

Attachment A – Statement of grant income and expenditure

Drought Community Support Initiative

Project number	DCSI74859
Grant recipient	St Vincent de Paul Society National Council of Australia Incorporated
Project title	Provision of Financial Assistance under the Drought Community Support Initiative
Reporting period start date	11 December 2018
Reporting period end date	30 June 2019

This statement of grant income and expenditure must be prepared by the grant recipient and contain the following:

- Statement of funds, grant recipient contributions and other financial assistance*
- Statement of eligible expenditure*
- Notes to the statement of eligible expenditure, explaining the basis of compilation
- Certification by directors of the grant recipient

*We will compare this information to that detailed in the grant agreement.

1. Statement of funds, grant recipient contributions and other financial assistance

Complete the following table for all cash [and in-kind] contributions for your project for the period in question, including

- the Drought Community Support Initiative grant
- other government funding
- your own contributions
- partner or other third party contributions
- any additional private sector funding.

Insert rows as required.

Contributor	Cash amount (GST excl)	[Estimated in-kind amount (GST excl)]	Total (GST excl)
Drought Community Support Initiative grant	\$11,531,062		\$11,531,062
Grant recipient			
[enter contributor]			
Total	\$11,531,062		\$11,531,062

2. Statement of eligible expenditure

You must provide detail of the eligible expenditure that has been incurred and paid for during the reporting period in the 'Statement of eligible expenditure' spreadsheet.

Comment on any variance between the expenditure items and amounts detailed in the grant agreement and the actual items and amounts detailed in the attached statement of eligible expenditure.

Statement of Eligible Expenditure – GST Exclusive			
	Actual	Grant Agreement	Variance
	\$	\$	\$
Allocated Funding – Payments for eligible households	\$7,441,535	\$7,324,445	(\$117,090)
Allocated Funding – Vouchers for eligible households	\$3,301,789	\$3,662,222	\$360,433
Admininstration	\$434,395	\$434,395	0
Other eligible expenditure	\$48,363	\$110,000	\$61,637
Total Project costs	\$11,226,082	\$11,531,062	\$304,980

Comments

There were a large number of households that only claimed a portion of the \$1,000 voucher amount, or did not claim it at all. This allowed the St Vincent de Paul Society to assist a small number of additional households at project end, but we were ultimately unable to fully expend the assistance funds.

We fully expended the administration funds.

We were unable to fully expend the 'Other Eligible Expenditure' funds and at project end had \$61,637 remaining. We had budgeted \$110,000 to promote DCSI, but found that we only needed to undertake a small amount of promotion. Government roadshow events, and word of mouth were highly effective in promoting DCSI, and so we had funds remaining at the end of the delivery period.

The St Vincent de Paul Society will return \$304,980 to the Commonwealth.

3. Note to the statement of eligible expenditure.

3.1. Eligible expenditure

The eligible expenditure as reported in the statement of eligible expenditure is in accordance with the Drought Community Support Initiative grant opportunity guidelines.

3.2. Basis of compilation

This statement of eligible expenditure has been prepared to meet the requirements of the grant agreement between the St Vincent de Paul Society National Council of Australia Inc. and the Commonwealth represented by the Department of Industry, Innovation and Science. Significant accounting policies applied in the compilation of the statement of grant income and expenditure include the following:

The statement of income and expenditure is prepared on a cash basis.

4. Certification by directors [if not director, replace with appropriate equivalent]

St Vincent de Paul Society National Council of Australia Incorporated

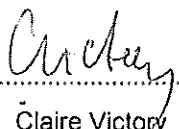
DCSI74859

For the period 11/12/2018 to 30/06/2019

We confirm that, to the best of our knowledge and believe, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

Statement of grant income and expenditure

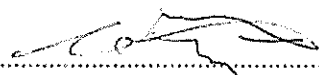
- a. We have fulfilled our responsibilities for the preparation of the statement of grant income and expenditure in accordance with the cash basis of accounting and the terms of the grant agreement with the Commonwealth, represented by the Department of Industry, Innovation and Science dated 11 December 2018; in particular, the statement of grant income and expenditure presents fairly in accordance therewith.
- b. All events subsequent to the date of the statement of grant income and expenditure which require adjustment or disclosure so as to present fairly the statement of grant income and expenditure, have been adjusted or disclosed.
- c. That all grant recipient contributions and other financial assistance were spent for the purpose of the project and in accordance with the grant agreement and that the grant recipient has complied with the grant agreement and relevant accounting policies.
- d. That salaries and allowances paid to persons involved in the project are in accordance with any applicable award or agreement in force under any relevant law on industrial or workplace relations.

