

# **Trigg Island Surf Life Saving Club Inc**

## **Financial Statements**

**For the Year Ended 30 April 2017**

# Trigg Island Surf Life Saving Club Inc

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For the Year Ended 30 April 2017

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Trigg Island Surf Life Saving Club Inc

**Statement of Profit or Loss and Other Comprehensive Income**  
**For the Year Ended 30 April 2017**

	Note	2017	2016
		\$	\$
Revenue	4	675,634	675,277
Depreciation and amortisation expense		(161,777)	(167,318)
Lifesaving and Education		(29,437)	(38,526)
Competition		(148,477)	(104,212)
Administration expenses		(94,092)	(94,865)
Food, beverage and merchandise expenses		(124,630)	(203,254)
Membership		(16,673)	(16,315)
Juniors and Youth		(23,806)	(24,435)
Building		(41,276)	(33,405)
Finance		(5,313)	(8,567)
Other Club expenses		(26,848)	(18,569)
<b>Surplus / (Deficit) for the year</b>		<b>3,305</b>	<b>(34,189)</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified subsequently to profit or loss</b>		-	360,561
<b>Items that may be reclassified to profit or loss</b>		-	-
<b>Other comprehensive surplus for the year, net of tax</b>		-	360,561
<b>Total comprehensive surplus / (deficit) for the year</b>		<b>3,305</b>	<b>326,372</b>

Trigg Island Surf Life Saving Club Inc

**Statement of Financial Position**

30 April 2017

	Note	2017 \$	2016 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	5	<b>246,982</b>	212,409
Trade and other receivables	6	<b>7,398</b>	8,286
Inventories		<b>34,601</b>	42,883
TOTAL CURRENT ASSETS		<b>288,981</b>	263,578
NON-CURRENT ASSETS			
Property, plant and equipment	7	<b>983,199</b>	1,089,268
TOTAL NON-CURRENT ASSETS		<b>983,199</b>	1,089,268
TOTAL ASSETS		<b>1,272,180</b>	1,352,846
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	8	<b>20,536</b>	20,213
Employee benefits	10	<b>6,607</b>	6,169
Other financial liabilities	9	<b>31,476</b>	116,208
TOTAL CURRENT LIABILITIES		<b>58,619</b>	142,590
NON-CURRENT LIABILITIES			
Employee benefits	10		
Other financial liabilities	9		
TOTAL NON-CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		<b>58,619</b>	142,590
NET ASSETS		<b>1,213,561</b>	1,210,256
<b>EQUITY</b>			
Reserves			
Retained earnings		<b>1,213,561</b>	1,210,256
TOTAL EQUITY		<b>1,213,561</b>	1,210,256

Trigg Island Surf Life Saving Club Inc

**Statement of Changes in Equity**  
For the Year Ended 30 April 2017

2017

	<b>Retained Earnings</b>
	<b>\$</b>
<b>Balance at 1 May 2016</b>	<b>1,210,256</b>
Surplus/(Deficit) for the year	<b>3,305</b>
<b>Other comprehensive income</b>	
Revaluation increment (decrement)	-
<b>Balance at 30 April 2017</b>	<b><u>1,213,561</u></b>

2016

	<b>Retained Earnings</b>
	<b>\$</b>
<b>Balance at 1 May 2015</b>	883,884
Surplus/(Deficit) for the year	(34,189)
Other comprehensive income	
<b>Prior Year adjustment</b>	<b>360,561</b>
<b>Balance at 30 April 2016</b>	<b><u>1,210,256</u></b>

Trigg Island Surf Life Saving Club Inc

**Statement of Cash Flows**  
For the Year Ended 30 April 2017

	Note	2017 \$	2016 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts for members and customers		675,534	674,365
Payments to suppliers and employees		(495,208)	(504,479)
Interest paid		(5,313)	(4,960)
Net cash provided by/(used in) operating activities		175,013	164,926
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Proceeds from sale of plant and equipment		-	-
Purchase of property, plant and equipment		(55,709)	(85,216)
Net cash used by investing activities		(55,709)	(85,216)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Repayment of borrowings		(84,732)	(66,415)
Net cash used by financing activities		(84,732)	(66,415)
Net increase/(decrease) in cash and cash equivalents held		34,572	13,295
Cash and cash equivalents at beginning of year		212,409	199,114
Cash and cash equivalents at end of financial year	5	246,981	212,409

## Trigg Island Surf Life Saving Club Inc

# Notes to the Financial Statements

For the Year Ended 30 April 2017

The financial statements cover Trigg Island Surf Life Saving Club Inc as an individual entity. Trigg Island Surf Life Saving Club Inc is a not-for-profit Association incorporated in Western Australia under the *Associations Incorporation Act (WA) 2015* ('the Act').

The principal activities of the Association for the year ended 30 April 2017 were...

