



ADELAIDE ARCADE

Memorandum

To: ALL TENANTS

From: Andrew Jonats (General Manager)

Date: 16 August 2019

Subject: **Annual Auditor's Promotion Levy Statement**

In accordance with the Retail and Commercial Leases (SA) Act 1995, please find attached the annual auditor's promotion levy statement for the financial year just ended.

**ADELAIDE ARCADE PTY LTD
PROMOTION LEVY STATEMENT
For the year ended 30 June 2019**

	2019	2019
	\$	\$
	Actual	Budget
Income		
Funds levied from tenants	207,230	205,000
Expenditure		
Around South Aussie	5,505	7,500
Brochure/Directories	1,786	4,000
Chinese New Year	3,626	4,000
Christmas	44,559	47,600
Christmas Decorations	8,888	7,500
Consultant	45,000	45,000
Contingency	14,329	10,000
Easter	2,682	2,500
Father's Day	5,750	5,000
Mother's Day	16,992	15,000
Museum Touchscreen	3,142	5,000
Virtual Tour	8,674	10,000
SALA Week	1,061	2,000
Tourism	17,528	10,000
TV/Radio	37,976	57,000
Valentine's Day	423	2,500
Website, Facebook etc	19,827	14,400
White Pages	714	1,000
TOTAL EXPENDITURE	238,462	250,000

Excess Expenditure: \$31,232



Independent Auditor's Report

To the Directors of Adelaide Arcade Pty. Ltd.

Opinion

I have audited the Promotion Levy Statement (the "Statement") of Adelaide Arcade Pty Ltd for the year ended 30 June 2019. In my opinion, the financial information in the Statement is prepared in all material respects with the requirements of the Retail and Commercial Leases Act 1995 (the "Act"). The amounts paid by the lessees in promotion levies for the year ended 30 June 2019 were properly payable by them and the total amount of those contributions for promotional expenditure were exceeded by the amount actually expended by the lessor in that same period on promotional activity in respect of the contributions made by lessees.

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 Statement section of my report. I am independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants that are relevant to my audit of the Statement, and I have fulfilled my other ethical responsibilities in accordance with these requirements. 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 the fact that the Statement has been prepared on a cash basis of accounting and records promotion levies paid by all lessees of premises within the Adelaide Arcade and Gay's Arcade and the related promotions expenditure paid by the lessor Adelaide Arcade Pty. Ltd. The Statement is prepared to assist the Company to meet the requirements of the Act, by providing the lessees with a statement of all expenditure by the lessor in the accounting period towards which the lessees are required to contribute, and an audit report prepared by a registered company auditor. As a result, the Statement may not be suitable for another purpose. My report is intended solely for the Company and should not be distributed to parties other than the Company or lessees of premises within the Adelaide Arcade and Gay's Arcade. My opinion is not modified in respect of this matter.

Responsibilities of Management for the Statement

Management is responsible for the preparation of the Statement in accordance with the Act, and for such internal control as management determines is necessary to enable the preparation of the Statement that is free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the Audit of the Statement

My objectives are to obtain reasonable assurance about whether the Statement is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Accounting 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 Statement.


S.D. Fry (Registered Company Auditor)

Adelaide

13 August 2019

Liability limited by a scheme approved under Professional Standards Legislation

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