

URBAN CAMP MELBOURNE CO-OPERATIVE LIMITED

ABN. 97 558 964 893

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

URBAN CAMP MELBOURNE CO-OPERATIVE LIMITED
ABN. 97 558 964 893
FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

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URBAN CAMP MELBOURNE CO-OPERATIVE LIMITED
ABN. 97 558 964 893
DIRECTORS' REPORT

The Directors present their report on the Co-operative for the financial year ended 30 June 2018.

Directors

The names of Directors in office at any time during or since the end of the year are:

Glyn Williams	Chairperson	
Sharne Brennan		
Evan Dukas		
Nicole Bradshaw	Treasurer	Appointed 1 July 2017
Julie McCormack		Appointed 1 July 2017
Nick Mooney		Appointed 19 February 2018
Glenda Wilson		Resigned 12 December 2017
Phillip Gallo		Resigned 9 October 2017

The Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Secretary

Daniel Whykes held the position of secretary at the end of the financial year.

Principal Activities

The principal activities of the Co-operative during the financial year were:

- to run recreational camps primarily at our site in Parkville for country schools.
- to facilitate a communal activity space in the ANZAC Hall for community groups.

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

Review of Operations

The surplus from ordinary activities after income tax amounted to \$276,216 (2017: \$103,846 surplus).

Future Developments and Results

The Co-operative has had another successful year.

Matters Subsequent to the End of the Financial Year

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Co-operative, the results of those operations or the state of affairs of the Co-operative in future financial years.

Environmental Regulation

The Co-operative is not subject to any particular or significant environmental regulation under a law of the Commonwealth or of a State or Territory.

URBAN CAMP MELBOURNE CO-OPERATIVE LIMITED
ABN. 97 558 964 893
DIRECTORS' REPORT

Specific Information

Distribution to Members

The Co-operative is a non-distributing co-operative and will use surplus funds to support its activities. Funds are not distributed to members.

Directors and Executive Benefits and Contracts

During or since the end of the last financial year no Director or Executive Officer has received any benefit or like, directly or indirectly, by way of a contract made between the Co-operative and any firm in which he/she is a member or in which he/she has significant financial interest.

Indemnities and Insurance Premiums for Officers or Auditors

Every person who is or has been a director of the Co-operative is indemnified, to the maximum extent permitted by law, out of the property of the Co-operative against any liability to another person (other than the Co-operative) as such a director unless the liability arises out of conduct involving any negligence, default, breach of duty or breach of trust of which that person may be guilty in relation to the Co-operative.

During the financial year, the Co-operative has had a contract providing insurance for every person who is or has been a director or officer against losses arising from any actual or alleged breach of duty, breach of trust, neglect, error, misstatement, misleading statement, omission, breach of warranty of authority, or other act done or wrongfully attempted, or any liability asserted against them solely because of their status as directors or officers of the economic entity.

Proceedings on behalf of the Co-operative

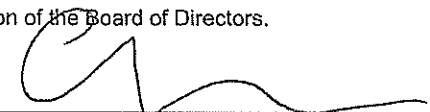
No legal proceedings have been brought on behalf of the Co-operative during this financial year.

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2018 has been received and is included in this report on Page 3.

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

Director



Glyn Williams

Director



Nicole Bradshaw

Dated this

16/10/18

day of September 2018



Collins & Co

CERTIFIED PRACTISING ACCOUNTANTS
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127 Paisley Street
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TOWARDS A VISION SHARED

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF
URBAN CAMP MELBOURNE CO-OPERATIVE LIMITED
ABN. 97 558 964 893**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Co-operatives National Law Application Act 2013* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

