

ST KILDA GATEHOUSE INCORPORATED
ABN: 76 557 051 941

SPECIAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

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Committee's Report

The committee members present their report, together with the financial statements, on St Kilda Gatehouse Inc for the financial year ended 30 June 2020.

Committee Members

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

- Mark Watt (Chairperson – retired 29 June 2020)
- Dianne Azoor Hughes (Chairperson – from 29 June 2020, Treasurer)
- Ruth Baker (Deputy chairperson – retired 29 June 2020)
- Amanda Bartley (Secretary – retired 11 November 2019)
- Desiree Smit (Secretary – from 11 November 2019)
- Pauline Richards (retired 11 November 2019)
- John Sutherland (appointed 29 June 2020)
- Linda Wise (appointed 29 June 2020)
- Alan Marr (appointed 20 July 2020)
- Andrew North (Treasurer, appointed 19 October 2020)

Principal Activities

St Kilda Gatehouse is a not for profit 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

There have been no significant changes in the state of affairs of the association during the financial year ended 30 June 2020.

Matters Subsequent to the End of Financial Year

Coronavirus (COVID-19) Pandemic:

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 30 June 2020 that has significantly affected, or may significantly affect the entity's operations, the results of those operations, or the entity's state of affairs in future financial years.

Operating Result

The entity reported a surplus of \$58,801 (2019: deficit of \$59,587) for the year. The current year accounting surplus is attributable to government funding, which was expected for the prior financial year, but when received this income had been allocated to the 2020 financial year by the funder. Hence, the deficit in 2019, and corresponding increase in the balance for grants received in advance in 2019, is offset by income reported in 2020 (refer note 10 to the financial statements).

During the year ended 30 June 2020, income from trusts and foundations was adversely impacted by the decline in the economic environment due to COVID-19 restrictions. Further, the provision of support services and op shops sales were adversely impacted by lockdown restrictions. The result for the year includes \$133,928 in JobKeeper and ATO Cash Boost receipts, which enabled us to cover our costs during a period of restricted activity. We are also grateful for rent relief granted by landlords during the lockdown period.

St Kilda Gatehouse continues to manage operations to comply with COVID-19 restrictions and 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 2020 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.



.....
S. DIANNE AZOOR HUGHES



.....
STACEY ASLANGUL

St Kilda
23 November 2020

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 2020, 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

Dated: 27 November 2020
Melbourne Victoria

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 30 June 2020

	Note	2020 \$	2019 \$
Government funding		319,541	101,352
Trust and foundations		219,197	365,885
Donations		144,960	71,638
Other income		77,916	61,641
Greeves St. social enterprise		174,927	169,844
Interest income		278	1,214
Total Revenue	2	936,819	771,574
Program expenses		(61,355)	(173,848)
Fundraising and promotional expenses		(2,487)	(7,943)
Staff expenses		(672,254)	(599,988)
Depreciation and amortisation	6,7,8	(103,043)	(11,951)
Administration expense		(38,879)	(37,431)
Total expenditure	2	(878,018)	(831,161)
Net result from transactions		58,801	(59,587)
Other comprehensive income for the year		-	-
Total comprehensive income/(loss) for the year		58,801	(59,587)

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 2020

	Note	2020 \$	2019 \$
Current Assets			
Cash and cash equivalents	3	411,296	438,865
Accounts receivable and other debtors	4	54,321	34,516
Prepayments	5	13,127	13,158
Total Current Assets		<u>478,744</u>	<u>486,539</u>
Non-Current Assets			
Plant and equipment	6	33,826	34,118
Right-of-use assets	7	161,200	-
Intangible assets	8	-	-
Total Non-Current Assets		<u>195,026</u>	<u>34,118</u>
Total Assets		<u>673,770</u>	<u>520,657</u>
Current Liabilities			
Accounts payable and other payables	9	51,994	39,001
Grants received in advance	10	164,400	252,532
Employee provisions	11	67,736	50,547
Lease liabilities	7	80,833	-
Total Current Liabilities		<u>364,963</u>	<u>342,080</u>
Non-Current Liabilities			
Employee provisions	11	5,148	21,922
Lease liabilities	7	88,203	-
Total Non-Current Liabilities		<u>93,351</u>	<u>21,922</u>
Total Liabilities		<u>458,314</u>	<u>364,002</u>
Net Assets		<u>215,456</u>	<u>156,655</u>
Equity			
Retained surplus		215,456	156,655
Total Equity		<u>215,456</u>	<u>156,655</u>

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 2020

	Retained Surplus \$	Total Equity \$
Balance at 1 July 2018	216,242	216,242
Profit/(loss) attributed to equity	<u>(59,587)</u>	<u>(59,587)</u>
Balance at 30 June 2019	<u>156,655</u>	<u>156,655</u>
Balance at 1 July 2019	156,655	156,655
Profit/(loss) attributed to equity	<u>58,801</u>	<u>58,801</u>
Balance at 30 June 2020	<u>215,456</u>	<u>215,456</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 2020

