

**Port Macquarie Surf Lifesaving Club Inc.
Financial Report
for the Period Ended 31 May 2011**

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Port Macquarie Surf Lifesaving Club Inc.
ABN 89 023 565 419
Committee's Report

Your committee members submit the financial report for the Port Macquarie Surf Lifesaving Club Inc. for the period ended 31 May 2011.

Committee Members

The names of the committee members throughout the year and at the date of this report are:

President - Tony Wright
Vice President - David Plews
Treasurer - Dione Edwards
Secretary - Jade Zaicew
Club Captain - Anne Walsh
Gear Steward - Jeff Polverino
JAC Chairperson - Steve Filetti
Competition Manager - Mal Storey
Training - Rod McCue (resigned April 2011), Kimj Rayner (Caretaker)
Regulatory & Legislation Officer - Melinda Cockshutt
Events & Publicity Officer - Janine Sim

Principal Activities

The principal activity of the Association during the financial year was to operate as a not-for-profit volunteer organisation in accordance with the objectives set out in our Articles of Association.

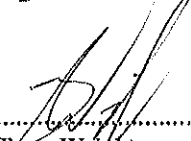
Significant Changes

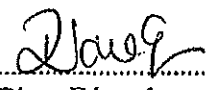
No significant changes in the nature of these activities occurred during the year.

Operating Result

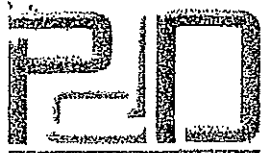
The profit after providing for income tax of \$Nil, was \$26,953 (2010: \$61,127)

Signed in accordance with a resolution of the Members of the Committee.


.....
Tony Wright
President


.....
Dione Edwards
Treasurer

Dated this 22nd day of JUNE.....2011



**POTTS DAVIS
DUNCOMBE**

Chartered Accountants

**Independent Auditor's Report
To the Members of
Port Macquarie Surf Lifesaving Club Inc.
ABN 89 023 565 419**

Report on the Financial Report

We have audited the attached special purpose financial report of the Port Macquarie Surf Lifesaving Club Inc., for the period ended 31 May 2011 as set out on pages 4 to 18.

Committee's Responsibility for the Financial Report

The committee of the Association is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the financial reporting requirements of the Association's Constitution and the Associations Incorporation Act (NSW). This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material error, 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. 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 judgement, 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.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

CMMSC Partners Pty Ltd

ABN 29 100 338 181

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Taxation Advisors***



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scheme approved
under Professional
Standards Legislation

**Independent Auditor's Report
To the Members of
Port Macquarie Surf Lifesaving Club Inc.
ABN 89 023 565 419**

Independence


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

Qualification

As is common for associations of this type, it is not practicable for the Port Macquarie Surf Lifesaving Club Inc. to maintain an effective system of internal control over donations and other fundraising activities until their initial entry in the records. Accordingly, our audit in relation to fund raising was limited to amounts recorded.

Qualified Auditor's Opinion

In our opinion, subject to the effect, if any, of the above qualification, the financial report of the Port Macquarie Surf Lifesaving Club Inc. presents fairly, in all material respects, the financial position of the Association as at 31 May 2011 and its financial performance and its cash flows for the period then ended, in accordance with Australian Accounting Standards (including Australian Accounting Interpretations).



.....
Helen L Davies CA
Registered Company Auditor (307121)
75 Bold Street, Laurieton NSW 2443

Dated this 20th day of June 2011


Port Macquarie Surf Lifesaving Club Inc.
ABN 89 023 565 419
Statement by Members of the Committee

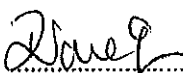
The Committee has determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlines in Note 1 to the financial statements.

In the opinion of the committee, the financial report as set out on pages 5 to 18:

- (a) presents a true and fair view of the financial position of the Port Macquarie Surf Lifesaving Club Inc. as at 31 May 2011 and its performance for the period then ended.
- (b) at the date of this statement, there are reasonable grounds to believe that the Port Macquarie Surf Lifesaving Club Inc. will be able to pay its debts as and when they fall due.

