

Independent Audit Report to the Members of Gosford District Tennis Association Incorporated

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Gosford District Tennis Association Incorporated (the association), which comprises the balance sheet as at 30 June 2018, and the income statement, a summary of significant accounting policies, other explanatory notes and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are consistent with the financial reporting requirements of the Associations Incorporation Act NSW, and are appropriate to meet the needs of the members. The committee's responsibilities also include establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the committee's financial reporting under the Associations Incorporation Act NSW. 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.

**Independent Audit Report
to the Members of
Gosford District Tennis Association Incorporated**

Independence

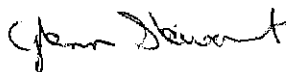
In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Qualified Audit Opinion

A large percentage of the associations recorded turnover comprises cash sales, over which there was no system of internal control to rely on for the purpose of the audit. There were no satisfactory audit procedures that we could adopt to satisfy ourselves that the recorded turnover was free from material misstatements.

Although the audit evidence was deemed materially adequate to be able to provide a basis for our audit opinion, we were unable to obtain all the supporting information that we considered necessary for the purposes of the audit.

In our opinion, except for the effects on the financial report, if any, as might have been required had the limitation on our audit procedures referred to in the qualification paragraph not existed, the financial report of Gosford District Tennis Association Incorporated presents fairly, in all material respects the financial position of Gosford District Tennis Association Incorporated as of 30 June 2018 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.



Glenn Stewart - FCPA and Public Practice Certificate Holder
DSR Partners
The Entrance

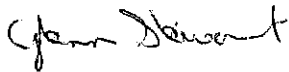
Dated this 24th September 2018

**Auditors Independence Declaration
Under Section 307C of the Corporations Act 2001**

To Members of Gosford District Tennis Association Incorporated

I declare that, to the best of my knowledge and belief, in relation to the audit of Gosford District Tennis Association Incorporated for the year ended 30 June 2018 there have been;

- a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.



Glenn Stewart - FCPA and Public Practice Certificate Holder
DSR Partners
The Entrance

Dated this 24th September 2018

Gosford District Tennis Association Incorporated
Trading, Profit and Loss Statement
For the Year ended 30 June 2018

	2018	2017
	\$	\$
Income		
-Cafe Income	40,274	23,092
-Coaching Income	192,110	93,210
-Competition Fees	44,368	17,677
-Court Hire	60,431	39,735
-Memberships	3,540	1,489
-Pro-Shop Income	38,023	23,933
-Tournament Income	68,458	46,282
	447,204	245,418
Less Cost of Goods Sold		
Opening Stock	6,244	-
-Balls Used - Comps & Tournaments	-	9,669
-Cafe Purchases	29,405	19,451
-Coaching Contractor	31,649	5,200
-Coaching Equipment & Balls	593	7,279
-Coaching Wages & Super	121,167	95,186
-Pro-Shop Purchases	25,172	25,064
-Tournament Expenses	62,368	16,199
	276,598	178,048
Closing Stock	7,472	6,244
	269,126	171,804
Gross Profit from Trading	178,078	73,614
Expenditure		
Accountancy Fees	1,645	3,987
Advertising and Promotion	3,160	3,048
Auditor's Remuneration	3,000	1,677
Bank Charges	3,624	755
Borrowing Costs	977	141
Bookkeeping Fees	5,688	4,672
Cleaning	4,748	2,274
Computer Expenses	1,188	-
Depreciation - Pooled Assets	19,986	15,893
Electricity & Gas	14,312	2,670
Event & Meeting Costs	2,478	2,495
Honorarium	-	2,300
Insurance	9,223	8,736
Interest Paid	3,125	785
Legal Costs	975	4,802
Low Value Assets	4,484	638
Motor Vehicle Expenses	1,190	3,120
Printing, Stationery & Postage	2,786	9,897

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Audit Report.*

Gosford District Tennis Association Incorporated
Trading, Profit and Loss Statement
For the Year ended 30 June 2018

	2018	2017
	\$	\$
Rent & Water	5,349	2,527
Repairs & Maintenance	10,970	51,218
Security Costs	2,075	651
Staff Training & Welfare	-	310
Staff Amenities	1,013	838
Subscriptions	4,204	3,318
Sundry Expenses	-	247
Superannuation Contributions	9,629	8,858
Telephone & Internet	6,576	3,682
Tennis NSW	5,393	5,591
Travelling Expenses	-	146
Uniforms	4,015	2,096
Wages	<u>115,854</u>	<u>90,782</u>
	247,667	238,154
Other Income		
Administration Fee	-	14,583
License Fee IFS	-	30,303
Interest Received	49	139
Insurance Recovery	5,520	9,213
Sponsorships & Grants	<u>13,218</u>	<u>32,629</u>
	18,787	86,867
Loss before Income Tax	<u>(50,802)</u>	<u>(77,673)</u>
Retained Profits at the beginning of the financial year	74,216	914,653
Other Appropriations		
Write Off Buildings & Courts	-	762,764
Unappropriated Profit at 30 June 2018	<u><u>23,414</u></u>	<u><u>74,216</u></u>

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Audit Report.*

Gosford District Tennis Association Incorporated
Balance Sheet
As at 30 June 2018