- Provision of weekend patrols on our beach in delivering an essential lifesaving service;
- Provision of training courses to enhance the skills of our members; and
- Participate in Surf Sports events, locally, interstate and internationally.

The functional and presentation currency of Trigg Island Surf Life Saving Club Inc is Australian dollars.

The financial report was authorised for issue by the Committee of Management on 2 May 2017.

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 Australian Accounting Standards and the Act.

#### First-time adoption of Australian Accounting Standards

Trigg Island Surf Life Saving Club Inc has prepared the financial statements in accordance with the Australian Accounting Standards from 01 May 2016.

In accordance with the requirements of AASB 1: First-time Adoption of Australian Accounting Standards, adjustments resulting from the adoption of Australian Accounting Standards have been applied retrospectively to 2016 comparative figures excluding cases where optional exemptions available under AASB 1 have been applied. These accounts are the first financial statements of Trigg Island Surf Life Saving Club Inc to be prepared in accordance with Australian Accounting Standards. The association notes that there are retrospective adjustments resulting from the adoption of the Australian Accounting Standards required to be made. The impact of these are note 14

The accounting policies set out below have been consistently applied to all years presented.

### 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) Leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

## Notes to the Financial Statements

For the Year Ended 30 April 2017

### 2 Summary of Significant Accounting Policies

#### (c) 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, has been satisfied.

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

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

#### **Sale of goods**

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

#### **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.

Trigg Island Surf Life Saving Club Inc 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.

#### **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.

## Notes to the Financial Statements

For the Year Ended 30 April 2017

### 2 Summary of Significant Accounting Policies

#### (c) Revenue and other income

##### Gain on disposal of non-current assets

When a non-current asset is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

##### Other income

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

#### (d) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

#### (e) 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 payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

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.

#### (f) Inventories

Inventories are measured at the lower of cost and net realisable value.

Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition, which is the deemed cost.

#### (g) 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.

## Notes to the Financial Statements

For the Year Ended 30 April 2017

### 2 Summary of Significant Accounting Policies

#### (g) Property, plant and equipment

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Assets measured using the revaluation model are carried at fair value at the revaluation date less any subsequent accumulated depreciation and impairment losses. Revaluations are performed whenever there is a material movement in the value of an asset under the revaluation model.

#### Plant and equipment

Plant and equipment are measured using the revaluation model.

#### 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.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

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

<b>Fixed asset class</b>	<b>Depreciation rate</b>
Furniture, Fixtures and Fittings	5% - 20%
Competition Equipment	10%-20%
Leasehold improvements	5% - 20%

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.

#### (h) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Association becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

#### *Financial Assets*

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables;

## Notes to the Financial Statements

For the Year Ended 30 April 2017

### 2 Summary of Significant Accounting Policies

#### (h) Financial instruments

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the statement of profit or loss and other comprehensive income in the 'finance income' or 'finance costs' line item respectively.

##### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The Association's trade and other receivables fall into this category of financial instruments.

Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default.

The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

In some circumstances, the Association renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the Association does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

Any gain or loss arising from derivative financial instruments is based on changes in fair value, which is determined by direct reference to active market transactions or using a valuation technique where no active market exists.

##### *Financial liabilities*

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired. Although the Association uses derivative financial instruments in economic hedges of currency and interest rate risk, it does not hedge account for these transactions.

The Association's financial liabilities include borrowings, trade and other payables (including finance lease liabilities), which are measured at amortised cost using the effective interest rate method.

##### *Impairment of financial assets*

At the end of the reporting period the Association assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

## Notes to the Financial Statements

For the Year Ended 30 April 2017

**(i) 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.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

**(j) Employee benefits**

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

**(k) Adoption of new and revised accounting standards**

The Association has adopted all standards which became effective for the first time at 30 April 2017, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Association.

**(l) New Accounting Standards and Interpretations**

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Association has decided not to early adopt these Standards.

### 3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

#### **Key estimates - receivables**

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. No impairment exists in the current financial period.

#### **Key estimates - inventory**

Each item on inventory is reviewed on an annual basis to determine whether it is being carried at higher than its net realisable value. During the year, management have written down inventory based on best estimate of the net realisable value, although until the time that inventory is sold this is an estimate.

