

**ROSICRUCIAN ORDER, AMORC LODGE FOR AUSTRALIA
ASIA AND NEW ZEALAND LIMITED
ABN 95 072 728 968
A COMPANY LIMITED BY GUARANTEE**

**GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

**ROSICRUCIAN ORDER, AMORC LODGE FOR AUSTRALIA
ASIA AND NEW ZEALAND LIMITED
A.B.N. 95 072 728 968
A Company Limited by Guarantee
31 December 2018**

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**ROSICRUCIAN ORDER, AMORC LODGE FOR AUSTRALIA
ASIA AND NEW ZEALAND LIMITED
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DIRECTORS' REPORT

Your directors present this report on the Company for the year ended 31 December 2018.

The names of the directors in office at the date of this report are:

R F Kogel
P Panikian
J Van Dalen
Lucy Crawford-Sandison

The principal activities of the Company during the financial year were to teach, foster and perpetuate traditional principles and laws of the Ancient Rosicrucians.

No significant change in the nature of these activities occurred during the year.

The loss after providing for income tax amounted to \$194,527 2017: Profit \$385,791.

The Company is prohibited from declaring a dividend and none were declared or paid.

No options to shares in the Company have been granted during the financial year and there were no options outstanding at the end of the financial year.

No director has received or become entitled to receive, during or since the end of the financial year, a benefit because of a contract made by the Company or a related body corporate with the director, a firm of which a director is a member or an entity in which a director has a substantial financial interest. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the Company accounts or the fixed salary of a full time employee of the Company, controlled entity or related body corporate.

No significant changes in the entity's state of affairs occurred during the financial year.

No after balance date events have occurred since the end of the financial year.

The Company has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the Company or of a related body corporate:

- indemnified or made any relevant agreement for indemnifying against a liability, including costs and expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against a liability for the costs or expenses to defend legal proceedings.

The auditor has provided a declaration of independence to the Company and can be found on Page 5.

Attendance of Directors at Directors Meetings of which were held during the financial year:


Name	Meetings attended	Meetings entitled to attend
R F Kogel	1	1
P Panikian	1	1
J Van Dalen	1	1
Lucy Crawford-Sandison	1	1

Particulars of Directors in office at the end of the financial year:

Name	Qualifications, experience and special responsibilities	Interest in contracts
R F Kogel	Member since 1972 Tertiary Qualified	Nil
P Panikian	President Member since 1969 HSC Qualified	Nil
J Van Dalen	Member since 1972 Tertiary Qualified	Nil
L Crawford-Sandison	Member since 2017 Tertiary Qualified	Nil

Signed in accordance with a resolution of the Board of Directors:

Director

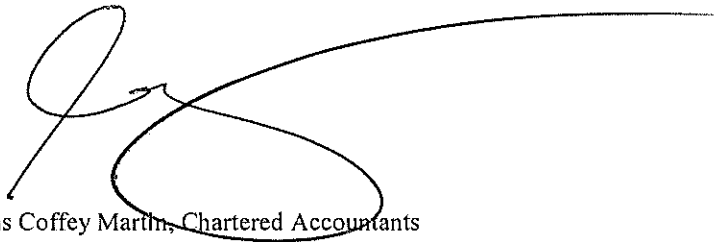

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R F Kogel

Dated 14 June 2019

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 60-40 OF THE AUSTRALIAN CHARITIES AND
NOT-FOR-PROFITS COMMISSION ACT 2012 (ACNC ACT)
TO DIRECTORS OF ROSICRUCIAN ORDER, AMORC LODGE FOR AUSTRALIA
ASIA AND NEW ZEALAND LIMITED
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I declare that, to the best of my knowledge and belief, during the year ended 31 December 2018 there have been

- i. no contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act) in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

A large, stylized handwritten signature in black ink, consisting of a large loop at the top and a long, sweeping horizontal stroke that curves back down to the left.

S R Coffey

Partner, Watkins Coffey Martin, Chartered Accountants

Dated 14 June 2019

**ROSICRUCIAN ORDER, AMORC GRAND LODGE FOR AUSTRALIA,
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**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018	2017
	\$	\$
Gross profit from book sales	4,340	(11,786)
Dues received	273,190	283,936
Donations	30,525	48,587
Registration fees	4,080	4,163
Newsletter Subs.	0	555
Sundry income	58,270	115,036
Interest received	22,847	20,701
Convention Income	8,278	17,766
Exchange rate gain/(loss)	35,626	(8,955)
Bequests	49,757	546,915
Egypt Trip	(39,426)	58,591
Total Revenue	447,487	1,084,464
Other Expenses		
Auditors remuneration	5,851	8,497
Depreciation and amortisation	120,430	110,390
Other expenses from ordinary activities	515,733	579,786
Total Operating Expenses	642,014	698,673
Profit (loss) before income tax	(194,527)	385,791
Income tax expense	-	-
Total Comprehensive Income for Year	(194,527)	385,791

The accompanying notes form part of these financial statements.

