

ST KILDA GATEHOUSE INCORPORATED
ABN: 76 557 051 941

SPECIAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2017

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Committee's Report

The committee members present their report, together with the financial statements, on the St Kilda Gatehouse Inc for the financial year ended 30 June 2017.

Committee Members

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

Mark Watt (Chair)	Claire-Anne Willis (retired: December 2016)
Felicity Langton (Secretary)	Dianne Azoor Hughes
Ruth Baker (Vice chair)	George Benney (retired: December 2016)
James Burnet (Treasurer)	Amanda Bartley (from September 2017)
Pauline Richards (from February 2017)	Desiree Smit (from November 2017)

Principal Activities

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

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

Significant Changes in the State of Affairs

In April 2017 the association entered into a lease for premises at 12-16 Belford Street, St Kilda and commenced implementation of a business plan to open an op shop ("Greeves St.") from July 2017. The objectives of "Greeves St." include establishing a social enterprise providing a pathway to employment, and a source of sustainable funding to supplement grants and foundation income for operations. Except for this social enterprise initiative, there have been no significant changes in the state of affairs of the association during the financial year ended 30 June 2017.

Matters Subsequent to the End of Financial Year

The "Greeves St." op shop opened in July 2017 and performance to date has been in line with expectations. No other matters or circumstance have arisen since 30 June 2017 that has significantly affected, or may significantly affect the association's operations, the results of those operations or the association's state of affairs in future financial years.

Operating Result

The loss for the 2017 financial year amounted to \$159,090 (2015: surplus of \$19,561). Although donation and grant income recognised in accordance with accounting standards shows an 18% decrease on prior years, donation and grant receipts in the cash flow statement is consistent with the prior year.

The main reasons for the loss in 2017 can be attributed to:

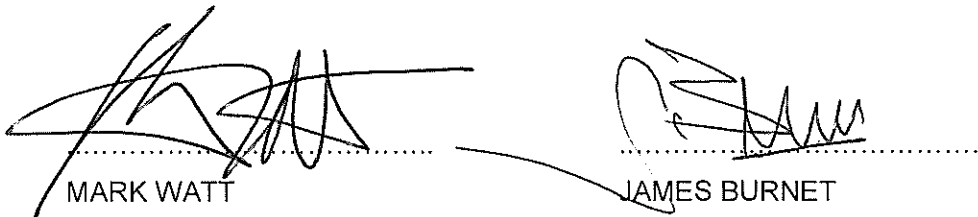
- Timing differences between the cash receipt of donation and grant income and the income recognition for accounting purposes;
- Increased wage costs arising through the first full year of employee costs for the Young Women's Project in Dandenong.

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

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2017 has been received and can be found on page 5 of the financial report.

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



MARK WATT

JAMES BURNET

St Kilda
20 November 2017

RSM Australia Partners

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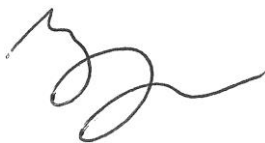
AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of St Kilda Gatehouse Incorporated for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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



RSM AUSTRALIA PARTNERS



Warwick Spargo
Partner

Melbourne, Victoria
20 November 2017

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 30 June 2017

	Note	2017 \$	2016 \$
Grant and Foundation income	2	568,079	694,700
Donations		63,222	60,006
Special event income		76,831	92,710
Interest income		1,676	4,156
Other income		14,699	12,252
Total Revenue		724,507	863,824
Program expenses		(125,386)	(126,881)
Fundraising and promotional expenses		(29,242)	(30,350)
Staff expenses		(651,604)	(614,652)
Depreciation and amortisation	6, 7	(22,901)	(37,452)
Administration expense		(52,696)	(44,429)
Total expenditure		(881,829)	(853,764)
Net result from transactions		(157,323)	10,061
Other economic flows included in the net results			
Net gain/(loss) on non-financial assets		(1,758)	9,500
Net surplus/(deficit) for the year		(159,080)	19,561
Other comprehensive income for the year		-	-
Total comprehensive income/(loss) for the year		(159,080)	19,561