	Note	2020 \$	2019 \$
Cash flow from operating activities			
Receipts from donations and grants		609,294	553,959
Receipts from fundraising events		174,927	169,844
Receipts from other income		78,194	127,754
Payments to suppliers		(123,230)	(237,746)
Payments to employees		(671,839)	(574,907)
Net cash generated from / (used in) operating activities	12	<u>67,346</u>	<u>38,904</u>
Cash flow from investing activities			
Payment for plant and equipment		(13,372)	(31,451)
Net cash used in investing activities		<u>(13,372)</u>	<u>(31,451)</u>
Cash flow from financing activities			
Payment for lease liabilities		(81,543)	-
Net cash used in financing activities		<u>(81,543)</u>	<u>-</u>
Net increase / (decrease)		(27,569)	7,453
Cash and cash equivalents at the beginning of the financial year		<u>438,865</u>	<u>431,412</u>
Cash and cash equivalents at the end of the financial year		<u>411,296</u>	<u>438,865</u>

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2020

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 23 November 2020.

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.

c. Revenue

Grants

Grant revenue is recognised in profit or loss when the incorporated association satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the incorporated association is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2020

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

c. Revenue (cont'd)

Donations and bequests

Donations and bequests are recognized as revenue when received, except for donations of preloved goods for sale through the Greeves St Op Shop which are recognized as revenue when sold.

Interest

Interest revenue is recognized when received.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Volunteer services

The incorporated association has elected not to recognise volunteer services as either revenue or other form of contribution received.

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

d. Property, 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.

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.

Right of use assets

The incorporated association recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- Any lease payments made at or before the commencement date less any lease incentive received; plus
- Any initial direct costs incurred; and
- An estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2020

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

c. Plant and equipment (cont'd)

Depreciation

The depreciable amount of all fixed assets, including right of use assets, is depreciated on a straight-line basis over the asset's useful life to the entity 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 the estimated useful lives of the improvements.

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

	2020	2019
Plant and Equipment	20 – 33%	20 – 33%
Motor Vehicles	20%	20%
Leasehold Improvements	20 – 33%	20 – 33%
Right of Use Assets	33% – 50%	N/A

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.

e. 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.

f. Financial Instruments

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions to the instrument. The entity's financial instruments comprise accounts receivable (note 1l) and accounts payable (note 1m) only.

g. 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2020

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

h. Lease liabilities

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or the incorporated association's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments (including in-substance fixed payments) less any lease incentive receivable;
- variable payments based on an index or rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- payments arising from purchase and termination options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

i. 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.

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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2020

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

i. Employee benefits (cont'd)

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.

j. 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 recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

k. 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.

l. Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from donors and any outstanding grant receipts. Receivables are recognised at amortised cost, less any allowance for expected credit losses. 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.

m. 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.

n. 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2020

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

o. 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*.

p. 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.

q. 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.

r. New or amended Accounting Standards and Interpretations adopted

The incorporated association has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Impact of adoption

AASB 15, AASB 16 and AASB 1058 were adopted using the modified retrospective approach and as such comparatives have not been restated. There was no impact on opening retained profits as at 1 July 2019.

r. New or amended Accounting Standards and Interpretations adopted (cont'd)

The impact of the new Accounting Standards compared with the previous Accounting Standards on the current reporting period is as follows:

The adoption of AASB 15 and AASB 1058 had no impact on the opening retained earnings as at 1 July 2019.

The adoption of AASB 16 on opening retained earnings as at 1 July 2019 was as follows:

Right-of-use assets	58,257
Lease liabilities	<u>(58,257)</u>
	<u><u>-</u></u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2020

Note 2. Revenue and expenses

Revenue and expenses for the financial year are presented in the classifications used for funding acquittals and internal reporting.

Government funding comprises:	2020	2019
	\$	\$
Government grants	185,613	101,352
JobKeeper and ATO Cash Flow Boost	133,928	-
	<u>319,541</u>	<u>101,352</u>
	2020	2019
	\$	\$

Note 3. Cash and Cash Equivalents

Cash at bank	410,696	438,265
Cash float	600	600
Total Cash and cash equivalents	<u>411,296</u>	<u>438,865</u>

Note 4. Accounts Receivable and Other Debtors

CURRENT		
Accounts receivables	21,321	34,516
Job Keeper Receivable	33,000	-
	<u>54,321</u>	<u>34,516</u>

Note 5. Prepayments

CURRENT		
Prepayments	13,127	13,158
	<u>13,127</u>	<u>13,158</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2020