Signature 

Name: Claire Victory

Director National President

Date 30/9/19

Signature 

Name Warwick Fulton

Director Deputy President

Date 30/9/2019

5. For Auditor use only

I certify that this statement of grant income and expenditure is the one used to prepare my independent audit report dated 30 September 2019 for the Department of Industry, Innovation and Science.



Signature

Name	Rod Scott
Position	Partner
Auditor's employer	Nexia Duesburys (Audit)
Date	30 September 2019



Independent Auditor's Report

Independent audit report in relation to St Vincent de Paul Society National Council of Australia Incorporated's statement of grant income and expenditure to the Commonwealth, represented by the Department of Industry, Innovation and Science (the department)

Drought Communities Programme - Drought Community Support Initiative

Part A Report on the Audit of the Financial Statement

Opinion

We have audited the accompanying statement of grant income and expenditure of St Vincent de Paul Society National Council of Australia Incorporated for the period ended 30 June 2019, a summary of significant accounting policies and other explanatory information, and management's attestation statement thereon (together 'the financial statement'). The financial statement has been prepared by management using the cash basis of accounting described in note 3.2 to the financial statement.

In our opinion the financial statement presents fairly, in all material respects, the grant income and expenditure of St Vincent de Paul Society National Council of Australia Incorporated for the period ended 30 June 2019 in accordance with the cash basis of accounting described in note 3.2 and the terms of the grant agreement, dated 11 December 2018, with the Commonwealth.

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 Responsibility for the Audit of the Financial Statement section of our report. We are independent of St Vincent de Paul Society National Council of Australia Incorporated in accordance with 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 statement 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 Preparation and Restriction on Distribution

Without modifying our opinion, we draw attention to note 3.2 to the financial statement, which describes the basis of accounting. The financial statement is prepared to provide information to the department in accordance with the grant agreement, dated 11 December 2018. As a result, the financial statement may not be suitable for another purpose.

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This report has been prepared for St Vincent de Paul Society National Council of Australia Incorporated and the department in accordance with the requirements of the grant agreement between St Vincent de Paul Society National Council of Australia Incorporated and the Commonwealth, dated 11 December 2018. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than St Vincent de Paul Society National Council of Australia Incorporated and the department, or for any purpose other than that for which it was prepared.

The Responsibility of the National Council for the Financial Statement

The National Council is responsible for the preparation and fair presentation of the financial statement in accordance with the basis of accounting described in note 3.2, this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statement in accordance with the grant agreement. The National Council is also responsible for such internal control as it determines is necessary to enable the preparation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement 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 the financial statement.

A further description of our responsibilities for the audit of the financial statement is located at The Australian 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 to the extent that it is relevant to the audit of the financial statement.

Part B Report on Compliance


Opinion on Compliance

We have audited St Vincent de Paul Society National Council of Australia Incorporated's compliance with the terms of the grant agreement between St Vincent de Paul Society National Council of Australia Incorporated and the Commonwealth dated 11 December 2018 for the period ended 30 June 2019 (the grant agreement).

In our opinion St Vincent de Paul Society National Council of Australia Incorporated has complied, in all material respects, with the requirements of the grant agreement between the organisation and the Commonwealth dated 11 December 2018, for the period ended 30 June 2019.

Basis for Opinion

We conducted our audit of compliance with the grant agreement in accordance with ASAE 3100. The applicable Standards require that we comply with relevant ethical requirements and plan and perform our work to obtain reasonable assurance about whether St Vincent de Paul Society National Council of Australia Incorporated has complied, in all material respects, with the terms of the grant agreement.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Use of Report

This report has been prepared for St Vincent de Paul Society National Council of Australia Incorporated and the department in accordance with the requirements of the grant agreement between St Vincent de Paul Society National Council of Australia Incorporated and the Commonwealth, dated 11 December 2018. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than St Vincent de Paul Society National Council of Australia Incorporated and the department, or for any purpose other than that for which it was prepared.

The Responsibility of the National Council for Compliance

The National Council is responsible for compliance with the terms of the grant agreement and for such internal control as it determines is necessary to enable compliance with the terms of the grant agreement.