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

STATEMENT OF FINANCIAL POSITION

As at 30 June 2017

	Note	2017 \$	2016 \$
Current Assets			
Cash and cash equivalents	3	222,943	217,505
Investments	3	-	56,714
Accounts receivable and other debtors	4	24,691	69,086
Inventories	5	-	5,154
Other current assets	5	21,927	17,810
Total Current Assets		269,561	366,269
Non-Current Assets			
Plant and equipment	6	31,584	81,499
Intangibles	7	-	-
Total Non-Current Assets		31,584	81,499
Total Assets		301,145	447,768
Current Liabilities			
Accounts payable and other payables	8	37,962	28,521
Grants received in advance	9	188,137	172,682
Employee Provisions	10	40,887	56,164
Total Current Liabilities		266,986	257,367
Non-Current Liabilities			
Employee Provisions	10	7,650	4,762
Total Non-Current Liabilities		7,650	4,762
Total Liabilities		274,636	262,129
Net Assets		26,509	185,639
Equity			
Retained surplus		26,509	185,590
Total Equity		26,509	185,590

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

STATEMENT OF CHANGES IN EQUITY
For the financial year ended 30 June 2017

	Retained Surplus \$	Total Equity \$
Balance at 1 July 2015	166,029	166,029
Profit/(loss) attributed to equity	<u>19,561</u>	<u>19,561</u>
Balance at 30 June 2016	<u>185,590</u>	<u>185,590</u>
Balance at 1 July 2016	185,590	185,590
Profit/(loss) attributed to equity	<u>(159,080)</u>	<u>(159,080)</u>
Balance at 30 June 2017	<u>26,509</u>	<u>26,509</u>

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

STATEMENT OF CASH FLOWS

For the financial year ended 30 June 2017

	Note	2017	2016
		\$	\$
Cash Flows from Operating Activities			
Receipts from donations and grants		694,453	685,936
Receipts from fundraising events		76,831	92,710
Receipts from other income		16,375	13,783
Payments to suppliers		(209,422)	(194,224)
Payments to employees		(654,719)	(590,483)
Net cash generated from / (used in) operating activities	11	<u>(76,482)</u>	<u>7,722</u>
Cash Flows from Investing Activities			
Proceeds for disposal of investment		56,714	50,000
Proceeds for disposal of plant and equipment		25,636	9,500
Payment for plant and equipment		(430)	(23,221)
Net cash used in investing activities		<u>81,920</u>	<u>36,279</u>
Net increase / (decrease)		5,438	44,001
Cash and cash equivalents at the beginning of the financial year		<u>217,505</u>	<u>173,504</u>
Cash and cash equivalents at the end of the financial year		<u>222,943</u>	<u>217,505</u>

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2017

Note 1. Summary of Significant Accounting Policies

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

a. Reporting entity

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

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

12-16 Belford Street
St Kilda VIC 3182

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

The financial statements were authorised for issue on 20 November 2017.

b. Basis of preparation

(i) Special purpose financial report

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

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

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

(ii) Historical cost convention

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

(iii) Going concern and economic dependency

The entity made a deficit of \$159,080 during the financial year (2016: \$19,561 surplus) and a net operating cash outflow of \$76,482 (2016: net inflow of \$7,722). Steps taken to address the deficit and to ensure ongoing solvency include:

- regularly reviewing cash flow forecasts to ensure sufficient working capital to cover debts as and when they fall due;
- working with another not-for-profit organization to provide outreach services for the Young Women's Project in Dandenong, which will reduce operating costs for the association from 2017;

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2017

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

b. Basis of preparation (cont'd)

- launching a social enterprise -"Greeves St.", a boutique Op Shop in July 2017. This initiative will provide additional funding in the long term and results to date are in line with the business plan; and
- the association continues to be vigilant in seeking financial support for its critical outreach activities.

The committee is of the opinion that the entity is able to continue as a going concern.

c. Revenue

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

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

Donations and bequests are recognized as revenue when received.

Interest revenue is recognized when received. Dividend revenue is recognized when the right to receive a dividend has been established.

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

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

d. Inventory

Inventories are measured at the lower of cost and current replacement cost

e. Plant and Equipment

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

Plant and Equipment

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

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

In the event that the carrying amount of plant and equipment is greater than the recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(f) for details of impairment).

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

Depreciation

The depreciable amount of all fixed assets including capitalized lease assets, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2017

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

e. Plant and Equipment (cont'd)

asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

	2017	2016
Plant and Equipment	20 – 33%	20 – 33%
Motor Vehicles	20%	20%

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

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

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

f. Intangibles

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

g. Leases

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

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

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

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

h. Financial Instruments

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2017

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

h. Financial Instruments (cont'd)

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the association's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognized in profit or loss through the amortization process and when the financial asset is derecognized.

i. Impairment of assets

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

j. Employee benefits

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

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

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

Defined contribution superannuation expense

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2017

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

k. Provisions

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

l. Cash and cash equivalent

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

m. Accounts Receivable and Other Debtors

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

o. Accounts Payable and Other Payables

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

p. Goods and Services Tax (GST)