Note 6. Plant and Equipment

	2020	2019
	\$	\$
Plant and equipment - at cost	67,003	58,576
less accumulated depreciation	<u>(52,472)</u>	<u>(46,078)</u>
	14,531	12,498
Motor vehicles - at cost	33,257	33,257
less accumulated depreciation	<u>(23,371)</u>	<u>(17,733)</u>
	9,886	15,524
Leasehold improvement - at cost	26,089	21,144
less accumulated amortisation	<u>(16,680)</u>	<u>(15,048)</u>
	9,409	6,096
Total plant and equipment	<u>33,826</u>	<u>34,118</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 2018	7,553	6,357	708	14,618
Additions	9,169	13,182	9,100	31,451
Disposals	-	-	-	-
Depreciation and amortisation	(4,224)	(4,015)	(3,712)	(11,951)
Balance at 30 June 2019	<u>12,498</u>	<u>15,524</u>	<u>6,096</u>	<u>34,118</u>
Additions	8,427	-	4,945	13,372
Disposals	-	-	-	-
Depreciation and amortisation	(6,394)	(5,638)	(1,632)	(13,664)
Balance at 30 June 2020	<u>14,531</u>	<u>9,886</u>	<u>9,409</u>	<u>33,826</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2020

Note 7. Leases

	2020
Right-of-use assets	\$
Adoption of AASB 16	115,901
Additions	134,678
Amortisation charged	(89,379)
Balance at 30 June 2020	<u>161,200</u>

	2020
Lease Liabilities	\$
Lease liabilities included in the Balance Sheet as 30 June:	
Current	80,833
Non-current	88,203
Total lease liabilities	<u>169,036</u>

Note 8. Intangible Assets

	2020	2019
	\$	\$
Computer software - at cost	14,560	14,560
less accumulated amortisation	(14,560)	(14,560)
	<u>-</u>	<u>-</u>

Note 9. Accounts Payables and Other Payables

Suppliers and services	10,826	21,400
Other payable	35,022	6,169
GST Payable	6,146	11,432
	<u>51,994</u>	<u>39,001</u>

Note 10. Grants Received in Advance

Repayable government and philanthropic grants	164,400	252,532
	<u>164,400</u>	<u>252,532</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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2020

Note 11. Employee Provisions

	2020	2019
CURRENT	\$	\$
Provisions for annual leave	30,475	38,035
Provisions for long service leave - unconditional	34,743	12,512
Provision for paid parental leave	2,518	-
	<u>67,736</u>	<u>50,547</u>
NON-CURRENT		
Provisions for long service leave - conditional	5,148	21,922
	<u>5,148</u>	<u>21,922</u>
Total employee provisions	<u><u>72,884</u></u>	<u><u>72,469</u></u>

Note 12. Reconciliation of cash flows from operations with net current year surplus

	2020	2019
	\$	\$
Net current year surplus / (deficits)	58,801	(59,587)
Non-cash flows in profit		
Depreciation and amortisation	103,043	11,951
(Gain) / loss on disposal of plant and equipment	-	-
Changes in assets and liabilities		
(Increase) / decrease in accounts receivable	(19,805)	(13,385)
(Increase) / decrease in other assets	31	2,810
Increase / (decrease) in grants received in advance	(88,132)	71,554
Increase / (decrease) in trade and other payables	12,993	480
Increase/ (decrease) in provisions	415	25,081
Net cash flows from operating activities	<u><u>67,346</u></u>	<u><u>38,904</u></u>

Note 13. Related party transaction

Staff expenses includes an amount of \$12,528 paid to an entity associated with a committee member for consulting services (2019: \$10,000).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2020

Note 15. Subsequent events

Coronavirus (COVID-19) Pandemic:

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 30 June 2020 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

COMMITTEE MEMBERS' DECLARATION

For the financial year ended 30 June 2020

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 20, 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 2020 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:



.....
S. DIANNE AZOOR HUGHES

.....
STACEY ASLANGUL

St Kilda
23 November 2020

ST KILDA GATEHOUSE INC
CERTIFICATE BY MEMBERS OF THE COMMITTEE

I, Dianne Azoor Hughes of St Kilda Gatehouse Inc certify that:

- a. I attended the annual general meeting of the St Kilda Gatehouse Inc held on 23 November 2020.
- b. The financial statements for the year ended 30 June 2020 were submitted to the members of committee at its annual general meeting.

Dated this 23 November 2020



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S. DIANNE AZOOR HUGHES (CHAIR)

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INDEPENDENT AUDITOR'S REPORT

To the Members of the St Kilda Gatehouse Incorporated

Opinion

We have audited the financial report of the St Kilda Gatehouse Incorporated (the Association), which comprises the statement of financial position as at 30 June 2020, 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, and the committee members' declaration.

In our opinion, the accompanying financial report of the Association is in accordance with the *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not-For-Profits Commissions Act 2012*, including:

- (i) giving a true and fair view of the Association's financial position as at 30 June 2020 and of its financial performance and cash flows for the year then ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1, *Associations Incorporation Reform Act 2012* and Division 60 of 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 Association in accordance with the auditor independence requirements of the Australian professional accounting bodies 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 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 members' financial reporting responsibilities under the *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not-For-Profits Commissions Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Committee Members for the Financial Report

The committee members of the Association 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 *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not-For-Profits Commissions Act 2012* and is appropriate to meet the needs of the members. The committee members' responsibility also includes such internal control as the directors 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 Association 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 Association 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



WARWICK SPARGO
Partner

Dated: 27 November 2020
Melbourne, Victoria