

Whale Beach SLSC Incorporated

ABN 89 110 310 102

Financial Statements

For the Year Ended 30 April 2018

Whale Beach SLSC Incorporated

ABN 89 110 310 102

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For the Year Ended 30 April 2018

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Whale Beach SLSC Incorporated

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

		2018	2017
	Note	\$	\$
Government grants	3	21,228	30,737
Donations and bequests	3	70,079	55,786
Other revenue	3	195,407	187,065
Depreciation and amortisation expense		(23,958)	(19,510)
Grants and donations made		-	(31,387)
Other expenses		(260,525)	(225,264)
Profit/ (Loss) before income tax		2,231	(2,573)
Income tax expense	2(a)	-	-
Other comprehensive income, net of income tax			
Total comprehensive income for the year		2,231	(2,573)

The accompanying notes form part of these financial statements.

Whale Beach SLSC Incorporated

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Statement of Financial Position As At 30 April 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	19,430	11,671
Trade and other receivables	6	216	659
Inventories	7	12,649	3,724
TOTAL CURRENT ASSETS		<u>32,295</u>	<u>16,054</u>
NON-CURRENT ASSETS			
Property, plant and equipment	8	31,647	50,077
TOTAL NON-CURRENT ASSETS		<u>31,647</u>	<u>50,077</u>
TOTAL ASSETS		<u>63,942</u>	<u>66,131</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	42,407	13,183
Other liabilities	10	1,356	35,000
TOTAL CURRENT LIABILITIES		<u>43,763</u>	<u>48,183</u>
NON-CURRENT LIABILITIES			
TOTAL LIABILITIES		<u>43,763</u>	<u>48,183</u>
NET ASSETS		<u>20,179</u>	<u>17,948</u>
EQUITY			
Retained earnings		<u>20,179</u>	<u>17,948</u>
TOTAL EQUITY		<u>20,179</u>	<u>17,948</u>

The accompanying notes form part of these financial statements.

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

2018

	Retained Earnings	Total
Note	\$	\$
Balance at 1 May 2017	17,948	17,948
Profit attributable to members	2,231	2,231
Balance at 30 April 2018	<u>20,179</u>	<u>20,179</u>

2017

	Retained Earnings	Total
Note	\$	\$
Balance at 1 May 2016	20,521	20,521
Profit attributable to members	(2,573)	(2,573)
Balance at 30 April 2017	<u>17,948</u>	<u>17,948</u>

The accompanying notes form part of these financial statements.

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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	287,011	311,958
Payments to suppliers and employees	(273,736)	(278,703)
Net cash provided by/(used in) operating activities	12 <u>13,275</u>	<u>33,255</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest received	13	7
Purchase of property, plant and equipment	(5,530)	(25,392)
Net cash provided by/(used in) investing activities	<u>(5,517)</u>	<u>(25,385)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net increase/(decrease) in cash and cash equivalents held	7,758	7,870
Cash and cash equivalents at beginning of year	11,672	3,802
Cash and cash equivalents at end of financial year	5 <u>19,430</u>	<u>11,672</u>

The accompanying notes form part of these financial statements.

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

The financial statements cover Whale Beach SLSC Incorporated as an individual entity. Whale Beach SLSC 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 SLSC 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, Accounting Interpretations and the *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.

The financial statements 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.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

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 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 SLSC 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.

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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

Donations and bequests are recognised as revenue when received.

Interest is recognised using the effective interest method.

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) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and is net of any rebates and discounts received. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

(e) 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.

Plant and equipment

Plant and equipment are measured using the cost model.

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

2 Summary of Significant Accounting Policies

(e) 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
Plant and Equipment	20 - 50%
Furniture, Fixtures and Fittings	20 - 50%

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.

(f) 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
	\$	\$
Revenue		
- Donations and bequests	70,079	55,786
- Government grants	21,228	30,737
	<hr/>	<hr/>
	91,307	86,523
Other revenue		
- Rendering of services	145,064	144,724
- Interest received	13	7
- Member subscriptions	50,330	42,335
	<hr/>	<hr/>
	195,407	187,066
	<hr/>	<hr/>
Total Revenue	286,714	273,589

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

4 Auditors' Remuneration

	2018	2017
	\$	\$
Remuneration of the auditor Reanda Business Intellect Pty Ltd for:		
- auditing the financial statements	4,500	4,500
	<u>4,500</u>	<u>4,500</u>

5 Cash and Cash Equivalents

Cash on hand	902	1,371
Bank balances	18,528	10,300
	<u>19,430</u>	<u>11,671</u>

6 Trade and Other Receivables

Trade receivables	26	-
GST receivable	190	659
Total current trade and other receivables	<u>216</u>	<u>659</u>