	Note	2018 \$	2017 \$
Current Assets			
Cash and Cash Equivalents		37,821	75,663
Trade and Other Receivables	4	16,870	44,602
Inventories	5	7,472	6,244
Other Current Assets		-	947
Total Current Assets		<u>62,163</u>	<u>127,456</u>
Non-Current Assets			
Property, Plant and Equipment	6	<u>11,178</u>	<u>66,619</u>
Total Non-Current Assets		<u>11,178</u>	<u>66,619</u>
Total Assets		<u>73,341</u>	<u>194,075</u>
Current Liabilities			
Trade and Other Payables	7	49,927	76,010
Short-Term Financial Liabilities	8	-	6,275
Total Current Liabilities		<u>49,927</u>	<u>82,285</u>
Non-Current Liabilities			
Long-Term Financial Liabilities	8	-	37,574
Total Non-Current Liabilities		<u>-</u>	<u>37,574</u>
Total Liabilities		<u>49,927</u>	<u>119,859</u>
Net Assets		<u>23,414</u>	<u>74,216</u>
Equity			
Retained Profits		23,414	74,216
Total Equity		<u>23,414</u>	<u>74,216</u>

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Audit Report*

Gosford District Tennis Association Incorporated
Notes to the Financial Statements
For the Year ended 30 June 2018

1. Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of the statements are as follows:

(b) 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 and presented within current liabilities on the balance sheet.

(c) Property, Plant and Equipment

Property, plant and equipment are carried at cost, independent or committees' valuation. All assets excluding freehold land, are depreciated over their useful lives to the association.

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

(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 are net of any rebates and discounts received.

(e) Revenue and Other Income

Revenue is measured at the value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

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

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

(f) 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). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

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 balance sheet.

Gosford District Tennis Association Incorporated
Notes to the Financial Statements
For the Year ended 30 June 2018

	2018	2017
	\$	\$
2. Extraordinary Items		
Write Off Buildings & Courts	-	(762,764)
	<u>-</u>	<u>(762,764)</u>
3. Cash and Cash Equivalents		
Cash on Hand	-	7,724
Cash at Bank - Bendigo Club Cheque Account	8,192	23,088
Cash at Bank - Bendigo Cash Management Account	25,101	37,526
Cash at Bank - Bendigo Tournament Account	874	2
Cash at Bank - ANZ	3,530	5,245
Cash at Bank - Visa	124	2,078
	<u>37,821</u>	<u>75,663</u>
4. Trade and Other Receivables		
Current		
Trade Debtors	13,521	44,602
Provision for GST	3,349	-
	<u>16,870</u>	<u>44,602</u>
Total Trade and Other Receivables	<u>16,870</u>	<u>44,602</u>
5. Inventories		
Current		
Stock on Hand	7,472	6,244
	<u>7,472</u>	<u>6,244</u>
Total Inventories	<u>7,472</u>	<u>6,244</u>
6. Property, Plant & Equipment		
General Pool	11,178	66,619
	<u>11,178</u>	<u>66,619</u>
7. Trade and Other Payables		
Current		
Trade Creditors	14,054	24,298
Other Creditors		
- IFS Deposit Bond	500	500
- Superannuation payable	5,748	16,567
- ATO Running Balance Account	29,625	34,145

Gosford District Tennis Association Incorporated
Notes to the Financial Statements
For the Year ended 30 June 2018

	2018	2017
	\$	\$
Provision for GST	-	<u>500</u>
	<u>49,927</u>	<u>76,010</u>
Total Trade and Other Payables	<u>49,927</u>	<u>76,010</u>
8. Financial Liabilities		
Current		
Hire Purchase		
Chattel Mortgage Liability	-	6,275
	<u>-</u>	<u>6,275</u>
Non-Current		
Hire Purchase		
Chattel Mortgage Liability	-	37,574
	<u>-</u>	<u>37,574</u>
Total Financial Liabilities	<u>-</u>	<u>43,849</u>

Gosford District Tennis Association Incorporated
Fixed Asset and Depreciation Schedule
For the Period Ended 30 June 2018

Asset	Private Use	Cost Price	Cost Limit	Opening W.D.V 01/07/2017	Additions Disposals	Gain/Loss on Disposal	Capital Gains	--- Depreciation --- Rate \$	Accum Deprec 30/06/2018	Closing W.D.V 30/06/2018
General Pool (STS)										
3 Shade Units		3,174						Write-Off	0	0
Committee Room Airconditioner		1,591						Write-Off	0	0
Macbook Pro Laptop		1,636						Write-Off	0	0
Card Printer		1,895						Write-Off	0	0
2 LED TV's		1,586						Write-Off	0	0
2 Framed Memorabilia Boards		855						Write-Off	0	0
Hot Water Service		3,296		961				30.0% DV	288	673
Fire Equipment		550						Write-Off	0	0
New Honour Boards		4,789		1,994				30.0% DV	598	1,396
New Honour Boards		7,612		4,529				30.0% DV	1,359	3,170
KIA Wagon		40,843		34,716	(35,455)	5,990		30.0% DV	10,415	(5,164)
Furniture		3,629		3,084				30.0% DV	925	2,159
Equipment-Football		14,866		12,636				30.0% DV	3,791	8,845
Stringing Machine		3,000		2,550				30.0% DV	765	1,785
Signage		1,780		1,513				30.0% DV	454	1,059
Lawn Mower		5,455		4,636				30.0% DV	1,391	3,245
Sub-total		96,557		66,619	(35,455)	5,990		19,986	33,382	17,168

Gosford District Tennis Association Incorporated
Statement by Members of the Committee


The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the committee as set out in the accompanying financial report;

1. Presents a true and fair view of the financial position of Gosford District Tennis Association Incorporated as at 30 June 2018 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Gosford District Tennis Association Incorporated 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: Chris Lees


.....
Treasurer: Tony Haworth

Dated