

**MEREWETHER SURF LIFESAVING CLUB INCORPORATED**

**ABN: 70 957 910 935**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2019**

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**MEREWETHER SURF LIFESAVING CLUB INCORPORATED**  
**ABN: 70 957 910 935**

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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**MEREWETHER SURF LIFESAVING CLUB INCORPORATED**  
**ABN: 70 957 910 935**

**BALANCE SHEET**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	2018 \$	2019 \$
<b>CAPITAL AND RESERVES</b>		
Accumulated Funds	552,902	595,867
<b>TOTAL MEMBERS FUNDS</b>	<u>\$552,902</u>	<u>\$595,867</u>
Represented by:		
<b>CURRENT ASSETS</b>		
Cash on Hand	40	1,040
Cash at Bank	209,770	242,463
Interest Bearing Deposits	206,214	210,795
Prepayment - Plant & Equipment	-	5,000
Trade & Other Debtors	898	4,104
Stock on Hand - at Cost	26,053	21,914
<b>TOTAL CURRENT ASSETS</b>	<u>442,975</u>	<u>485,316</u>
<b>NON CURRENT ASSETS</b>		
Leasehold Building Improvement Clubhouse - at Cost	115,044	124,644
Less Prov'n for Amortisation	<u>-33,318</u>	<u>-35,496</u>
	81,726	89,148
Gymnasium Equipment - at Cost	14,675	14,675
Less Prov'n for Depreciation	<u>-14,446</u>	<u>-14,480</u>
	229	195
Boats & Equipment - at Cost	147,259	147,259
Less Prov'n for Depreciation	<u>-138,178</u>	<u>-142,301</u>
	9,081	4,958
Racing Boards & Skis - at Cost	118,250	118,250
Less Prov'n for Depreciation	<u>-118,250</u>	<u>-118,250</u>
	0	0
Kitchen Renovations - at Cost	60,052	60,052
Less Prov'n for Depreciation	<u>-49,461</u>	<u>-50,773</u>
	10,591	9,279
Other Equipment - at Cost	76,649	76,649
Less Prov'n for Depreciation	<u>-66,683</u>	<u>-69,678</u>
	9,966	6,971
<b>TOTAL NON CURRENT ASSETS</b>	<u>111,593</u>	<u>110,551</u>
<b>TOTAL ASSETS</b>	<u>554,568</u>	<u>595,867</u>
<b>CURRENT LIABILITIES</b>	<u>1,666</u>	<u>0</u>
Trade Creditors	-	-
GST Payable	1,666	-
<b>NET ASSETS</b>	<u>\$552,902</u>	<u>\$595,867</u>

**MEREWETHER SURF LIFESAVING CLUB INCORPORATED**  
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**CONSOLIDATED TRADING ACCOUNT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	SENIORS	JUNIORS	TOTAL
	\$	\$	\$
Sales	60,396	11,750	72,146
<b>LESS: COST OF GOODS SOLD</b>			
Opening Stock	6,018	20,035	26,053
Purchases	40,899	8,787	49,686
Bar Supplies - Coldies	2,860	-	2,860
Repairs & Maintenance - Bar & Kitchen	5,872	-	5,872
Closing Stock	-7,399	-14,515	-21,914
	48,250	14,307	62,557
<b>GROSS PROFIT FROM TRADING</b>	\$12,146	-\$2,557	\$9,589

**MEREWETHER SURF LIFESAVING CLUB INCORPORATED**  
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**CONSOLIDATED PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	SENIORS \$	JUNIORS \$	TOTAL \$
<b>GROSS INCOME FROM TRADING</b>	12,146	-2,557	9,589
<b>INCOME</b>			
Donations & Sponsorships			17,355
Fund Raising Functions			2,988
Fees			52,862
Interest Received			5,281
Hall Hire & Rent Received			43,507
Raffles			5,030
Grants Received			24,525
	0	0	151,548
<b>TOTAL INCOME</b>	12,146	-2,557	161,137
<b>EXPENDITURE</b>			
Advertising & Promotion			2,008
Affiliation Fees			16,267
Amortisation - Building Improvements			2,178
Bank Charges			209
Carnival & Transport Costs			1,587
Cleaning			1,547
Depreciation			8,464
Electricity & Gas			10,127
Functions/Presentations			17,707
General Expenses			1,477
Insurance			7,417
Licences, Registrations, Permits			876
Management Fees - Function Room			8,700
Manuals, Awards & Training			8,486
Printing & Stationery			559
Rent - Newcastle City Council			80
Repairs & Maintenance			16,204
Replacement Rescue Equipment			12,792
Telephone & Internet Costs			1,487
<b>TOTAL EXPENDITURE</b>	0	0	118,172
<b>NET INCOME OVER EXPENDITURE</b>	12,146	-2,557	42,965
Accumulated Funds at July 1			552,902
<b>ACCUMULATED FUNDS AT JUNE 30</b>			<b>\$595,867</b>

