



B R A C E Y   D A V I D S O N   &   C O  
C H A R T E R E D   A C C O U N T A N T S

GO007:TRD:MF

19 November, 1999

Committee of Management  
Gosford District Tennis Association Inc.  
PO Box 118  
GOSFORD NSW 2250

Dear Sirs and Mesdames

**AUDIT – 31<sup>ST</sup> OCTOBER, 1999**

We have completed the audit of the Associations books and records and enclose for your attention two (2) copies of the Association's financial statements for the year ended 31<sup>st</sup> October, 1999.

As discussed on previous occasions with a former treasurer we note that the Association has assets in its books of \$284,457 as at 31<sup>st</sup> October, 1999 which, to date, have not been depreciated. In accordance with Australian Accounting Standards fixed assets should be depreciated over their useful lives and in the case of leasehold improvements over the term of the lease.

We recommend that the Association should prepare a schedule of assets that are still owned and then where possible determine the cost of those assets. If this proves difficult then an alternative approach would be to obtain a detailed valuation of all assets and improvements. This valuation would be used to correctly record the assets in the books of association.

The other matter which should be reviewed is the funds currently held in the Association's working account which are not earning the Association any interest income. The Association should consider either placing surplus funds in an interest bearing deposit or at least speaking to your bankers to determine if your account can be restructured so that it may earn interest.

A S S O C I A T E D   W I T H   D E L O I T T E   T O U C H E   T O H M A T S U

60 William Street, Gosford NSW 2250  
Telephone: (02) 4325 0150  
Facsimile: (02) 4325 0153   Email: BDCO@solnet.com.au



Partners  
David C Bracey FCA  
Timothy R Davidson FCA

Should you wish to discuss this matter further or require any further assistance please contact the writer.

Yours faithfully

**BRACEY DAVIDSON & CO**

A handwritten signature in blue ink, appearing to read "T R Davidson", with a large, stylized flourish at the beginning.

T R Davidson  
Partner

**GOSFORD DISTRICT TENNIS  
ASSOCIATION INCORPORATED**

**SPECIAL PURPOSE FINANCIAL REPORT**

**FOR THE FINANCIAL YEAR ENDED  
31 OCTOBER 1999**



B R A C E Y   D A V I D S O N   &   C O  
C H A R T E R E D   A C C O U N T A N T S

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF  
GOSFORD DISTRICT TENNIS ASSOCIATION INC.**

Scope

We have audited the attached special purpose financial report of Gosford District Tennis Association Inc. for the year ended 31 October 1999 as set out on pages 1 - 5. Gosford District Tennis Association Inc. Committee of Management is responsible for the preparation and presentation of the financial report and the information contained therein, and have determined that the accounting policies used are consistent with the financial reporting requirements of the Association's constitution and are appropriate to meet the needs of the members. We have conducted an independent audit of the financial report in order to express an opinion to the members of Gosford District Tennis Association Inc. on its preparation and presentation. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial report has been prepared for distribution to members and for the purpose of fulfilling the Committee of Management's financial reporting requirements under the Association's constitution. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with the accounting policies adopted by the Association.

The audit opinion expressed in this report has been formed on the above basis.

A S S O C I A T E D   W I T H   D E L O I T T E   T O U C H E   T O H M A T S U

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Qualifications

As is common for organisations of this type, it is not practicable for Gosford District Tennis Association Inc. to maintain an effective system of internal control over team registration, membership and other revenue raising activities until their initial entry in the accounting records. Accordingly, our audit of team registration, membership and other revenue raising activities was limited to amounts recorded. Similarly, it is not possible to maintain an effective system of internal control over all payments made until their initial entry in the accounting records. Accordingly, our audit in relation to payments was limited to amounts recorded.

Qualified Audit Opinion

In our opinion, subject to the effects of such adjustments, if any, as might have been determined to be necessary had the limitation discussed in the qualification paragraph not existed, the financial report presents fairly in accordance with the cash basis of accounting the expenditure and income of Gosford District Tennis Association Inc. for the year ended 31 October 1999.

*Bracey Davidson & Co* 

**BRACEY DAVIDSON & CO**  
Chartered Accountants  
60 William Street  
GOSFORD NSW 2250

**T R DAVIDSON**  
Partner

DATED: *19 November 1999*

**GOSFORD DISTRICT TENNIS ASSOCIATION INCORPORATED  
SPECIAL PURPOSE FINANCIAL REPORT  
PROFIT AND LOSS ACCOUNT  
FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 1999**

	1999 \$	1998 \$
Operating Surplus	49,998	42,166
Accumulated Surplus at the beginning of the financial year	283,369	241,203
<b>ACCUMULATED SURPLUS AT THE END OF THE FINANCIAL YEAR</b>	<u>333,367</u>	<u>283,369</u>

Notes to and forming part of the accounts are included on page 3.

**GOSFORD DISTRICT TENNIS ASSOCIATION INCORPORATED  
SPECIAL PURPOSE FINANCIAL REPORT  
BALANCE SHEET AS AT 31 OCTOBER 1999**

	NOTE	1999 \$	1998 \$
<b>CURRENT ASSETS</b>			
Cash	2	48,910	19,462
TOTAL CURRENT ASSETS		48,910	19,462
<b>NON-CURRENT ASSETS</b>			
Property, Plant & Equipment	3	284,457	263,907
TOTAL ASSETS		333,367	283,369
<b>NET ASSETS</b>		333,367	283,369
<b>MEMBERS' FUNDS</b>			
Accumulated Surplus		333,367	283,369

Notes to and forming part of the accounts are included on page 3.

**GOSFORD DISTRICT TENNIS ASSOCIATION INCORPORATED  
NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 1999**

**1. SUMMARY OF ACCOUNTING POLICIES**

These financial statements are a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act (NSW). The committee has determined that the association is not a reporting entity as defined in Statement of Accounting Concepts 1 "Definition of the Reporting Entity" and therefore, as there is no requirement to apply accounting concepts or standards in the preparation and presentation of these statements, none have been adopted intentionally.

These statements have been prepared in accordance with the requirements of the Associations Incorporations Act (NSW). These accounts have been prepared on a cash basis from the records of the entity. They are based on historical costs and do not take into account changing money values.

	1999 \$	1998 \$
<b>2. CASH</b>		
Cash on Hand	1,060	1,060
Cash at Bank	47,850	18,402
	48,910	19,462
	48,910	19,462
 <b>3. PROPERTY, PLANT &amp; EQUIPMENT</b>		
Plant & Equipment	152,776	145,026
Leasehold Improvements		
- Courts 10 & 11	51,648	51,648
- Pathways	9,426	9,426
- Pergola	3,523	3,523
- Courts 5,6,7,12	51,000	51,000
- Tennis Courts - electrical	3,284	3,284
- Courts 1 – 4	12,800	-
	284,457	263,907
	284,457	263,907