

Whale Beach Property Surf Life Saving Club Incorporated

ABN 42 042 068 751

Financial Statements

For the Year Ended 30 April 2018

Whale Beach Property Surf Life Saving Club Incorporated

ABN 42 042 068 751

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For the Year Ended 30 April 2018

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Whale Beach Property Surf Life Saving Club Incorporated

ABN 42 042 068 751

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 April 2018

		2018	2017
	Note	\$	\$
Donations and bequests		-	31,387
Other revenue	3	121,744	118,397
Depreciation and amortisation expense		(18,466)	(17,797)
Other expenses		(97,572)	(109,690)
Profit before income tax		5,706	22,297
Income tax expense	2(a)	-	-
Items that will not be reclassified subsequently to profit or loss			
Revaluation changes for property, plant and equipment		5,000	(19,260)
Items that will be reclassified to profit or loss when specific conditions are met			
Other comprehensive income for the year, net of tax		5,000	(19,260)
Total comprehensive income for the year		10,706	3,037

The accompanying notes form part of these financial statements.

Whale Beach Property Surf Life Saving Club Incorporated

ABN 42 042 068 751

Statement of Financial Position

As At 30 April 2018

		2018	2017
	Note	\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	178,317	202,113
Trade and other receivables	6	45,899	-
TOTAL CURRENT ASSETS		<u>224,216</u>	<u>202,113</u>
NON-CURRENT ASSETS			
Property, plant and equipment	7	<u>10,022,750</u>	<u>10,035,318</u>
TOTAL NON-CURRENT ASSETS		<u>10,022,750</u>	<u>10,035,318</u>
TOTAL ASSETS		<u>10,246,966</u>	<u>10,237,431</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	<u>9,112</u>	<u>10,283</u>
TOTAL CURRENT LIABILITIES		<u>9,112</u>	<u>10,283</u>
NON-CURRENT LIABILITIES			
TOTAL LIABILITIES		<u>9,112</u>	<u>10,283</u>
NET ASSETS		<u>10,237,854</u>	<u>10,227,148</u>
EQUITY			
Reserves		6,781,510	6,776,510
Retained earnings		<u>3,456,344</u>	<u>3,450,638</u>
TOTAL EQUITY		<u>10,237,854</u>	<u>10,227,148</u>

The accompanying notes form part of these financial statements.

Whale Beach Property Surf Life Saving Club Incorporated

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Statement of Changes in Equity For the Year Ended 30 April 2018

2018

	Retained Earnings	Asset Revaluation and Property Amelioration Reserve	Total
Note	\$	\$	\$
Balance at 1 May 2017	3,450,638	6,776,510	10,227,148
Surplus attributable to members	5,706	-	5,706
Total other comprehensive income for the period	-	5,000	5,000
Balance at 30 April 2018	<u>3,456,344</u>	<u>6,781,510</u>	<u>10,237,854</u>

2017

	Retained Earnings	Asset Revaluation and Property Amelioration	Total
Note	\$	\$	\$
Balance at 1 May 2016	3,428,341	6,795,770	10,224,111
Surplus attributable to members	22,297	-	22,297
Total other comprehensive income for the period	-	(19,260)	(19,260)
Balance at 30 April 2017	<u>3,450,638</u>	<u>6,776,510</u>	<u>10,227,148</u>

The accompanying notes form part of these financial statements.

Whale Beach Property Surf Life Saving Club Incorporated

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Statement of Cash Flows For the Year Ended 30 April 2018

	2018	2017
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	91,700	164,408
Payments to suppliers and employees	(113,431)	(162,241)
Net cash provided by/(used in) operating activities	10 <u>(21,731)</u>	<u>2,167</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest received	3,834	5,064
Purchase of property, plant and equipment	(5,898)	(27,549)
Net cash provided by/(used in) investing activities	<u>(2,064)</u>	<u>(22,485)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net increase/(decrease) in cash and cash equivalents held	(23,795)	(20,318)
Cash and cash equivalents at beginning of year	<u>202,112</u>	<u>222,430</u>
Cash and cash equivalents at end of financial year	5 <u><u>178,317</u></u>	<u><u>202,112</u></u>

The accompanying notes form part of these financial statements.

Whale Beach Property Surf Life Saving Club Incorporated

ABN 42 042 068 751

Notes to the Financial Statements For the Year Ended 30 April 2018

The financial statements cover Whale Beach Property Surf Life Saving Club Incorporated as an individual entity. Whale Beach Property Surf Life Saving Club Incorporated is a not-for-profit Association incorporated in New South Wales under the *Associations Incorporation Act 2009 (NSW)*.

The principal activity of the Association for the year ended 30 April 2018 was to conduct voluntary surf life saving patrols at Whale Beach NSW.