 CA

Name of Auditor: Frederik R.L. Eksteen

Date: 18 October 2018

Address: Collins & Co
127 Paisley Street
Footscray VIC 3011

URBAN CAMP MELBOURNE CO-OPERATIVE LIMITED
ABN. 97 558 964 893
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
Revenue	2	1,067,377	911,710
Expenses			
Administration expenses		(84,234)	(54,603)
Camp program expenses		(23,886)	(33,811)
Cleaning		(74,375)	(68,057)
Depreciation and amortisation expenses		(13,584)	(21,641)
Employee benefits expense		(445,455)	(477,337)
Food and perishables		(84,423)	(90,395)
Insurance		(8,774)	(100)
Motor vehicle expenses		(7,650)	(5,312)
Property expenses		(33,695)	(34,100)
Repairs and maintenance		(15,085)	(22,507)
Total expenses		<u>(791,161)</u>	<u>(807,864)</u>
Net surplus/(deficit) attributable to the Co-operative		<u>276,216</u>	<u>103,846</u>

URBAN CAMP MELBOURNE CO-OPERATIVE LIMITED
ABN. 97 558 964 893
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
Surplus/(deficit) for the year	276,216	103,846
Other comprehensive income after income tax	-	-
Total comprehensive income for the year	<u>276,216</u>	<u>103,846</u>
Total comprehensive income attributable to the Co-operative	<u>276,216</u>	<u>103,846</u>

The income statement is to be read in conjunction with the audit report and the notes to the financial statements.

URBAN CAMP MELBOURNE CO-OPERATIVE LIMITED
ABN. 97 558 964 893
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	492,583	194,102
Trade and other receivables	4	81,583	38,561
Other financial assets	5	544,052	514,052
Prepayments		10,859	10,233
TOTAL CURRENT ASSETS		<u>1,129,077</u>	<u>756,948</u>
NON-CURRENT ASSETS			
Property, plant and equipment	6	18,533	32,117
TOTAL NON-CURRENT ASSETS		<u>18,533</u>	<u>32,117</u>
TOTAL ASSETS		<u>1,147,610</u>	<u>789,064</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	61,806	43,173
Amounts received in advance	8	215,015	133,433
Employee entitlements	9	54,464	72,539
TOTAL CURRENT LIABILITIES		<u>331,285</u>	<u>249,145</u>
NON-CURRENT LIABILITIES			
Employee entitlements	9	-	-
TOTAL NON-CURRENT LIABILITIES		<u>-</u>	<u>-</u>
TOTAL LIABILITIES		<u>331,285</u>	<u>249,145</u>
NET ASSETS		<u>816,325</u>	<u>539,919</u>
EQUITY			
Accumulated funds		806,465	530,249
Paid up capital	10	9,860	9,670
TOTAL EQUITY		<u>816,325</u>	<u>539,919</u>

The balance sheet is to be read in conjunction with the audit report and the notes to the financial statements.

URBAN CAMP MELBOURNE CO-OPERATIVE LIMITED
ABN. 97 558 964 893
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2018

	Share Capital \$	Accumulated Funds \$	Total \$
Balance as at 1 July 2016	9,440	426,403	435,843
Shares issued	230	-	230
Surplus attributable to the Co-operative	-	103,846	103,846
Other comprehensive income	-	-	-
Balance as at 30 June 2017	9,670	530,249	539,919
Shares issued	190	-	190
Surplus attributable to the Co-operative	-	276,216	276,216
Other comprehensive income	-	-	-
Balance as at 30 June 2018	9,860	806,465	816,325

The statement of changes in equity is to be read in conjunction with the audit report and the notes to the financial statements.

URBAN CAMP MELBOURNE CO-OPERATIVE LIMITED
ABN. 97 558 964 893
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		1,067,829	884,565
Other receipts		26,172	707
Payments to suppliers and employees		(777,646)	(850,372)
Interest received		11,936	14,460
Net cash generated from/(used in) operating activities	11	<u>328,291</u>	<u>49,361</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		-	(15,216)
Reduction/(increase) in investments		(30,000)	(60,077)
Net cash (used in)/provided by investing activities		<u>(30,000)</u>	<u>(75,293)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from share issues		190	230
Net cash (used in)/provided by investing activities		<u>190</u>	<u>230</u>
Net increase/(decrease) in cash held		298,481	(25,702)
Cash and cash equivalents at beginning of financial year		194,102	219,804
Cash and cash equivalents at end of financial year	3	<u><u>492,583</u></u>	<u><u>194,102</u></u>

The statement of cash flows is to be read in conjunction with the audit report and the notes to the financial statements.

