (used in) operating activities	11	(189,383)	77,134
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		(189,383)	77,134
Cash at beginning of the year		472,217	395,083
Cash at end of the year		282,834	472,217

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 2018

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 was then managed by the body corporate managers who were BBC Strata Management Pty Ltd up until 28 June 2018 and then Tideways Pty Ltd from 28 June 2018 onwards.

Interest revenue are reported on an accrual basis using the effective interest method.

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 2018**

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 2018 and 30 June 2017.

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 and assessed at the 30% company income tax rate.

EDGEWATER SERVICE LTD
ACN 004 514 596

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
2 Revenue and Other Income		
Revenue		
Contributions & Levies Received	459,089	479,289
Interest Received - Bank	1,213	80
Interest Received - Owners	1,702	2,759
Laundry Receipts	2,976	3,307
Recoveries	1,391	9,763
Other Income	3,248	-
	469,619	495,198
	469,619	495,198
3 Profit for the year		
Profit before income tax from continuing operations includes the following specific expenses:		
Expenses		
Management fees	39,839	31,302
4 Cash and Cash Equivalents		
Cash at Bank - Macquarie 18058	-	326,497
Cash at Bank - Macquarie 07365	-	3,158
Cash at Bank - Macquarie 89960	-	102,561
Cash at Bank - Macquarie 34919	41,000	40,000
Cash at Bank - BOQ 3430	241,834	-
	282,834	472,216
	282,834	472,216
5 Trade and Other Receivables		
Levies / Contributions Receivable	18,942	8,826
	18,942	8,826

EDGEWATER SERVICE LTD
ACN 004 514 596

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
7 Trade and Other Payables		
Bike Room Bond	2,500	2,350
Levies Paid In Advance	38,824	74,233
GST Payable	(8,954)	1,821
	<u>32,370</u>	<u>78,404</u>
8 Current Tax Liabilities		
Provision for income tax	<u>388</u>	<u>24</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>49,900</u>	<u>40,000</u>
11 Retained Earnings (Accumulated Losses)		
(Accumulated losses) / Retained earnings at the beginning of the financial year - Administrative Fund	360,404	306,667
Net Profit / (Loss) attributable to members of the company	(143,432)	53,761
Income Tax	(64)	(24)
Dividend Paid	-	-
Retained earnings at the end of the financial year	<u>216,908</u>	<u>360,404</u>
(Accumulated losses) / Retained earnings at the beginning of the financial year - Inking Fund	40,000	40,000
Net Profit / (Loss) attributable to members of the company	10,200	-
Income Tax	(300)	-
Dividend Paid	-	-
Retained earnings at the end of the financial year	<u>49,900</u>	<u>40,000</u>
Total retained earnings	<u>266,808</u>	<u>400,404</u>

EDGEWATER SERVICE LTD
ACN 004 514 596

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
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
Cash at Bank - Macquarie 07365	-	3,158
Cash at Bank - Macquarie 89960	-	102,561
Cash at Bank - Macquarie 34919	41,000	40,000
Cash at Bank - BOQ 3430	241,834	
	<u>282,834</u>	<u>472,216</u>
Reconciliation of Net Cash provided by Operating Activities to profit from ordinary activities after income tax.		
Operating profit (loss) after income tax	(133,596)	53,737
Non-cash flow in profit from ordinary activities		
Income Tax expense	364	24
Other	-	(129)
Changes in assets and liabilities		
Increase (decrease) in trade & other creditors	(10,625)	(1,810)
Decrease (increase) in trade & other debtors	(45,525)	25,312
Decrease (increase) in prepayments	-	-
Cash flow from operations	<u>(189,382)</u>	<u>77,134</u>

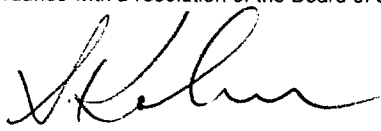
EDGEWATER SERVICE LTD
ACN 004 514 596


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 2018 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: 
01 OCT 18 SYM KOHN

Dated: 01 OCT 18
Director: 
TY BRIERLEY
Dated: 02 OCTOBER 2018



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 2018** 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: 05/10/2018

.....