Auditor's Responsibility

Our responsibility is to express an opinion, based on our audit, on St Vincent de Paul Society National Council of Australia Incorporated's compliance, in all material respects, with the terms of the grant agreement.



Nexia Duesburys (Audit)
Canberra, 30 September 2019



Rod Scott
Partner
Registered Company Auditor





Department of Industry, Innovation and Science
GPO Box 2013
Canberra ACT 2601

St Vincent de Paul Society National Council of Australia Incorporated

I understand that the Commonwealth, represented by the Department of Industry, Innovation and Science and St Vincent de Paul Society National Council of Australia Incorporated have entered into a grant agreement for the provision of financial assistance under the Drought Community Support Initiative to the grant recipient for the project. A condition of funding under the grant agreement is that the grant recipient provides a statement of grant income and expenditure certifying that expenditure on approved project items has been incurred within the relevant audit period and paid in accordance with the program guidelines, and is supportable by appropriate documentation.

In fulfilment of the condition, I hereby certify that:

- a. I am a member of Chartered Accountants Australia and New Zealand (as a Public Practice Certified Member).
- b. I have prepared the independent audit report on St Vincent de Paul Society National Council of Australia Incorporated's, statement of grant income and expenditure in accordance with the details of the grant agreement between the grant recipient and the Commonwealth, project no. DCSI74859 dated 11 December 2018.
- c. I have reviewed the grant agreement between the grant recipient and the Commonwealth, project no. DCSI74859 dated 11 December 2018, and related program guidelines and understand the requirements pertaining to financial reporting and eligible expenditure contained therein.
- d. I have signed the attached copy of St Vincent de Paul Society National Council of Australia Incorporated's statement of eligible expenditure that I used to prepare the independent audit report.
- e. I have complied with the professional independence requirements of Chartered Accountants Australia and New Zealand. I specifically certify that I:
 - i am not, and have not been, a director, office holder, or employee of St Vincent de Paul Society National Council of Australia Incorporated or related body corporate of St Vincent de Paul Society National Council of Australia Incorporated
 - ii have not been previously engaged by St Vincent de Paul Society National Council of Australia Incorporated for the purpose of preparing their Drought Community Support Initiative application or any report required under the grant agreement
 - iii have no financial interest in St Vincent de Paul Society National Council of Australia Incorporated.

Nexia Duesburys (Audit)
Canberra, 30 September 2019

Rod Scott
Partner
Registered Company Auditor

Canberra Office

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Auditor's report

Independent audit report in relation to Rotary Australia World Community Service Ltd's (Rotary) statement of grant income and expenditure to the Commonwealth, represented by the Department of Industry, Innovation and Science (the Department).

We have audited:

- a. the accompanying statement of grant income and expenditure of Rotary Australia World Community Service Ltd's for the period 11 December 2018 to 30 June 2019, other explanatory information, and ensured that management's attestation statement on the End of Project Report dated 20 August 2019 aligns to this statement. The financial statement has been prepared by management using the cash basis as described in the accounting policy; and
- b. Rotary Australia World Community Service Ltd's compliance with the terms of the grant agreement between Rotary Australia World Community Service Ltd and the Commonwealth dated 12 December 2018 for the period 11 December 2018 to 30 June 2019 (the grant agreement).

We have completed limited assurance procedures on the distribution of grant monies to individual's meeting the grant agreements eligibility requirements. In particular, we have we have completed sample testing:

- i agreed monies received from the Department to distribution of monies to Rotary districts or drought counselling services as detailed in the statement of income and expenditure;
- ii of the conversion of grant monies to vouchers/cards back to supplier documentation;
- iii of phone confirmations of receipt of grants as disclosed;
- iv of the postcodes of the vouchers/cards to the listed prescribed areas;
- v documented the processes utilised by each Rotary District or third-party provider involved in the card distribution; and
- vi reviewed the detailed returns supplied by the distributing Rotary's districts or drought counselling services to Rotary, confirming card numbers, id, address and post code, family make up, and quantum of the grant.