URBAN CAMP MELBOURNE CO-OPERATIVE LIMITED
ABN. 97 558 964 893
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Note 1. Statement of Significant Accounting Policies

The financial statements and notes represent those of Urban Camp Melbourne Co-operative Limited, the Co-operative.

Policies Basis of preparation

The directors have prepared the financial statements on the basis that the Co-operative is a non reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Co-operatives National Law. The Co-operative is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Co-operatives National Law, and the significant accounting policies disclosed below which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

a. Property, Plant and Equipment

Plant and equipment are brought to account at cost less, where applicable, any accumulated depreciation and impairment losses. The carrying amount of property, plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount of these 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 their present values in determining recoverable amounts.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Co-operative and the cost of the asset can be measured reliably. All other repairs & maintenance are charged to the income statement during the financial period in which they are incurred.

Increases in the carrying amount arising on the revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement.

URBAN CAMP MELBOURNE CO-OPERATIVE LIMITED
ABN. 97 558 964 893
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Note 1. Statement of Significant Accounting Policies

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the Co-operative commencing from the time the asset is held ready for use. Properties held for investment purposes are not subject to depreciation.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An assets carrying amount is written down immediately to its recoverable amount if the assets carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement.

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

Class of fixed asset	Depreciation rate
Plant and equipment	20% - 33.33%
Motor vehicles	22.5%

b. Impairment of Assets

At each reporting date, the Co-operative reviews the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the Co-operative estimates the recoverable amount of the cash generating unit to which the asset belongs.

c. Employee Benefits

Short term benefits

The provisions for employee entitlements to wages, salaries, annual and paid maternity leave represent obligations resulting from employees' services provided up to reporting date, calculated at undiscounted amounts based on wage and salary rates, including related on-costs, which the Co-operative expects to pay at the end of each reporting period.

Long term benefits

The provision for employee entitlements to long service leave represents the present value of the estimated future cash outflows to be made resulting from employees' services provided up to reporting date.

Superannuation

Superannuation contributions are made by the Co-operative to approved superannuation funds for all employees. The costs are charged as employee expenses as they are incurred. The Co-operative has no legal obligation to cover any shortfall in the superannuation funds' obligations to provide benefits to employees on retirement.

URBAN CAMP MELBOURNE CO-OPERATIVE LIMITED
ABN. 97 558 964 893
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Note 1. Statement of Significant Accounting Policies

d. Provisions

Provisions are recognised when the Co-operative 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 are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

e. Cash and Cash Equivalents

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

g. Revenue

Revenue comprises revenue from camp activities and fees for services.

Revenue is measured by reference to the fair value of consideration received or receivable by the Co-operative for goods supplied and services provided, excluding sales taxes, rebates, and trade discounts.

Revenue is recognised when the amount of revenue can be measured reliably, collection is probable, the costs incurred or to be incurred can be measured reliably, and when the criteria for each of the Co-operative's different activities have been met. Details of the activity-specific recognition criteria are described below.

Fees for Services

Fees charged for services provided to clients are recognised when the service is provided.

Interest Revenue

Interest revenue is recognised on a time proportional basis taking into account the interest rates applicable to the financial assets.

h. Trade & Other Payables

Trade and other payables represent the liabilities for goods and services received by the Co-operative that remain unpaid at the end of the reporting period..

URBAN CAMP MELBOURNE CO-OPERATIVE LIMITED
ABN. 97 558 964 893
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Note 1. Statement of Significant Accounting Policies

i. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office.