Address: 26 Young Street, Moonee Ponds
Victoria 3039

Liability limited by a scheme approved under Professional Standards Legislation



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 2018, 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 2018 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: 05 October 2018

26 Young Street
MOONEE PONDS VIC 3039



PETER CURSIO
Principal

Budget 2018/2019

	Actual 17/18	Budget 17/18	Variance	Budget 18/19
Income				
Quarterly Fees	\$ 449,909	\$ 485,000	\$ 35,091	\$ 431,545
Interest Received	\$ 2,915	\$ 2,000	\$ (915)	\$ 1,500
Laundry Receipts	\$ 2,976	\$ 3,000	\$ 24	\$ 3,000
Miscellaneous	\$ 1,391	\$ 2,500	\$ 1,109	\$ 5,000
Income				\$ 441,045
Expenditure				
Admin - ASIC	\$ 1,201	\$ 1,470	\$ 269	\$ 1,270
Admin - Audit	\$ 13,873	\$ 12,000	\$ (1,873)	\$ 14,710
Admin - Bank Charges	\$ 127	\$ 80	\$ (47)	\$ 130
Admin - Consultants		\$ 7,500	\$ 7,500	\$ -
Admin - Ex Gratia Payments	\$ 82	\$ 2,000	\$ 1,918	\$ 1,000
Admin - Exec C'tee Expenses	\$ 903	\$ 1,000	\$ 97	\$ 960
Admin - Income Tax & GST	\$ 489	\$ 6,000	\$ 5,511	\$ -
Admin - Insurance	\$ 42,838	\$ 45,000	\$ 2,162	\$ 45,000
Admin - Legal		\$ 7,500	\$ 7,500	\$ -
Admin - Mgt Fees - Standard	\$ 39,839	\$ 35,000	\$ (4,839)	\$ 45,000
Admin - Other Expenses		\$ 3,000	\$ 3,000	\$ 2,000
Admin - Postage	\$ 666	\$ 1,000	\$ 334	\$ 710
Admin - Telephone	\$ 2,799	\$ 3,130	\$ 331	\$ 2,970
Maint Bldg - Caretaking	\$ 50,415	\$ 65,000	\$ 14,585	\$ 52,000
Maint Bldg - Cleaning - Windows/Glass	\$ 3,000	\$ 18,000	\$ 15,000	\$ 18,000
Maint Bldg - Computer & Internet	\$ 40		\$ (40)	\$ 40
Maint Bldg - Electrical	\$ 5,396	\$ 8,000	\$ 2,604	\$ 6,000
Maint Bldg - Fire Protection	\$ 9,581	\$ 18,000	\$ 8,419	\$ 10,160
Maint Bldg - Floors		\$ 5,000	\$ 5,000	\$ 5,000
Maint Bldg - General Repairs	\$ 26,404	\$ 20,000	\$ (6,404)	\$ 20,000
Maint Bldg - Intercom		\$ 1,960	\$ 1,960	\$ -
Maint Bldg - Insurance Repairs	\$ 5,481	\$ -	\$ (5,481)	\$ -
Maint Bldg - Lift	\$ 12,910	\$ 43,910	\$ 31,000	\$ 15,000
Maint Bldg - Light Fittings	\$ 255	\$ 290	\$ 35	\$ -
Maint Bldg - Locks, Keys, and Cards		\$ 2,890	\$ 2,890	\$ 270
Maint Bldg - Misc	\$ 13,657	\$ 2,510	\$ (11,147)	\$ 5,000
Maint Bldg - Pest Control	\$ 1,520	\$ 1,800	\$ 280	\$ 1,610
Maint Bldg - Plumbing & Drainage	\$ 4,185	\$ 11,410	\$ 7,225	\$ 4,440
Maint Bldg - Security Doors & Gates	\$ 5,119	\$ 7,710	\$ 2,591	\$ 3,500
Maint Bldg - Security Surveillance Equipment		\$ 500	\$ 500	\$ -
Maint Bldg - TV Antenna	\$ 168	\$ 500	\$ 332	\$ 500
Maint Bldg - Windows & Doors	\$ 1,555	\$ 6,000	\$ 4,445	\$ 6,000
Maint Grounds - Fences		\$ 1,000	\$ 1,000	\$ 1,000
Maint Grounds - Gardening	\$ 1,875	\$ 5,000	\$ 3,125	\$ 2,500
Utilities - Elec & Lighting	\$ 16,404	\$ 19,000	\$ 2,596	\$ 18,000
Utilities - Water & Sewage	\$ 122	\$ 140	\$ 18	\$ 130
Projects				
Concrete Remediation		\$ 10,000	\$ 10,000	
Internet Connection	\$ 23,691	\$ 30,000	\$ 6,309	
Lobby Repaint				\$ 10,000
Roof Works	\$ 273,215	\$ 242,000	\$ (31,215)	
Security Surveillance Equipment	\$ 45,042	\$ 40,000	\$ (5,042)	\$ 10,000
Strata Conversion		\$ 20,000	\$ 20,000	\$ 80,000
Lift				\$ 250,000
Total Expenditure	\$ 602,852	\$ 705,300	\$ 102,448	\$ 632,900