The functional and presentation currency of Whale Beach Property Surf Life Saving Club Incorporated is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations and *Australian Charities and Not-for-Profits Commission Act 2012 (Cth)*. The Association has taken advantage of the relief in Class Order 11/01 *Financial Reporting Requirements* and has prepared financial statements with reduced disclosures.

2 Summary of Significant Accounting Policies

(a) Income Tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Association, and specific criteria relating to the type of revenue as noted below, have been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Grant revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the entity obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor; otherwise the grant is recognised as income on receipt.

Whale Beach Property Surf Life Saving Club Incorporated receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

Donations

Donations and bequests are recognised as revenue when received.

Whale Beach Property Surf Life Saving Club Incorporated

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Notes to the Financial Statements For the Year Ended 30 April 2018

2 Summary of Significant Accounting Policies

(b) Revenue and other income

Interest revenue

Interest is recognised using the effective interest method.

Rendering of services

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

Other income

Other income is recognised on an accruals basis when the Association is entitled to it.

(c) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(d) Property, plant and equipment

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

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

Land and buildings

Land and buildings are measured using the revaluation model.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation surplus in equity. Decreases that offset previous increases are recognised in profit or loss.

Plant and equipment

Plant and equipment are measured using the cost model.

Whale Beach Property Surf Life Saving Club Incorporated

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Notes to the Financial Statements For the Year Ended 30 April 2018

2 Summary of Significant Accounting Policies

(d) Property, plant and equipment

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Association, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Furniture, Fixtures and Fittings	15 - 30%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(e) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

3 Revenue and Other Income

Revenue from continuing operations

	2018	2017
	\$	\$
- Donations and bequests	-	31,387
- Rental revenue	117,910	113,333
- Interest received	3,834	5,064
Total Revenue	121,744	149,784

4 Auditors' Remuneration

Remuneration of the auditor Reanda Business Intellect Pty Ltd, for:)

- auditing the financial statements	4,500	4,500
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5 Cash and Cash Equivalents

Cash at bank and in hand	29,256	56,725
Short-term deposits	149,061	145,388
	178,317	202,113

Whale Beach Property Surf Life Saving Club Incorporated

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Notes to the Financial Statements For the Year Ended 30 April 2018

6 Trade and Other Receivables

	2018	2017
	\$	\$
CURRENT		
Trade receivables	45,899	-
	<u>45,899</u>	<u>-</u>

7 Property, plant and equipment

LAND AND BUILDINGS		
Freehold land		
At fair value	5,900,000	5,900,000
Buildings		
At fair value	4,100,000	4,100,000
Total land and buildings	<u>10,000,000</u>	<u>10,000,000</u>
PLANT AND EQUIPMENT		
Furniture, fixtures and fittings		
At cost	87,240	81,342
Accumulated depreciation	(64,490)	(46,024)
Total plant and equipment	<u>22,750</u>	<u>35,318</u>
Total property, plant and equipment	<u><u>10,022,750</u></u>	<u><u>10,035,318</u></u>

8 Trade and Other Payables

Current		
Trade payables	4,590	5,198
GST payable	22	585
Sundry payables and accrued expenses	4,500	4,500
	<u>9,112</u>	<u>10,283</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

9 Statutory Information

The registered office and principal place of business of the association is:

Whale Beach Property Surf Life Saving Club Incorporated
227 Whale Beach Road
Whale Beach NSW 2107

Whale Beach Property Surf Life Saving Club Incorporated

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Notes to the Financial Statements For the Year Ended 30 April 2018

10 Cash Flow Information

(a) Reconciliation of cash

	2018	2017
	\$	\$
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
Cash and cash equivalents	178,317	202,112

(b) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

Profit for the year	5,706	22,297
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	18,466	17,797
- movement in reserves	5,000	-
- interest included as investing activity	(3,834)	(5,064)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(45,899)	-
- increase/(decrease) in trade and other payables	(1,170)	(32,863)
Cashflows from operations	<u>(21,731)</u>	<u>2,167</u>

Whale Beach Property Surf Life Saving Club Incorporated

ABN 42 042 068 751

Statement by Members of the Committee

In the opinion of the committee:

1. The financial report which comprises of the statement of financial position as at 30 April 2018, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes, is in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012 (Cth)* and
 - a) complies with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board, and
 - b) presents fairly the financial position of Whale Beach Property Surf Life Saving Club Incorporated as at 30 April 2018 and its performance for the year ended on that date.
2. The accompanying statement of profit or loss and other comprehensive income is drawn up so as to give a true and fair view of the profit (or loss) of the association including fundraising appeals for the last financial year;
3. The statement of financial position is drawn up so as to give a true and fair view of the state affairs of the association including fundraising appeals as at the end of the financial year;
4. The provisions of the *Charitable Fundraising Act 1991 (NSW)*, the regulations under the act, and the conditions attached to the fundraising authority have been complied with by the association;
5. The internal controls exercised by the association are appropriate and effective in accounting for all income received and applied by the organisation from any of its fundraising appeals;
6. At the date of this statement, there are reasonable grounds to believe that Whale Beach Property Surf Life Saving Club Incorporated will be able to pay all of its debts as and when they fall due and payable.
7. The accounts and associated records have been properly kept during the year;
8. Money received as a result of fundraising appeals conducted during the year has been properly accounted for, and;
9. The principal activities of the association during the financial year were the provision of lifesaving services and no significant change to these activities has occurred.