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 net 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 excluded from the receipts from customers or the payments to suppliers.

j. Taxes

Income Tax

By virtue of its aims as set out in the constitution, the Co-operative qualifies as an organisation specifically exempt from income tax under the *Income Tax Assessment Act 1997*.

Payroll Tax

The Co-operative is exempt from payroll tax because it is classified as a not-for-profit with a dominant charitable purpose.

k. Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year. Where appropriate all figures have been rounded off to the nearest dollar.

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.

l. Significant management judgement in applying accounting policies

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Estimation uncertainty

The directors evaluate estimates and judgements 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 Co-operative.

URBAN CAMP MELBOURNE CO-OPERATIVE LIMITED
ABN. 97 558 964 893
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Note 1. Statement of Significant Accounting Policies

Impairment

The Co-operative assesses impairment at each reporting date by evaluating conditions specific to the Co-operative that may lead to impairment of assets.

Where an impairment trigger exists, the recoverable amount of the asset is determined.

Useful Lives of Depreciable Assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets.

URBAN CAMP MELBOURNE CO-OPERATIVE LIMITED
ABN. 97 558 964 893
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
Note 2. Revenue		
School groups	785,819	748,637
Other groups	243,450	147,906
Interest received	11,936	14,460
Other income	26,172	707
Total revenue	<u><u>1,067,377</u></u>	<u><u>911,710</u></u>
 Note 3. Cash and Cash Equivalents		
Cash on hand	10	200
Cash at bank	<u>492,573</u>	<u>193,902</u>
	<u><u>492,583</u></u>	<u><u>194,102</u></u>
 Reconciliation of cash		
Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:		
Cash and cash equivalents	<u>492,583</u>	<u>194,102</u>
	<u><u>492,583</u></u>	<u><u>194,102</u></u>
 Note 4. Trade and Other Receivables		
Current		
Accounts receivable	108,083	38,361
Provision for Cancellations	(26,500)	-
Other receivables	-	200
	<u>81,583</u>	<u>38,561</u>
	<u><u>81,583</u></u>	<u><u>38,561</u></u>
 Note 5. Other Financial Assets		
Current		
Term Deposits	<u>544,052</u>	<u>514,052</u>
	<u><u>544,052</u></u>	<u><u>514,052</u></u>
 Note 6. Property, Plant and Equipment		
Plant and equipment		
Cost	279,420	279,420
Accumulated depreciation	<u>(260,887)</u>	<u>(247,303)</u>
	<u>18,533</u>	<u>32,117</u>
 Motor vehicles		
Cost	33,042	33,042
Accumulated depreciation	<u>(33,042)</u>	<u>(33,042)</u>
	<u>-</u>	<u>-</u>
 Total property, plant and equipment	<u><u>18,533</u></u>	<u><u>32,117</u></u>

URBAN CAMP MELBOURNE CO-OPERATIVE LIMITED
ABN. 97 558 964 893
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
Note 7. Trade and Other Payables		
Current		
Trade creditors and accruals	33,226	5,807
GST payable	20,575	17,421
PAYG Withholding Tax payable	4,440	5,492
Superannuation payable	3,565	14,454
	61,806	43,173
Note 8. Amounts Received in Advance		
Current		
Camp deposits	215,015	133,433
Grants in advance	-	-
	215,015	133,433
Note 9. Employee Entitlements		
Current		
Provision for annual leave	18,863	14,069
Provision for long service leave	35,601	58,470
	54,464	72,539
Current		
Provision for long service leave	-	-
Note 10. Share Capital		
Shares of \$1 - issued and paid in full	9,860	9,670

Members' rights are limited to:

Booking a group to stay at Camp, utilising the services offered and enjoying the City of Melbourne

Voting at the Annual General Meeting on behalf of their school/group

Getting involved at The Camp by joining the Board of Directors and contributing to the continuing future of this community enterprise.