Revenues, expenses and assets are recognized net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

q. Income Tax

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

r. Comparative Figures

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2017

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

s. Critical Accounting Estimates and Judgments

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

t. New Accounting Standards for Application in Future Periods

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the entity for the annual reporting period ended 30 June 2017. The entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the entity, are set out below:

Title	Summary	Application date	Expected Impact
<i>AASB 1058 Income for not for profit entities</i>	This standard replaces AASB 1004 Contributions and establishes revenue recognition principles for transactions where the consideration to acquire an asset is significantly less than fair value to enable to not-for-profit entity to further its objectives.	Annual reporting period beginning on or after 1 January 2019	The assessment has indicated that revenue from capital grants that are provided under an enforceable agreement that have sufficiently specific obligations, will now be deferred and recognised as performance obligations are satisfied. As a result, the timing recognition of revenue will change.
<i>AASB 16 Leases</i>	The key changes introduced by AASB 16 include the recognition of most operating leases (which are current not recognised) on balance sheet.	Annual reporting period beginning on or after 1 January 2019	<p>The assessment has indicated that as most operating leases will come on balance sheet, recognition of the right-of-use assets and lease liabilities will cause net debt to increase.</p> <p>Rather than expensing the lease payments, depreciation of right-of-use assets and interest on lease liabilities will be recognised in the income statement with marginal impact on the operating surplus.</p> <p>No change for lessors.</p>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2017

Note 2. Grant and Foundation Income

	2017	2016
	\$	\$
Trust and Foundation contributions	452,022	588,113
Government grants (i)	106,257	96,302
Other grant and foundation Income	9,800	10,285
	<u>568,079</u>	<u>694,700</u>

- (i) St Kilda Gatehouse recognised \$57,924 of Family Preservation grant from the Department of Health and Human Services in June 2016. The fund was spent for work performed between July and December 2016. In order to comply with AASB 1004, this money was brought into income in 2015/16 financial year, even though it relates to the 2016/17 financial year.

Note 3. Cash on Hand

Cash and cash equivalents

Cash at bank	222,243	216,805
Cash float	700	700
	<u>222,943</u>	<u>217,505</u>

Investments

Bank deposits	-	56,714
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Total cash and investments	<u>222,943</u>	<u>274,219</u>
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Note 4. Accounts Receivable and Other Debtors

CURRENT

Accounts receivables	21,389	69,086
GST Receivables	3,303	-
	<u>24,691</u>	<u>69,086</u>

Note 5. Other Assets

CURRENT

Inventory	-	5,154
Prepayments	21,927	17,810
	<u>21,927</u>	<u>22,964</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2016

Note 6. Plant and Equipment

	2017	2016
	\$	\$
Plant and equipment - at cost	60,281	61,213
less accumulated depreciation	<u>(43,767)</u>	<u>(33,188)</u>
	16,514	28,025
Motor vehicles - at cost	20,075	58,805
less accumulated depreciation	<u>(9,703)</u>	<u>(14,991)</u>
	10,372	43,814
Leasehold improvement - at cost	15,625	15,625
less accumulated amortisation	<u>(10,927)</u>	<u>(6,015)</u>
	4,698	9,610
Total plant and equipment	<u>31,585</u>	<u>81,449</u>

a. Movements in Carrying Amounts

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

	Plant and equipment	Motor vehicle	Leasehold improvement	Total
		\$	\$	\$
Balance at 1 July 2015	22,878	60,037	9,028	91,943
Additions	18,464	-	4,757	23,221
Disposals	-	-	-	-
Depreciation and amortisation	(13,317)	(16,223)	(4,175)	(33,715)
Balance at 30 June 2016	<u>28,025</u>	<u>43,814</u>	<u>9,610</u>	<u>81,449</u>
Additions	429	-	-	429
Disposals	(1,361)	(27,004)	-	(28,365)
Depreciation and amortisation	(10,579)	(6,438)	(4,912)	(21,929)
Balance at 30 June 2017	<u>16,514</u>	<u>10,372</u>	<u>4,698</u>	<u>31,584</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2016

Note 7. Intangible Assets

	2017	2016
	\$	\$
Computer software - at cost	14,560	14,560
less accumulated amortisation	<u>(14,560)</u>	<u>(14,560)</u>
	<u>-</u>	<u>-</u>

Note 8. Accounts Payables and Other Payables

Accounts payable	17,042	16,781
Payroll payable	20,921	11,647
GST payable	-	93
	<u>37,962</u>	<u>28,521</u>

Note 9. Grants Received in Advance

Repayable government and philanthropic grants	<u>188,137</u>	<u>172,682</u>
	<u>188,137</u>	<u>172,682</u>