The accounts of the association have been made out in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, other professional reporting requirements, the provisions of the Australian Charities and Not-for-Profits Commission Act 2012 (Cth), the Associations Incorporations Act 2009 (NSW) and the Charitable Fundraising Act 1991 (NSW).

This statement is made in accordance with a resolution of the committee and is signed for and on behalf of the committee by:

President



Andrew Pearce

Treasurer



Jon Pratten

Dated

15/6/18

INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF
WHALE BEACH PROPERTY SURF LIFE SAVING CLUB INCORPORATED**

Report on the Audit of the Financial Report

We have audited the financial report of **Whale Beach Property Surf Life Saving Club Incorporated** ABN 42 042 068 751 (the association), which comprises the Statement of Financial Position as at 30 April 2018, the Statement of Profit or Loss and Other 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 Declaration by Members of the Committee.

Auditor's Qualified Opinion

In our opinion, except for the effects described in the Basis for Qualified Opinion paragraph, the financial report of Whale Beach Property Surf Life Saving Club Incorporated has been prepared in accordance with Div 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and the *Associations Incorporation Act 2009 (NSW)*, including:

- (a) giving a true and fair view of the association's financial position as at 30 April 2018 and of its performance and cash flows for the year ended then ended; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Regulation 2013*.

In accordance with the *Charitable Fundraising Act 1991 (as amended) (NSW)* and the *Charitable Fundraising Regulation 2008*, in our opinion, except for the effects described in the Basis for Qualified Opinion paragraph:

- (a) the financial statements show a true and fair view of the financial results of the fundraising appeals conducted during the year ended 30 April 2018 being the year to which they relate;
- (b) the financial statements and associated records have been properly kept during the year ended 30 April 2018, in accordance with the *Charitable Fundraising Act 1991* and the regulations;
- (c) money received as a result of fundraising appeal activities conducted during the year ended 30 April 2018 has been properly accounted for and applied in accordance with the *Charitable Fundraising Act 1991* and the regulations;
- (d) at the date of this report, there are reasonable grounds to believe that Whale Beach Property Surf Life Saving Club Incorporated will be able to pay all of its debts as and when they fall due and payable.

Basis for Qualified Opinion

The Committee made a decision not to treat amounts of \$654,763 received in the Association's 2013 financial year in relation to the rent of its property for telecommunication purposes, in accordance with Australian Accounting Standards. Had this income been recorded in accordance with Australian Accounting Standards, revenue as disclosed in the Income Statement would have been increased by \$33,606 in the 2018, 2017, 2016, 2015 and 2014 years, retained earnings as disclosed in the Statement of Financial Position would have been reduced by \$486,735 in 2018, \$520,341 in 2017, \$553,946 in 2016, \$587,552 in 2015 and \$621,157 in 2014 and a liability of \$486,735 in 2018, \$520,341 in 2017, \$553,946 in 2016, \$587,552 in 2015 and \$621,157 in 2014 would have been disclosed in the Statement of Financial Position under the heading income received in advance.

Information Other than the Financial Report and Auditor's Report Thereon

The committee is responsible for the other information. The other information comprises the information included in the registered entity's annual report for the year ended 30 April 2018, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

Responsibilities of the Committee for the Financial Report

The committee of the association is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012* and the *Associations Incorporation Act 2009* and for 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 is responsible for assessing the association'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 the committee either intends 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 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 committee.
- Conclude on the appropriateness of the committee's 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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.

We communicate with the committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Reanda Business Intellect Pty Ltd
Registered Company Auditor



Kevin Veale
Director
kevin@bizintel.com.au

Mona Vale
Dated this ^{11th} day of June 2018

Whale Beach Property Surf Life Saving Club Incorporated

ABN 42 042 068 751

Profit and Loss Account For the Year Ended 30 April 2018

	2018	2017
	\$	\$
Income		
Interest received	3,834	5,064
Donations from surf club	-	31,387
Moby's rent received	100,855	94,175
Other revenue	17,055	19,158
	<hr/>	<hr/>
Total income	121,744	149,784
Less: Expenses		
Auditors remuneration - parent entity	4,500	4,500
Depreciation	18,466	17,797
Donations to surf club	39,000	-
Insurance	20,671	17,778
Property amelioration	15,000	30,000
Repairs and maintenance	1,275	33,925
Utilities	17,126	23,487
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Total Expenses	116,038	127,487
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Profit before income tax	5,706	22,297
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