URBAN CAMP MELBOURNE CO-OPERATIVE LIMITED
ABN. 97 558 964 893
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
Note 10. Cash Flow Information		
(a) Reconciliation of cash flow from operations with profit after income tax		
Operating surplus/(deficit)	276,216	103,846
Non-cash flow items		
Add back: depreciation	13,584	21,641
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	(43,022)	(6,287)
(Increase)/decrease in prepayments	(626)	(10,233)
Increase/(decrease) in trade payables and accruals	18,633	1,489
Increase/(decrease) in amounts received in advance	81,582	(5,690)
Increase/(decrease) in employee entitlements	(18,075)	(55,405)
Cash flow from operations	328,291	49,361

Note 11. Company Details

The registered address of the company is:

Urban Camp Melbourne Co-operative Limited
Brens Drive
PARKVILLE VIC 3052

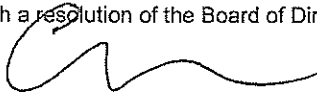
URBAN CAMP MELBOURNE CO-OPERATIVE LIMITED
ABN. 97 558 964 893
Directors' DECLARATION

The Directors of the Co-operative declare that:

1. the financial statements and notes, as set out on pages 4 to 15, are in accordance with the *Co-operatives National Law Application Act 2013* and:
 - (a) comply with Australian Accounting Standards as described in Note 1 to the financial statements and the *Co-operatives National Law Application Act 2013*; and
 - (b) give a true and fair view of the financial position as at 30 June 2018 and of the performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
2. In the Directors' opinion there are reasonable grounds to believe that the Co-operative 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



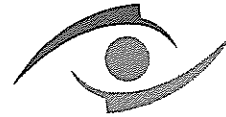
Glyn Williams

Director



Nicole Bradshaw

Dated this 16/10/18 day of September 2018



Collins & Co

CERTIFIED PRACTISING ACCOUNTANTS
ABN 15 893 818 045

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TOWARDS A VISION SHARED

URBAN CAMP MELBOURNE CO-OPERATIVE LIMITED
ABN. 97 558 964 893
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

Opinion

I have audited the accompanying financial report of Urban Camp Melbourne Co-operative Limited (the Co-operative), which comprises the statement of financial position as at 30 June 2018, and 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 statement by the Board of Directors.

In my opinion, the accompanying financial report of Urban Camp Melbourne Co-operative Limited is in accordance with *the Co-operatives National Law Application Act 2013*, including:

- (a) giving a true and fair view, in all material respects, of the Co-operative's financial position as at 30 June 2018 and of its performance and its cash flows for the year ended; and ii. the other matters required by Section 283 of the *Co-operatives National Law Application Act 2013* to be dealt with in the financial statements; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1, other mandatory professional reporting requirements and the *Co-operatives National Law Application Act 2013*;
- (c) the accounting records and other records and the registers required by the *Co-operatives National Law Application Act 2013* to be kept by the Urban Camp Melbourne Co-operative Limited have been properly kept in accordance with the provisions of the Act; and
- (d) I have been given all information, explanations and assistance necessary for the conduct of the audit.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the Co-operative in accordance with the auditor independence requirements of the *Co-operatives National Law Application Act 2013* 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 my audit of the financial report in Australia. I have also fulfilled our other ethical responsibilities in accordance with the Code.

I confirm that the independence declaration required by the *Co-operatives National Law Application Act 2013*, which has been given to the directors of the Co-operative would be on the same terms if given to the directors as at the time of this auditor's report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter - Basis of Accounting and Restriction on Distribution

I draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Urban Camp Melbourne Co-operative Limited to meet the requirements of the *Co-operatives National Law Application Act 2013*. As a result, the financial report may not be suitable for another purpose. My opinion is not modified in respect of this matter.



Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered entity's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the responsible entities.

Conclude on the appropriateness of the responsible entities use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.

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

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

A handwritten signature in black ink, appearing to read 'R. Eksteen', followed by a horizontal line and the letters 'CIA' to its right.

Name of Auditor: Frederik R.L. Eksteen

Address: Collins & Co
127 Paisley Street
Footscray VIC 3011

Date: 18 October 2018