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**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018**

	Note	2018 \$	2017 \$
Current Assets			
Cash and Cash Equivalents	2	1,530,914	1,675,683
Trade and Other Receivables	3	13,003	20,218
Inventories	4	<u>134,768</u>	<u>138,070</u>
Total Current Assets		<u>1,678,685</u>	<u>1,833,971</u>
Non-Current Assets			
Property, Plant and Equipment	5	<u>7,408,600</u>	<u>5,083,984</u>
Total Non-Current Assets		<u>7,408,600</u>	<u>5,083,984</u>
Total Assets		<u>9,087,285</u>	<u>6,917,955</u>
Current Liabilities			
Trade and Other Payables	6	31,004	29,682
Other	7	<u>82,640</u>	<u>91,305</u>
Total Current Liabilities		<u>113,644</u>	<u>120,987</u>
Total Liabilities		<u>113,644</u>	<u>120,987</u>
Net Assets (Liabilities)		<u>8,973,641</u>	<u>6,796,968</u>
Equity			
Reserves	9	5,937,802	3,566,602
Retained Earnings	10	<u>3,035,839</u>	<u>3,230,366</u>
Total Equity		<u>8,973,641</u>	<u>6,796,968</u>

The accompanying notes form part of these financial statements.

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**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018 \$	2017 \$
Retained Earnings		
Balance at 1 January	3,230,366	2,844,575
Profit/(loss) Attributable to Members	(194,527)	385,791
Balance at 31 December	<u>3,035,839</u>	<u>3,230,366</u>
General reserve		
Balance at 1 January	230,500	230,500
Balance at 31 December	<u>230,500</u>	<u>230,500</u>
Asset Revaluation Reserve		
Balance at 1 January	3,336,102	2,951,102
Revaluation	2,371,200	385,000
Balance at 31 December	<u>5,707,302</u>	<u>3,336,102</u>
Total Equity		
Balance at 31 December	<u><u>8,973,641</u></u>	<u><u>6,796,968</u></u>

The accompanying notes form part of these financial statements.

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**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	2018 \$	2017 \$
Cash Flows from Operating Activities:			
Dues received		502,428	1,055,637
Interest received		22,847	20,701
Payment to suppliers and employees		(596,198)	(580,724)
Net Cash Provided by (Used in) Operating Activities	11	<u>(70,923)</u>	<u>495,613</u>
Cash Flows from Investing Activities:			
Payment for property, plant & equipment		(73,846)	-
Net Cash Provided by (Used in) Investing Activities		<u>(73,846)</u>	<u>-</u>
Net Increase (Decrease) in Cash Held		(144,769)	495,613
Cash at beginning of financial year		1,675,683	1,180,070
CASH AT END OF FINANCIAL YEAR	2	<u>1,530,914</u>	<u>1,675,683</u>

The accompanying notes form part of these financial statements.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

(a) Statement of compliance

The financial report of the Company has been drawn up as a general purpose financial report for distribution to the members and for the purpose of fulfilling the requirements of the Australian Charities and Non-for-profits Commission Act 2012 (ACNC Act).

The directors have determined that the accounting policies adopted are appropriate to meet the needs of their members.

The general purpose financial report has been prepared in accordance with Australian Accounting Standards (AASBs) (including the Australian Accounting Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

(b) Basis of measurement

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

(c) Income Tax

The Company is exempt from the payment of income tax pursuant to Section 50-5 of the Income Tax Assessment Act, 1997.

(d) Inventories

Inventories are measured at the lower of cost and net realisable value.

(e) Property, Plant and Equipment

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

Property

Freehold land and buildings are measured on the fair value basis, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. It is the policy of the Company for an appraisal to be made by the directors every three years.

Plant and equipment

Plant and equipment is measured on the cost basis.

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

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding leasehold land, is depreciated on both the straight line and diminishing value method over their useful lives commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or estimated useful lives of the improvements.

The depreciation rates used for each class of assets are;

Class of asset	Depreciation rate
Buildings	2.5% SLM
Plant and equipment	10-40% DVM

(f) Foreign Currency Transactions and Balances

Foreign currently transactions during the year are converted to Australian currency at the rates of exchange applicable at the dates of the transactions. Amounts receivable and payable in foreign currencies at balance date are converted to the rates of exchange ruling at that date.

