

**WHALE BEACH PROPERTY SURF LIFE
SAVING CLUB INCORPORATED**

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 APRIL 2017**

WHALE BEACH PROPERTY SURF LIFE SAVING CLUB INCORPORATED

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WHALE BEACH PROPERTY SURF LIFE SAVING CLUB INCORPORATED

STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 30 APRIL 2017

	Note	2017 \$	2016 \$
Donations and bequests	2	31,387	21,000
All other revenue		118,397	114,994
Other income	2	-	-
Other expenses		(127,487)	(91,492)
		<hr/>	<hr/>
Surplus before income tax expense		22,297	44,502
Income tax expense		<hr/> -	<hr/> -
Surplus for the year		22,297	44,502
Surplus attributable to members of the entity		<u>22,297</u>	<u>44,502</u>

The accompanying notes form part of these financial statements.

WHALE BEACH PROPERTY SURF LIFE SAVING CLUB INCORPORATED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 APRIL 2017

	Note	2017 \$	2016 \$
Surplus for the year		22,297	44,502
Other comprehensive income: Revaluation deficit		<u>(19,260)</u>	<u>14,000</u>
Other comprehensive income for the year, net of tax		<u>3,037</u>	<u>58,502</u>
Total comprehensive income for the year		<u><u>3,037</u></u>	<u><u>58,502</u></u>
Total comprehensive income attributable to members of the entity		<u><u>3,037</u></u>	<u><u>58,502</u></u>

The accompanying notes form part of these financial statements.

WHALE BEACH PROPERTY SURF LIFE SAVING CLUB INCORPORATED

STATEMENT OF FINANCIAL POSITION

AS AT 30 APRIL 2017

	Note	2017 \$	2016 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	202,112	222,430
Accounts receivable and other debtors	5	-	-
TOTAL CURRENT ASSETS		202,112	222,430
NON-CURRENT ASSETS			
Property, plant and equipment	6	10,035,318	10,044,826
TOTAL NON-CURRENT ASSETS		10,035,318	10,044,826
TOTAL ASSETS		10,237,430	10,267,256
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	7	10,283	43,146
TOTAL CURRENT LIABILITIES		10,283	43,146
NON-CURRENT LIABILITIES			
Borrowings	8	-	-
TOTAL NON-CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		10,283	43,146
NET ASSETS		10,227,147	10,224,110
EQUITY			
Reserves	9	6,776,510	6,795,770
Retained earnings		3,450,637	3,428,340
TOTAL EQUITY		10,227,147	10,224,110

The accompanying notes form part of these financial statements.

WHALE BEACH PROPERTY SURF LIFE SAVING CLUB INCORPORATED

STATEMENT OF CHANGES IN EQUITY

AS AT 30 APRIL 2017

	Retained Earnings \$	Asset Revaluation Reserve \$	Total \$
Balance at 1 May 2016	3,383,838	6,781,770	10,165,608
Comprehensive income			
Revaluation surplus / (deficit)	-	-	-
Surplus attributable to members	44,502	14,000	58,502
Total comprehensive income for the year attributable to members of the association	<u>44,502</u>	<u>14,000</u>	<u>58,502</u>
Balance at 30 April 2016	<u>3,428,340</u>	<u>6,795,770</u>	<u>10,224,110</u>
Balance at 1 May 2016	3,428,340	6,795,770	10,224,110
Comprehensive income			
Revaluation surplus / (deficit)	-	(19,260)	(19,260)
Surplus attributable to members	22,297	-	22,297
Total comprehensive income for the year attributable to members of the association	<u>22,297</u>	<u>(19,260)</u>	<u>3,037</u>
Balance at 30 April 2017	<u>3,450,637</u>	<u>6,776,510</u>	<u>10,227,147</u>

The accompanying notes form part of these financial statements.