Management's responsibility

Management is responsible for:

- a. the preparation and fair presentation of the income and expenditure statement, this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the statement in accordance with the grant agreement;
- b. compliance with the terms of the grant agreement;
- c. the preparation of the statements identifying the numbers of vouchers distributed and the recipient of the vouchers; and
- d. such internal control as management determines is necessary to:

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- i enable the preparation of the income and expenditure statement that is free from material misstatement, whether due to fraud or error; and
- ii enable compliance with the terms of the grant agreement.

Auditor's responsibility

Our responsibilities are:

- a. To express an opinion, based on our audit, on:
 - i Income and expenditure statement; and
 - ii Rotary Australia World Community Service Ltd's compliance, in all material respects, with the terms of the grant agreement; and
 - iii To conclude based on the basis of limited assurance procedures and interviews with those involved with distribution of cards and vouchers, that recipients met the Department's criteria.

We conducted our audit of the income and expenditure statement in accordance with Australian Auditing Standards; and our audit of compliance with the grant agreement in accordance with ASAE 3100. The applicable Standards require that we comply with relevant ethical requirements and plan and perform our work to:

- a. obtain reasonable assurance about whether the income and expenditure statement is free from material misstatement and that Rotary Australia World Community Service Ltd has complied, in all material respects, with the terms of the grant agreement; and
- b. obtain limited assurance as to the accuracy of the reports produced in relation to those receiving drought assistance from the Department's grant.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement and about the grant recipient's compliance with the grant agreement. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the grant recipient's preparation and fair presentation of the financial statement, and to the grant recipient's compliance with the grant agreement, 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 grant recipient's internal control. An audit also includes evaluating the appropriateness of accounting policies used by management, as well as evaluating the overall presentation of the financial statement.

A review consists of making enquiries and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we cannot attest to the accuracy of the detailed Appendix B information detailing all the grant recipients. We have performed tests to provide limited assurance in relation to these details.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion, review and limited assurance conclusions.

Opinion

In our opinion:

- a. the income and expenditure statement presents fairly, in all material respects, the grant income and expenditure of Rotary Australia World Community Service Ltd for the period 11 December 2018 to 30 June 2019 in accordance with the cash basis of accounting described in and the terms of the grant agreement, dated 12 December 2018, with the Commonwealth; and
- b. Rotary Australia World Community Service Ltd has complied, in all material respects, with the requirements of the grant agreement between the organisation and the Commonwealth dated 12 August 2018, for the period 12 December 2018 to 30 June 2019.

Basis of Accounting and Restriction on Distribution

The income and expenditure statement is prepared on a cash basis as described in the accounting policy note, to provide information to the Department in accordance with the grant agreement, dated 12 December 2018. As a result, the income and expenditure statement may not be suitable for another purpose.

Use of Report

This report has been prepared for Rotary Australia World Community Service Ltd and the Department in accordance with the requirements of the grant agreement between Rotary Australia World Community Service Ltd and the Commonwealth, dated 12 December 2018. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than Rotary Australia World Community Service Ltd and the Department, or for any purpose other than that for which it was prepared.

Conclusions of the Limited Assurance Scope

In completing our review procedures, which is not an audit, nothing has come to our attention that causes us to believe that those Rotary districts and/or drought counselling providers have distributed the vouchers/cards to individuals who have not met the eligibility requirements stipulated by the Department between 12 December 2018 to 30 June 2019. And that the distributions have been, in all material respects, fairly presented in accordance with the grant agreement dated 12 August 2018 with the Commonwealth.

Auditor's signature



.....

Name

Joanne Doyle

Auditor's employer

Wise Lord & Ferguson

Employer's address

160-166 Collins Street, Hobart TAS 7000

Qualifications

B.Com, FCA ANZ, Registered Company Auditor

Position

Partner

Date

30/09/2019

Rotary Australia World Community Services Ltd
Drought Communities Programme -
Drought Community Support Initiative
Statement of Grant Income and Expenditure

District	December 2018 Tranche 1 \$	February 2019 Tranche 2 \$	April 2019 Tranche 3 \$	Total
Grant Received	2,220,834	2,720,833	1,720,833	6,662,500
Grants Distributed				
Rotary - 9550	Nil	1,000,000	Nil	1,000,000
9570 – Western Ltd Drought Company	500,000	500,000	Nil	1,000,000
9630 – Rural Counselling Service	566,666	433,334	Nil	1,000,000
Rotary - 9650	600,000	400,000	Nil	1,000,000
9650 – Neighbours in Need	500,000	Nil	Nil	500,000
Rotary - 9670	Nil	333,333	666,667	1,000,000
Rotary - 9700	Nil	Nil	1,000,000	1,000,000
	2,166,666	2,666,667	1,666,667	6,500,000
Administration Fee	54,167	54,167	54,166	162,500
Balance	-	-	-	-

Accounting Policy

The Statement of Grant Income and Expenditure to formalise the acquitting of funds have been prepared on a cash basis, other than audit fees that have been provided for within the administration fee. Generally accepted accounting principles have been complied with. No specific relevant Australian Accounting Standards have been complied with.