The gains and losses from conversion of short term assets and liabilities, whether realised or unrealised, are included in operating profit before income tax as they arise.

(g) Cash

For the purpose of the statement of cash flows, cash includes cash on hand and in at call deposits with banks or financial institutions, investment in money market instruments maturing within less than two months, net of bank overdrafts.

(h) Goods and Services Tax (GST)

Specified revenues, expenses and assets are recognised net of the amount of GST. Certain other amounts qualify as GST-Free. Receivables and payables in the statement of financial position are shown inclusive of GST. Income and expenditure items in the statement of cash flows, are shown exclusive of GST.

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Changes in Accounting Policies
New Standards adopted as at 1 January 2018

AASB 9 Financial Instruments

AASB 9 *Financial Instruments* replaces AASB 139 *Financial Instruments: Recognition and Measurement*. It makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an 'expected credit loss' model for impairment of financial assets.

When adopting AASB 9, the Company has applied transitional relief and opted not to restate prior periods. Differences arising from the adoption of AASB 9 in relation to classification, measurement, and impairment are recognised in opening retained earnings as at 1 January 2018.

Impairment of financial assets

The adoption of AASB 9 has changed the Company's accounting for impairment losses for financial assets. It replaces AASB 139 incurred loss approach with a forward-looking expected credit loss (ECL) approach. AASB 9 requires the recognition of an allowance for ECLs for all debt instruments not held at fair value through profit or loss.

The simplified model applies for trade receivables with maturities of less than 12 months and recognises lifetime expected credit loss from the first reporting period.

For each of the impairment approach, the loss allowance reduces the carrying amount of the financial asset. There is no material impact to the Company on adopting the new impairment model.

(j) Accounting Standards issued but not yet effective

AASB15 - Revenue from contracts with customers
AASB 16 Leases

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

		2018	2017
		\$	\$
2	Cash & Cash Equivalents		
	Cash drawer	318	438
	Cash at bank - Order	1,054,307	1,193,004
	Cash at bank -Group	<u>476,289</u>	<u>482,241</u>
		<u>1,530,914</u>	<u>1,675,683</u>
3	Trade & Other Receivables		
	Current		
	Trade Debtors	742	6,378
	Other Debtors - Recoverable		
	Fees	2,724	2,724
	GST Paid - Net	<u>9,537</u>	<u>11,116</u>
		<u>13,003</u>	<u>20,218</u>
4	Inventories		
	Current		
	Books, at cost	57,866	63,271
	Monograms and stationery, at cost	47,605	49,461
	Group Inventory and supplies, at cost	<u>29,297</u>	<u>25,338</u>
		<u>134,768</u>	<u>138,070</u>

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018 \$	2017 \$
5 Property, Plant & Equipment		
Land and buildings, at Directors' valuation	8,320,243	5,908,964
Less: accumulated depreciation	<u>1,010,911</u>	<u>901,630</u>
	<u>7,309,332</u>	<u>5,007,334</u>
Plant & equipment NSW	193,946	193,492
Less: accumulated depreciation	<u>190,523</u>	<u>188,690</u>
	<u>3,423</u>	<u>4,802</u>
Plant & equipment New Zealand	1,935	1,935
Less: accumulated depreciation	<u>1,935</u>	<u>1,935</u>
	<u>-</u>	<u>-</u>
Plant & equipment South Australia	1,095	1,095
Less: accumulated depreciation	<u>1,095</u>	<u>1,095</u>
	<u>-</u>	<u>-</u>
Equipment and regalia - Group	199,716	177,551
Less: accumulated depreciation	<u>129,722</u>	<u>124,408</u>
	<u>69,994</u>	<u>53,142</u>
Library - Group	74,447	63,300
Less: accumulated depreciation	<u>61,010</u>	<u>58,861</u>
	<u>13,437</u>	<u>4,439</u>
Furniture and fittings - Group	64,409	64,409
Less: accumulated depreciation	<u>51,995</u>	<u>50,142</u>
	<u>12,414</u>	<u>14,267</u>
Total property, plant & equipment	<u>7,408,600</u>	<u>5,083,984</u>