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

Note 10. Employee Provisions

CURRENT

Provisions for annual leave	26,392	20,758
Provisions for long service leave - unconditional	14,495	33,272
Paid Parental Leave	-	2,134
	<u>40,887</u>	<u>56,164</u>

NON-CURRENT

Provisions for long service leave - conditional	<u>7,650</u>	<u>4,762</u>
	7,650	4,762

Total employee provisions	<u>48,537</u>	<u>60,926</u>
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2016

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

	2017	2016
	\$	\$
Net current year surplus / (deficits)	(159,080)	19,560
Non-cash flows in profit		
Depreciation and amortisation	22,901	37,452
Accrued Interest income	-	(2,625)
(Gain) / loss on disposal of plant and equipment	1,758	(9,500)
Changes in assets and liabilities		
(Increase) / decrease in accounts receivable	47,697	(48,624)
(Increase) / decrease in other assets	1,037	(4,689)
Increase / (decrease) in grants received in advance	15,455	(8,598)
Increase / (decrease) in trade and other payables	6,139	3,969
Increase/ (decrease) in provisions	<u>(12,389)</u>	<u>20,777</u>
Net cash flows from operating activities	<u><u>(76,482)</u></u>	<u><u>94,242</u></u>

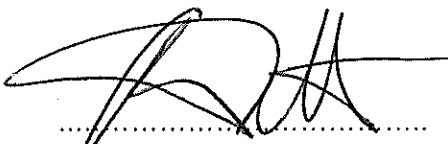
COMMITTEE MEMBERS' DELCARATION

For the financial year ended 30 June 2017

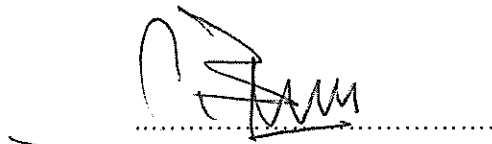
In the opinion of the members of the committee of St Kilda Gatehouse Inc:

- (a) St Kilda Gatehouse Inc is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 1 to the financial statements, the attached special purpose financial statements have been prepared for the purpose of complying with the *Associations Incorporation Reform Act 2012 (Vic)* and the *Australian Charities and Not-for-profits Commission Act 2012 (Cth)*;
- (b) the financial statements and notes set out on pages 6 to 19, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
 - (i) giving a true and fair view of St Kilda Gatehouse Inc's financial position as at 30 June 2017 and of its performance for the financial year ended on that date;
 - (ii) complying with Australian Accounting Standards and other mandatory professional reporting requirements; and
- (c) there are reasonable grounds to believe that the incorporated association will be able to pay its debts as and when they become due and payable.

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



.....
MARK WATT



.....
JAMES BURNET

St Kilda

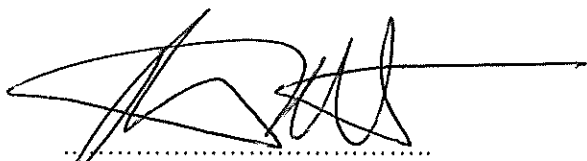
20 November 2017

**ST KILDA GATEHOUSE INC
CERTIFICATE BY MEMBERS OF THE COMMITTEE**

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

- a. I attended the annual general meeting of the St Kilda Gatehouse Inc held on 20 November 2017.
- b. The financial statements for the year ended 30 June 2017 were submitted to the members of committee at its annual general meeting.

Dated this 20 November 2017

A handwritten signature in black ink, appearing to be 'Mark Watt', written over a horizontal dotted line. The signature is stylized and extends to the right.

MARK WATT (CHAIR)

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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
ST KILDA GATEHOUSE INCORPORATED**

Opinion

We have audited the financial report of St Kilda Gatehouse Incorporated, which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, the committee members' declaration, and the certificate by members of the committee.

In our opinion the accompanying financial report of the entity is 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 entity's financial position as at 30 June 2017 and of its financial performance for the year then ended;
- (ii) complying with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the entity in accordance with the auditor independence requirements of the ACNC Act 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 ACNC Act, which has been given to the committee members of the entity, 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.

Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the committee's financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other Information

The committee members are responsible for the other information. The other information comprises the information included in the entity's annual report for the year ended 30 June 2017, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Committee Members for the Financial Report

The committee members of the entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act and is appropriate to meet the needs of the members. The committee members' responsibility also includes such internal control as the committee members determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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



RSM AUSTRALIA PARTNERS



W J SPARGO
Partner

Dated: 23 November 2017
Melbourne, Victoria