WHALE BEACH PROPERTY SURF LIFE SAVING CLUB INCORPORATED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 APRIL 2017

	Note	2017 \$	2016 \$
Cash flows from operating activities			
Receipts from members		164,408	178,671
Payments to suppliers and others		<u>(162,241)</u>	<u>(66,144)</u>
Net cash provided by operating activities	11	<u>2,167</u>	<u>112,527</u>
Cash flows from investing activities			
Interest received		(27,549)	1,940
Payments for property, plant & equipment		<u>5,064</u>	<u>(6,992)</u>
Net cash provided by (used in) investing activities		<u>(22,485)</u>	<u>(5,052)</u>
Cash flows from financing activities			
Loans repaid		<u>-</u>	<u>-</u>
Net cash provided by financing activities		<u>-</u>	<u>-</u>
Net increase (decrease) in cash held		(20,318)	107,475
Cash and cash equivalents at beginning of financial year		<u>222,430</u>	<u>114,955</u>
Cash and cash equivalents at end of financial year	11	<u><u>202,112</u></u>	<u><u>222,430</u></u>

The accompanying notes form part of these financial statements.

WHALE BEACH PROPERTY SURF LIFE SAVING CLUB INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

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 an association incorporated in NSW under the Associations Incorporations Act .

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

Whale Beach Property Surf Life Saving Club Incorporated applies Australian Accounting Standards - Reduced Disclosure Requirements as set out in AASB 1053: *Application of Tiers of Australian Accounting Standards*.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the Australian Charities and Not-for-profits Commission Act 2012. The association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

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

The financial statements were authorised for issue by the members of the association's committee.

(a) Income Tax

Whale Beach Property Surf Life Saving Club Incorporated is exempt from income tax under s50-45 of the Income Tax Assessment Act 1997. There is no income tax payable for the year ended 30 April 2016 due to the application of this section.

(b) Property, Plant and Equipment

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

WHALE BEACH PROPERTY SURF LIFE SAVING CLUB INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

Freehold land and buildings are carried at their fair value based on the Committee members' valuation.

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 of the same asset are recognised against revaluation surplus directly in equity; all other decreases are recognised in profit or loss.

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses.

(c) Revenue and Other Income

Non-reciprocal grant revenue is recognised in the statement of comprehensive income when the association obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the association and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the association 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.

Donations are recognised as revenue when received.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customer.

All revenue is stated net of the amount of goods and services tax (GST).

(d) Goods and Services Tax (GST)

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

(e) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current year.

WHALE BEACH PROPERTY SURF LIFE SAVING CLUB INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

	Note	2017 \$	2016 \$
2. REVENUE AND OTHER INCOME			
Donations		31,387	21,000
Rental Revenue		113,333	113,053
Interest received	2(a)	5,064	1,940
Total Revenue		149,784	135,993
(a) Interest received from:			
Other corporations		5,064	1,940
3. AUDITOR'S REMUNERATION			
Auditors' remuneration		4,500	4,500
4. CASH AND CASH EQUIVALENTS			
Cheque Trading		2,341	219
Cash Reserve Account		54,384	41,643
Term Deposit #160918		113,235	110,568
Term Deposit #160516		32,152	70,000
		202,112	222,430
5. ACCOUNTS RECEIVABLE AND OTHER DEBTORS			
CURRENT			
Trade receivables		-	-
		-	-
6. PROPERTY, PLANT AND EQUIPMENT			
Freehold land & buildings- valuation			
At 1 May 2016		10,000,000	10,000,000
Additions		19,260	14,000
Revaluation		(19,260)	(14,000)
At 30 April 2017		10,000,000	10,000,000
Furniture and fittings - cost			
At 1 May 2016		73,053	52,061
Additions		8,289	20,992
Accumulated Depreciation		(46,024)	(28,227)
At 30 April 2017		35,318	44,826
Total property, plant and equipment		10,035,318	10,044,826
7. ACCOUNTS PAYABLE AND OTHER PAYABLES			
CURRENT			
Goods and services tax		585	546
Trade creditors and accrued expenditure		9,698	42,600
		10,283	43,146

WHALE BEACH PROPERTY SURF LIFE SAVING CLUB INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

	Note	2017 \$	2016 \$
8. BORROWINGS			
NON-CURRENT			
Whale Beach Surf Life Saving Club Inc.		-	-
		<u> </u>	<u> </u>
9. RESERVES			
Asset Revaluation Reserve			
The asset revaluation reserve records revaluations of non-current assets.			
10. ASSOCIATION DETAILS			
The registered office of the association is:			
Whale Beach Property Surf Life Saving Club Incorporated			
227 Whale Beach Road			
Whale Beach NSW 2107			
The principal place of business 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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