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

		2018	2017
		\$	\$
6	Trade & Other Payables		
	Current		
	Other Creditors		
	Trade		
	Creditors	3,048	1,726
	Inactive group funds	<u>27,956</u>	<u>27,956</u>
		<u>31,004</u>	<u>29,682</u>
 7	 Other Liabilities		
	Current		
	Dues in advance	<u>82,640</u>	<u>91,305</u>
 8	 Contribution Equity		
	<p>The Company is limited by guarantee and has no share capital and in accordance with clause 3 of the memorandum of association every member undertakes to contribute to the assets of the Company in the event of a shortfall on winding up to the extent of twenty five dollars (\$25) each.</p>		
 9	 Reserves		
	General Reserve	230,500	230,500
	Revaluation reserve	<u>5,707,302</u>	<u>3,336,102</u>
		<u>5,937,802</u>	<u>3,566,602</u>
 10	 Retained Earnings		
	Balance at 1 January	3,230,366	2,844,575
	Profit/(loss) for the year	(194,527)	385,791
	Balance at 31 December	<u>3,035,839</u>	<u>3,230,366</u>

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2018**

		2018	2017
		\$	\$
11	RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO OPERATING PROFIT AFTER INCOME TAX		
	Operating Profit after Income Tax	(194,527)	385,791
	Non Cash Flows in Operating Profit:		
	Depreciation	120,430	110,390
	Changes in Assets & Liabilities:		
	Decrease (increase) in current inventories	3,302	11,438
	Decrease (increase) in current receivables	7,215	(7,110)
	Increase (decrease) in trade creditors	1,322	1,234
	Increase (decrease) in accrued liabilities	(8,665)	(6,130)
	Net Cash provided by Operating Activities	<u>(70,923)</u>	<u>495,613</u>

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	2018	2017
	\$	\$
12 RELATED PARTY TRANSACTIONS		
Directors:		
The names of directors who have held office during the financial year are:		
R F Kogel		
P Panikian		
J Van Dalen		
Lucy Crawford - Sandison		
Directors' Remuneration:		
Income paid or payable to all directors of the Company by the Company and any related parties	88,400	88,400
Number of directors whose income from the Company or any related parties was within the following bands:		
	No.	No.
0-\$9999	2	2
\$10,000 - \$19,999	-	-
\$20,000 - \$89,999	2	2
Retirement and Superannuation Payments:		
Prescribed benefit given during year by the Company or a related party to a director or prescribed superannuation fund in connection with the retirement from a prescribed office.	-	-

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

13. FINANCIAL INSTRUMENTS

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- amortised cost
- fair value through profit or loss (FVPL)
- equity instruments at fair value through other comprehensive income (FVOCI)

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Classifications are determined by both:

- The entities business model for managing the financial asset
- The contractual cash flow characteristics of the financial assets

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables, which is presented within other expenses.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

13. FINANCIAL INSTRUMENTS (continued)

Subsequent measurement financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- ⊞ they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- ⊞ the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as long-term deposit that were previously classified as held-to-maturity under AASB 139.

Financial assets at fair value through profit or loss (FVPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply.

Impairment of Financial assets

AASB 9's impairment requirements use more forward looking information to recognize expected credit losses - the 'expected credit losses (ECL) model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- ⊞ financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- ⊞ financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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13. FINANCIAL INSTRUMENTS (continued)

‘Stage 3’ would cover financial assets that have objective evidence of impairment at the reporting date.

‘12-month expected credit losses’ are recognised for the first category while ‘lifetime expected credit losses’ are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade and other receivables

The Company makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Company assess impairment of trade receivables on a collective basis as they possess credit risk characteristics based on the days past due.

Classification and measurement of financial liabilities

As the accounting for financial liabilities remains largely unchanged from AASB 139, the Company’s financial liabilities were not impacted by the adoption of AASB 9. However, for completeness, the accounting policy is disclosed below.

The Company’s financial liabilities include borrowings and trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument’s fair value that are reported in profit or loss are included within finance costs or finance income.

**ROSICRUCIAN ORDER, AMORC GRAND LODGE FOR AUSTRALIA,
ASIA AND NEW ZEALAND LIMITED
A.B.N. 95 072 728 968
A Company Limited by Guarantee**

DIRECTORS' DECLARATION

The directors of the Company declare that:

1. The financial statements and notes, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012:
 - (a) comply with Accounting Standards; and
 - (b) give a true and fair view of the financial position as at 31 December 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


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R F Kogel

Dated 14 June 2019

**ROSICRUCIAN ORDER, AMORC GRAND LODGE FOR AUSTRALIA,
ASIA AND NEW ZEALAND LIMITED**
A Company Limited by Guarantee
A.B.N. 95 072 728 968

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF ROSICRUCIAN ORDER, AMORC GRAND LODGE FOR AUSTRALIA,
ASIA AND NEW ZEALAND LIMITED**