**MEREWETHER SURF LIFESAVING CLUB INCORPORATED**  
**ABN: 70 957 910 935**

**CONSOLIDATED PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	2018 \$	2019 \$
<b>GROSS PROFIT FROM TRADING</b>	<u>6,443</u>	<u>9,589</u>
<b>INCOME</b>		
Donations & Sponsorships	41,329	17,355
Fund Raising Functions	4,308	2,988
Fees	47,967	52,862
Interest Received	6,739	5,281
Hall Hire Fees Received	43,670	43,507
Junior Camp Income	10,610	-
Raffles	6,215	5,030
Grants Received	23,636	24,525
	<u>184,474</u>	<u>151,548</u>
<b>TOTAL INCOME</b>	<u>190,917</u>	<u>161,137</u>
<b>EXPENDITURE</b>		
Advertising & Promotion	450	2,008
Affiliation Fees	14,198	16,267
Amortisation - Building Improvements	2,178	2,178
Bank Charges	341	209
Carnival & Transport Costs	2,496	1,587
Cleaning - Clubhouse & Hall	739	1,547
Depreciation	10,311	8,464
Electricity & Gas	9,371	10,127
Functions/Presentations	25,429	17,707
General Expenses	1,181	1,477
Insurance	4,076	7,417
Licences, Registrations, Permits	1,285	876
Management Fees - Function Room	11,705	8,700
Manuals, Awards & Training	7,468	8,486
Printing & Stationery	674	559
Rent - Newcastle City Council	198	80
Repairs & Maintenance	9,467	16,204
Replacement Rescue Equipment	17,014	12,792
Telephone & Internet Costs	1,936	1,487
<b>TOTAL EXPENDITURE</b>	<u>120,517</u>	<u>118,172</u>
<b>NET INCOME OVER EXPENDITURE</b>	<u><u>\$70,400</u></u>	<u><u>\$42,965</u></u>

# **MEREWETHER LIFE SAVING CLUB INC.**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019**

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### **1. Statement of Significant Accounting Policies**

The financial statements are special purposes financial statements that have been prepared in order to meet the needs of the members.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below which the Committee have determined are appropriate to meet the needs of the members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared by applying the accrual basis and going concern basis of accounting. They are based on historical costs and do not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of these financial statements:

#### **Inventories**

Inventories are measured at the lower of cost or net realisable value. Costs are allocated on either first-in-first-out (FIFO) or average cost basis. Costs include direct labour, direct materials and an appropriate amount of fixed and variable overhead expenses.

#### **Asset Write Off**

The committee has elected to immediately expense all rescue, training equipment, competition, gym equipment and function room plant and equipment. The Committee maintains a separate schedule of assets for insurance purposes.

### **2. Revenue Reconciliation**

For accounting purpose the committee have chosen to only recognise revenue from all fundraising and business activities once electronic funds and cash has been deposited into the club's bank account.

**INDEPENDENT AUDITOR'S REPORT  
FOR YEAR ENDED 30 JUNE 2019**

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To the committee of Merewether Surf Live Saving Club Inc.

***Opinion***

We have audited accompanying financial report of Merewether Surf Live Saving Club Inc. which comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income, statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial report presents fairly, in all material respects and provides a true and fair view of the financial position of the Entity as at 30 June 2019, and (of) its financial performance for the year then ended in accordance with applicable legislation.

***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 Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Merewether Surf Live Saving Club Inc. 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

***Emphasis of matter – basis of accounting***

We draw attention to Note 2 of the summary of significant accounting policies, which describes the revenue recognition policy of Merewether Surf Live Saving Club Inc., including the limitations that exist in relation to the recording of cash receipts from fundraising revenue activities. Revenue from this source represents a significant proportion of Merewether Surf Live Saving Club Inc. revenue. Our opinion is unmodified in respect of this matter.

***Responsibilities of management and those charged with governance for the financial report***

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the applicable legislation and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.



### ***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.

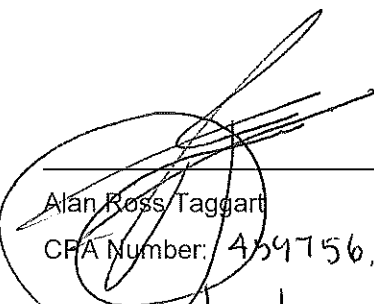
A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <<http://www.auasb.gov.au/Home.aspx>>. This description forms part of our auditor's report.

### **Basis for Qualified Opinion: Bar operation, Functions and Beach Day Activates**

Receipts from Functions and Beach Activities are a significant source of revenue for your association. The Merewether Surf Life Saving Club has determined that it is impractical to establish control over the collection of all revenue proper to the entry in its financial records. Accordingly, as the evidence available to us about revenue from these sources was limited, our audit procedures for Functions and Beach activities has been restricted to the amounts recorded in the financial records. Therefore we are unable to express an opinion on whether Functions and Beach Activities revenue obtained by the Merewether Surf Life Saving Club are complete.

### ***Qualified Opinion***

In our opinion (except for the effects on the financial reports of such adjustment, if any, as might have been required had the limitation on our audit procedures referred to in the basis for qualified opinion paragraph not existed) the financial report of Merewether Surf Life Saving Club Incorporated presents fairly, in all material respects the Merewether Surf Life Saving Club Incorporated financial position as at 30<sup>th</sup> June 2019, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and the Incorporated Associated Legislation of NSW.

  
\_\_\_\_\_  
Alan Ross Taggart  
CPA Number: 459756,  
30/9/19  
\_\_\_\_\_  
[Date of the auditor's report]

Level 3, 131 Beaumont St, Hamilton, 2303  
\_\_\_\_\_  
[Auditor's address]