**4 Revenue and Other Income**

	2017	2016
	\$	\$
Sales revenue		
- Membership fees	133,588	132,732
- Sale of food, beverage and merchandise	221,775	262,329
	<u>355,363</u>	<u>395,061</u>
Other revenue		
- Donations and fundraising	40,295	47,511
- Sponsorship and grants	123,794	85,941
- Other trading revenue	154,443	144,170
- Finance income	1,738	2,594
<b>Total Revenue</b>	<u><u>675,634</u></u>	<u><u>675,277</u></u>

**5 Cash and Cash Equivalents**

Cash at bank and in hand	246,982	212,409
	<u>246,982</u>	<u>212,409</u>

**6 Trade and Other Receivables**

CURRENT		
Trade receivables	7,398	8,286
	<u>7,398</u>	<u>8,286</u>

**7 Property, plant and equipment**

Plant and equipment		
At cost	546,884	516,101
Accumulated depreciation	(326,813)	(296,478)
	<u>220,071</u>	<u>219,622</u>
Leasehold Improvements		
At cost	1,240,314	1,240,314
Accumulated amortisation	(477,186)	(370,668)
	<u>763,128</u>	<u>869,646</u>
	<u><u>983,199</u></u>	<u><u>1,089,268</u></u>

**(a) Movements in Carrying Amounts**

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

	Plant and Equipment	Leasehold Improvements	Total
	\$	\$	\$
<b>Year ended 30 April 2017</b>			
Balance at the beginning of year	219,622	869,646	1,089,268
Additions	58,875	-	58,875
Revaluation increase/(decrease)	-	-	-
Disposals	(3,167)	-	(3,167)
Depreciation expense	(55,259)	(106,518)	(161,777)
<b>Balance at the end of the year</b>	<u><u>220,071</u></u>	<u><u>763,129</u></u>	<u><u>983,199</u></u>

**8 Trade and Other Payables**

	2017	2016
	\$	\$
Current		
Trade payables	7,598	14,517
GST payable/(receivable)	6,558	(604)
Other payables	6,380	6,300
	<u>20,536</u>	<u>20,213</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying amounts are considered to be a reasonable approximation of fair value.

**9 Other Financial Liabilities****CURRENT**

Loan	-	75,584
Amounts received in advance	2,727	1,141
Other financial liabilities	28,748	39,483
<b>Total</b>	<u>31,476</u>	<u>116,208</u>

**10 Employee Benefits**

## Current liabilities

Annual leave	6,607	5,608
	<u>6,607</u>	<u>5,608</u>

**11 Capital and Leasing Commitments****(a) Operating Leases**

Minimum lease payments under non-cancellable operating leases:

- not later than one year	10,393	10,393
- between one year and five years	25,978	36,371
	<u>36,371</u>	<u>46,764</u>

Operating lease is in place for 4wd vehicle and has a term of 5 years. Lease payments are increased on an annual basis to reflect market rentals.

**12 Auditors' Remuneration**

Remuneration of Optima Audit, for:

- auditing or reviewing the financial statements	4,000	0
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**13 Contingencies**

In the opinion of the Committee of Management, the Association did not have any contingencies at 30 April 2017.

## 14 Adoption of Accounting Standards

The first time adoption of the Accounting Standards have had the following affect on the accounts:

	After adoption of Accounting Standards	Prior to adoption of Accounting Standards
	\$	\$
<b>ASSETS</b>		
CURRENT ASSETS		
Cash and cash equivalents	246,982	246,982
Trade and other receivables	7,398	7,398
Inventories	34,602	34,602
TOTAL CURRENT ASSETS	<u>288,981</u>	<u>288,981</u>
NON-CURRENT ASSETS		
Property, plant and equipment	983,199	766,366
TOTAL NON-CURRENT ASSETS	<u>983,199</u>	<u>766,366</u>
TOTAL ASSETS	<u><u>1,272,180</u></u>	<u><u>1,055,347</u></u>
<b>LIABILITIES</b>		
CURRENT LIABILITIES		
Trade and other payables	20,531	20,531
Employee benefits	6,607	6,607
Other financial liabilities	31,476	31,476
TOTAL CURRENT LIABILITIES	<u>58,619</u>	<u>58,619</u>
NON-CURRENT LIABILITIES		
Employee benefits		
Other financial liabilities		
TOTAL NON-CURRENT LIABILITIES	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u>58,619</u>	<u>58,619</u>
NET ASSETS	<u><u>1,213,561</u></u>	<u><u>996,728</u></u>
<b>EQUITY</b>		
Reserves		
Retained earnings	1,213,561	996,728
TOTAL EQUITY	<u>1,213,561</u>	<u>996,728</u>

## 15 Events after the end of the Reporting Period

The financial report was authorised for issue on 2 May 2017 by the Committee of Management.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

## 16 Statutory Information

The registered office of the association is:  
Trigg Island Surf Life Saving Club Inc  
360 West Coast Drive  
Trigg, WA, 6029

The principal place of business is:  
Trigg Island Surf Life Saving Club Inc  
360 West Coast Drive  
Trigg, WA, 6029

In the opinion of the committee the financial report as set out on pages 1 to 14:

1. Present fairly the financial position of Trigg Island Surf Life Saving Club Inc as at 30 April 2017 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that Trigg Island Surf Life Saving Club Inc will be able to pay its debts as and when they fall due.

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

President .....Shane Bowbridge.....

Treasurer.....Norman Waldeck.....

Dated this .....7..... day of .....June..... 2017