Report on the financial report

We have reviewed the accompanying financial report of Rosicrucian Order, Amorc Grand Lodge for Australia, Asia and New Zealand Limited, which comprises the statement of financial position as at 31 December 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the Company are responsible for the preparation of a financial report which gives a true and fair view in accordance with Australian Accounting Standards and the Australian Charities and Not-for-Profits Commission Act 2012 (ACNC Act) and for such internal control as the directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2415: Review of a Financial Report — Company Limited by Guarantee, in order to state whether, on the basis of the procedures described, we have become aware of any matter that might lead us to believe that the financial report is not in accordance with Division 60 of the Australian Charities and Not-for-Profits Commission Act 2012 (ACNC Act) including:

(i) giving a true and fair view of the Company's financial position as at 31 December 2018 and its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards and Australian Charities and Not-for-Profits Commission Regulation 2013(ACNC)

ASRE 2415 requires that we comply with the ethical requirements relevant to the review of the financial report. A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the Australian Charities and Not-for-Profits Commission Act 2012 (ACNC Act). We confirm that the independence declaration required by the Australian Charities and Not-for-Profits Commission Act 2012 (ACNC Act) has been provided to the directors of Rosicrucian Order, Amorc Grand Lodge for Australia, Asia and New Zealand Limited and can be found at Note 19 to this report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the financial report of Rosicrucian Order, Amorc Grand Lodge for Australia, Asia and New Zealand Limited is not in accordance with the Australian Charities and Not-for-Profits Commission Act 2012 (ACNC Act) including:

- (i) giving a true and fair view of the Company's financial position as at 31 December 2018 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the Australian Charities and Not-for-Profits Commission Act 2012 (ACNC Act).

Watkins Coffey Martin
Chartered Accountants

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Partner: S R Coffey

Dated 14 June 2019

**ROSICRUCIAN ORDER, AMORC GRAND LODGE FOR AUSTRALIA,
ASIA AND NEW ZEALAND LIMITED**
A Company Limited by Guarantee
A.B.N. 95 072 728 968

**TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018	2017
	\$	\$
Income		
Sales	48,368	44,492
LESS: COST OF GOODS SOLD		
Opening Stock	63,271	70,819
Purchases	13,438	15,457
	<u>76,709</u>	<u>86,276</u>
Closing Stock	57,866	63,271
	<u>18,843</u>	<u>23,005</u>
Direct Costs		
Freight Paid	1,774	1,787
Books Admin	23,405	31,486
	<u>25,179</u>	<u>33,273</u>
Gross Profit From Trading	<u>4,340</u>	<u>(11,786)</u>

**ROSICRUCIAN ORDER, AMORC GRAND LODGE FOR AUSTRALIA,
ASIA AND NEW ZEALAND LIMITED**
A Company Limited by Guarantee
A.B.N. 95 072 728 968

**DETAILED PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018	2017
	\$	\$
Income		
Dues received	273,190	283,936
Donations	30,525	48,587
Registration fees	4,080	4,163
Sundry income	58,270	115,036
Exchange Gain/(loss)	35,626	-
Convention income	8,278	17,766
Newsletter Subs.	-	555
Interest received	22,847	20,701
Bequests	49,757	546,915
Gross Profit/(loss) from Trading	4,340	(11,786)
Egypt Trip	(39,426)	58,591
	<u>447,487</u>	<u>1,084,464</u>
Expenditure		
Advertising and promotion	47,440	24,872
Auditor's remuneration	5,851	8,497
Bank charges	4,726	11,247
Consultancy fees	165,293	151,979
Computer supplies	8,269	18,503
Convention expenses	3,319	5,728
Depreciation	120,430	110,390
Exchange rate loss	-	8,955
Equipment lease	29,520	26,543
Light & Power	10,978	11,242
Library & Archives	169	177
Insurance	17,307	27,671
Legal costs	442	3,628
Monograms, digests & forums	21,941	27,791
New Zealand expenditure	4,011	7,823
Postage	42,645	55,408
Printing & stationery	51,929	69,471
Rates & Taxes	28,797	34,615
Reimbursements	-	335
Rent and occupation costs	7,250	11,908
Repairs & maintenance	45,260	48,847
SGL Royal Support	-	16,205
Special Projects	3,902	5,197
Telephone	5,082	5,703
Travelling expenses	13,687	5,938
	<u>642,014</u>	<u>698,673</u>
Operating Profit before Income Tax	<u>(194,527)</u>	<u>385,791</u>