	Note	2017 \$	2016 \$
11. CASH FLOW INFORMATION			
(a) Reconciliation of Cash			
Cash at the end of financial year as shown in the Statement of Cash Flows is reconciled to the related items in the statement of financial position as follows:			
Cash at Bank		<u>202,112</u>	<u>222,430</u>
		<u>202,112</u>	<u>222,430</u>
(b) Reconciliation of cash flow from operations with surplus			
Surplus after income tax		22,297	44,502
Non-cash flows in surplus:			
Add: Depreciation		17,797	12,478
Interest included as Investing Activity		(5,064)	(1,940)
Share of associates net profit after income tax and dividend			-
Changes in Assets & Liabilities:			
(Increase)/Decrease in Debtors		-	24,929
Increase/(Decrease) in Trade Creditors		(32,902)	32,851
Increase/(Decrease) in GST Payable		39	(293)
Net cash provided by operating activities		<u>2,167</u>	<u>112,527</u>

12. FINANCIAL RISK MANAGEMENT

Net Fair Values

For all assets and liabilities net fair value approximates their carrying value.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

All inter-company borrowings are unsecured and interest free with no fixed repayment terms.

WHALE BEACH PROPERTY SURF LIFE SAVING CLUB INCORPORATED

DECLARATION BY MEMBERS OF THE COMMITTEE

On behalf of the committee we declare that, in the opinion of the committee:

1. the financial report which comprises the statement of financial position as at 30 April 2017, and the statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes is in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and:

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 become due and payable.

a. complies with Australian Accounting Standards - reduced disclosure requirements; and

b. gives a true and fair view of the financial position of Whale Beach Property Surf Life Saving Club Incorporated as at 30 April 2017 and its performance for the year ended on that date.


2. There are reasonable grounds to believe that Whale Beach Property Club Surf Life Saving Club Incorporated will be able to pay all of its debts as and when they become due and payable.

This statement is signed in accordance with a subs 60.15(2) of the Australian Charities and Not-for-profits Commission regulation 2013.

President


Andrew Pearce

Treasurer


Jon Pratten

Dated this 19 day of June 2017

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** (the association), which comprises the Statement of Financial Position as at 30 April 2017, the Statement of Profit or Loss, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the Declaration by Members of the Committee.

Qualified Auditor's 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*, including:

- (a) giving a true and fair view of the Association's financial position as at 30 April 2017 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*.

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 2017, 2016, 2015 and 2014 years, retained earnings as disclosed in the Statement of Financial Position would have been reduced by \$520,341 in 2017, \$553,946 in 2016, \$587,552 in 2015 and \$621,157 in 2014 and a liability of \$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 2017, 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

A handwritten signature in blue ink, appearing to read 'Kevin Veale', with a long horizontal flourish extending to the right.

Kevin Veale
Director

kevin@bizintel.com.au

Mona Vale

Dated this 19th day of June 2017

WHALE BEACH PROPERTY SURF LIFE SAVING CLUB INCORPORATED

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 30 APRIL 2017

Note	2017	2016
	\$	\$
INCOME		
Interest received	5,064	1,940
Donations - Surf club	31,387	21,000
Moby's rent received	94,175	88,698
Moby's outgoings received	19,158	24,356
	<u>149,784</u>	<u>135,994</u>
LESS EXPENDITURE		
Auditors' remuneration	4,500	4,500
Bank charges	-	110
Depreciation	17,797	12,478
Donation to Surf Club	-	-
Insurance	17,778	17,206
Rates and utilities	23,487	15,446
Repairs and maintenance	33,925	11,599
Property amelioration	30,000	30,000
Miscellaneous	-	153
	<u>127,487</u>	<u>91,492</u>
NET OPERATING SURPLUS	22,297	44,502
Revaluation deficit	(19,260)	14,000
Retained earnings at the beginning of the financial year	<u>10,224,110</u>	<u>10,165,608</u>
TOTAL AVAILABLE FOR APPROPRIATION	<u>10,227,147</u>	<u>10,224,110</u>
RETAINED EARNINGS AT THE END OF THE FINANCIAL YEAR	<u><u>10,227,147</u></u>	<u><u>10,224,110</u></u>

This statement does not form part of the audited financial statements