Other Contributions

In addition to these contributions some of the Rotary Districts distributed additional funds to the value of \$98,606, to assist those individual's identified as in need.



Department of Industry, Innovation and Science
GPO Box 2013
Canberra ACT 2601

Re: Drought Communities Programme – Drought Community Support Initiative – DCS174846

I understand that the Commonwealth, represented by the Department Industry, Innovation and Science and Rotary Australia World Community Service Ltd have entered into a grant agreement for the provision of financial assistance under the Drought Community Support Initiative to the grant recipient for the project. A condition of funding under the grant agreement is that the grant recipient provides a statement of grant income and expenditure certifying that expenditure on approved project items has been incurred within the relevant audit period and paid in accordance with the program guidelines and is supportable by appropriate documentation.

In fulfilment of the condition, I hereby certify that:

- a. I am a member of Chartered Accountants Australia and New Zealand (as a Public Practice Certified Member).
- b. I have prepared the independent audit report on Rotary Australia World Community Service Ltd's, statement of grant income and expenditure in accordance with the details of the grant agreement between the grant recipient and the Commonwealth, project no DCSI 74846 dated 12 December 2018.
- c. I have reviewed the grant agreement between the grant recipient and the Commonwealth, project no DCSI 74846 dated 12 December 2018, and related program guidelines and understand the requirements pertaining to financial reporting and eligible expenditure contained therein.
- d. I have signed the attached copy of Rotary Australia World Community Service Ltd's income and expenditure statement that I used to prepare the independent audit report.
- e. I have complied with the professional independence requirements of Chartered Accountants Australia and New Zealand. I specifically certify that I:
 - i am not, and have not been, a director, office holder, or employee of or related body corporate of Rotary Australia World Community Service Ltd;
 - ii have not been previously engaged by Rotary Australia World Community Service Ltd for the purpose of preparing their Drought Community Support Initiative application or any report required under the grant agreement;
 - iii have no financial interest in Rotary Australia World Community Service Ltd.


Name Joanne Doyle
Qualifications B.Com, FCA ANZ, Registered Company Auditor
Position Partner
Date 30/09/2019

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Released under the FOI Act.

**The Salvation Army Australia Territory****Territorial Headquarters**261-265 Chalmers Street, Redfern, New South Wales, 2016
PO Box A435, Sydney South, New South Wales, 1235

P 02 9466 3000

4 October 2019

Department of Industry, Innovation and Science
GPO Box 2013
Canberra ACT 2601

Email: DCP@industry.gov.au, fe.mancenido@industry.gov.au

Dear Sir/Madam

NATIONAL DROUGHT COMMUNITY SUPPORT INITIATIVE PROJECT - AUDIT CERTIFICATE

Please find enclosed the original Audit Certificates relating to the period 11 December 2018 to 30 June 2019 for National Drought Community Support Initiative Project.

I would like to thank the Department for their support in our work.

If you have any queries relating to the attached financial statements, please contact Arbin Kumar (02) 9466 3324.

For future funding payments, please email the Recipient Created Tax Invoices and/or Remittance Advices to financialaccountingteam@ae.salvationarmy.org

Yours faithfully

Ross Lamb

GENERAL MANAGER FINANCE MISSION

Attach

Founder **William Booth**
General **Brian Peddle***Wherever there is hardship or injustice, Salvos will live, love and fight
alongside others to transform Australia one life at a time with the love of Jesus***salvationarmy.org.au**



National Drought Community Support Initiative Project
Statement of Financial Performance
for the period 11 December 2018 to 30 June 2019

	2019 \$
Revenue from Ordinary Activities	
Government Funding	13,764,666
Revenues from Ordinary Activities	<u>13,764,666</u>
Expenses from Ordinary Activities	
Welfare Payments - Cash	8,342,222
Welfare Payments - Vouchers	4,171,111
Service Delivery Charges	1,251,333
Expenses from Ordinary Activities	<u>13,764,666</u>
SURPLUS / (DEFICIT)	<u><u>-</u></u>





Independent Auditor's Report

To the Trustees of The Salvation Army (Victoria) Property Trust

Opinion

We have audited the **Financial Statements** of National Drought Community Support Initiative Project ("the Program") for the Department of Industry, Innovation and Science ("the Department").