7 Inventories

At cost:		
Stock on hand	12,649	3,724
	<u>12,649</u>	<u>3,724</u>

8 Property, plant and equipment

Plant and equipment		
At cost	81,315	75,787
Accumulated depreciation	(57,302)	(36,971)
Total plant and equipment	<u>24,013</u>	<u>38,816</u>
Furniture, fixtures and fittings		
At cost	17,429	17,429
Accumulated depreciation	(9,795)	(6,168)
Total furniture, fixtures and fittings	<u>7,634</u>	<u>11,261</u>
Total property, plant and equipment	<u>31,647</u>	<u>50,077</u>

(a) Movements in carrying amounts of property, plant and equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

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

8 Property, plant and equipment

(a) Movements in carrying amounts of property, plant and equipment

	Plant and Equipment	Furniture, Fixtures and Fittings	Total
	\$	\$	\$
Year ended 30 April 2018			
Balance at the beginning of the year	38,816	11,261	50,077
Additions	5,528	-	5,528
Depreciation expense	(20,332)	(3,626)	(23,958)
Balance at the end of the year	24,012	7,635	31,647

	Plant and Equipment	Furniture, Fixtures and Fittings	Total
	\$	\$	\$
Year ended 30 April 2017			
Balance at the beginning of the year	38,527	5,667	44,194
Additions	17,629	7,763	25,392
Depreciation expense	(17,340)	(2,169)	(19,509)
Balance at the end of the year	38,816	11,261	50,077

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

9 Trade and Other Payables

	2018	2017
Note	\$	\$
Trade payables	37,909	8,684
Accrued expenses	4,500	4,500
	<u>42,409</u>	<u>13,184</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.

10 Other Liabilities

Income in advance	1,356	35,000
	<u>1,356</u>	<u>35,000</u>

11 Statutory Information

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

Whale Beach SLSC Incorporated
227 Whale Beach Road
Whale Beach NSW 2107

12 Cash Flow Information

(a) Reconciliation of cash

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	19,430	11,672
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Notes to the Financial Statements For the Year Ended 30 April 2018

12 Cash Flow Information

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

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

	2018	2017
	\$	\$
Profit for the year	2,231	(2,573)
Non-cash flows in profit:		
- depreciation	23,959	19,510
- interest included as investing activity	(13)	(7)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	310	38,377
- (increase)/decrease in inventories	(8,925)	6,734
- increase/(decrease) in trade and other payables	29,357	6,214
- increase/(decrease) in other liabilities	(33,644)	(35,000)
Cashflows from operations	<u>13,275</u>	<u>33,255</u>

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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 SLSC 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 SLSC 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 15/6/2018

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF WHALE BEACH SLSC INCORPORATED

Report on the Audit of the Financial Report

We have audited the financial report of **Whale Beach SLSC Incorporated** ABN 89 110 310 102 (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 SLSC 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 financial performance and cash flows for the year 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 SLSC Incorporated will be able to pay all of its debts as and when they fall due and payable.

Basis for Qualified Opinion: Donations and Fund Raising Activities

It is not practical for Whale Beach SLSC Incorporated to maintain an effective system of internal control over donations and fund raising activities until their entry in the accounting records. Accordingly, our audit in relation to donations and fund raising was limited to amounts recorded.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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  day of June 2018

Whale Beach SLSC Incorporated

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Detailed Profit and Loss Account For the Year Ended 30 April 2018

	2018	2017
	\$	\$
Income		
Interest received	13	7
Member subscriptions	50,330	42,335
Apparel sales	6,795	2,563
Food and beverage	8,627	10,379
Miscellaneous income	9	2,304
Raffle receipts	-	1,718
Rent received	-	318
Surf club functions	21,927	23,993
Training	1,329	127
Big swim income	106,377	103,322
Donations and bequests (other)	31,079	55,786
Donations from property club	39,000	-
Government grants	21,228	30,737
Total income	286,714	273,589
Less: Expenses		
Administration and management fees	31,614	28,280
Apparel purchases	8,528	9,135
Auditors remuneration	4,500	4,500
Bank charges	1,163	1,055
Big swim expenses	50,397	33,177
Carnival fees and costs	4,378	2,810
Depreciation	23,958	19,510
Miscellaneous expenses	2,411	-
Office expenses	3,852	2,817
Postage and freight	1,793	16
Printing, photography, media	19,921	11,791
SLS branch / state fees	12,224	11,913
Repairs and maintenance	60,637	60,147
Surf club functions	24,264	30,375
Training	21,581	12,735
Trophies, prizes and tributes	3,896	7,206
Utilities	9,366	9,308
Donations to property club	-	31,387
Total Expenses	284,483	276,162
	2,231	(2,573)
Other items:		
Profit before income tax	2,231	(2,573)