In our opinion, the accompanying **Financial Statements** of National Drought Community Support Initiative Project for the Department of Industry, Innovation and Science for the year ended 30 June 2019 are prepared, in all material respects, in accordance with the:

- i. basis of preparation in Note 1; and
- ii. the Funding Agreement with the Department ("the Funding Agreement").

The **Financial Statements** comprises:

- i. Statement of Financial Performance for the year ended 30 June 2019.
- ii. Notes on basis of preparation

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Statements* section of our report.

We are independent of the Entity in accordance with 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 Statements in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

Emphasis of matter – basis of preparation and restriction on use and distribution

We draw attention to Note 1 to the Financial Statements, which describes the basis of preparation.

The Financial Statements has been prepared by the Trustees of The Salvation Army (Victoria) Property Trust ("the Entity") for the purpose of meeting the Entity's reporting requirements of the Funding Agreement. As a result, the Financial Statements and this Auditor's Report may not be suitable for another purpose.

Our report is intended solely for the Trustees of the Entity and the Department and should not be used by or distributed to any other party. We disclaim any assumption of responsibility for any reliance on this Auditor's Report, or on the Financial Statements to which it relates to any person other than the Trustees of the Entity and the Department. Our opinion is not modified in respect of this matter.



Responsibilities of the Trustees for the Financial Statements

The Trustees of the Entity are responsible for:

- i. preparing a fairly presented Financial Statements in accordance with the Funding Agreement to the extent described in Note 1;
- ii. determining that the basis of preparation described in Note 1 to the Financial Statements is appropriate to meet the requirements of the Funding Agreement. The basis of preparation is also appropriate to meet the needs of the Department;
- iii. implementing necessary internal control to enable the preparation of Financial Statements that are presented fairly and are free from material misstatement, whether due to fraud or error; and
- iv. assessing the Entity's ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they 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 Statements

Our objective is:

- i. to obtain reasonable assurance about whether the Financial Statements as a whole is free from material misstatement, whether due to fraud or error; and
- ii. 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. They 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 Statements.

A further description of our responsibilities for the Audit of the Financial Statements 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.

KPMG

Daniel Robinson

Partner

Sydney

3 October 2019

Note to the Income & Expenditure Statement

Note 1. Basis of preparation of the Income & Expenditure Statement

The Income & Expenditure Statement ("the Statement") has been prepared for the sole purpose of complying with the reporting requirements of the Agreement with the Department and must not be used for any other purpose.

The statement has been prepared applying the recognition and measurement rules in Australian Accounting Standards. The Trustees of the Salvation Army have determined that the accounting policies adopted are appropriate to meet the needs of the Trustees of the Salvation Army and the Department and have determined that it is not necessary to include all the detailed disclosures, including a statement of cash flows, required by Accounting Standards and other mandatory professional reporting requirements in Australia.

The financial report is prepared in accordance with the historical cost convention.



DIRECTOR'S CERTIFICATION

The Trustee for The Salvation Army (Victoria) Property Trust For the period 11 December 2018 to 30 June 2019

Program Name: National Drought Community Support Initiative Project

Grant Agreement: DCSI74853

We, hereby certify that:

- a) an amount equal to the total amount paid by Department of Industry, Innovation and Science has been expended on the approved Grant Agreement and the services described within
- b) establishment of all accruals is justified
- c) all expenditure and establishment of provisions has been approved in accordance with Australian accounting standards
- d) a full and completed set of financial records has been maintained.

Signed for and on behalf of The Salvation Army (Victoria) Property Trust

.....
(Signature)

Ross Lamb

.....
General Manager Finance - Mission
(Name)

.....
(Position of signatory)

4/10/19

.....
(Date)

.....
(Signature)

Laurie Ewen Robertson

.....
(Name)

EXECUTIVE OFFICER
.....
(Position of signatory)

9/10/19

.....
(Date)