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


.....
Tony Wright
President

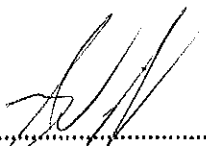

.....
Dione Edwards
Treasurer

Dated this.....^{22nd}.....day of.....^{JUNE}.....2011

Port Macquarie Surf Lifesaving Club Inc.
ABN 89 023 565 419
President's Declaration
Under the Charitable Fundraising Act

I, Tony Wright, President of Port Macquarie Surf Lifesaving Club Inc. declare that in my opinion:

- (a) the financial statements give a true and fair view of all income and expenditure of the Port Macquarie Surf Lifesaving Club Inc. with respect to fundraising appeals; and
- (b) the Statement of Financial Position gives a true and fair view of the state of affairs with respect to fundraising appeals; and
- (c) the provisions of the Charitable Fundraising Act 1991, the Regulations under the Act and the conditions attached to the authority have been complied with; and
- (d) the internal controls exercised by the Port Macquarie Surf Lifesaving Club Inc. are appropriate and effective in accounting for all income received and applied by the Port Macquarie Surf Lifesaving Club Inc. from any of its fundraising appeals.


.....
Tony Wright
President

Dated this 22nd day of JUNE.....2011

Port Macquarie Surf Lifesaving Club Inc.
ABN 89 023 565 419
Trading Statement
For the period ended 31 May 2011

	2011	2010
	\$	\$
INCOME		
Merchandise Sales	13,183	8,814
LESS COST OF GOODS SOLD		
Opening Stock	12,891	1,560
Merchandise Purchases	16,931	17,696
	29,822	19,256
Closing Stock	16,271	12,891
	13,551	6,366
GROSS LOSS FROM TRADING	(368)	2,448

*The accompanying notes form part of these financial statements.
 These financial statements have been subject to audit and should be read in conjunction with the attached
 Independent Auditor's Report.*

Port Macquarie Surf Lifesaving Club Inc.

ABN 89 023 565 419

Income and Expenditure Statement

For the period ended 31 May 2011

	2011	2010
	\$	\$
<u>SURF CLUB</u>		
INCOME		
Carnivals	4,221	2,885
Membership Fees	26,669	19,125
Grants		
- Dept. Sport & Recreation	-	1,955
- Holiday Coast Credit Union	-	2,173
- Dept. FHCSIA	3,652	-
- Surf Life Saving NSW	-	19,217
- Other	175	-
	<u>3,827</u>	<u>23,345</u>
Fundraising		
- Raffles	17,356	20,640
- Surf Lifesaving NSW Share Fundraising proceeds	6,163	6,849
- Bucket Drive	4,409	3,518
- Beach Stomp	4,829	-
- Other	417	756
	<u>33,174</u>	<u>31,763</u>
Presentation Night	2,919	391
Camp & Course Income	1,364	1,591
Donations	7,253	11,652
Sponsorships	5,227	9,545
Interest Received	2,775	2,285
Rent Received		
- Hall	16,799	24,416
- Kiosk	3,927	4,958
- Showers	998	1,331
- Lockers	273	511
	<u>21,997</u>	<u>31,217</u>
Sales		
- Equipment	1,568	-
- Bar	2,356	5,164
	<u>3,924</u>	<u>5,164</u>
Sundry Other Income	642	-
Gross Profit/(Loss) from merchandise sales	(368)	2,448
	<u>113,625</u>	<u>141,411</u>

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Port Macquarie Surf Lifesaving Club Inc.
ABN 89 023 565 419
Income and Expenditure Statement
For the period ended 31 May 2011

	2011	2010
	\$	\$
EXPENDITURE		
Accountancy Fees	600	-
Advertising	187	231
Bar Requisites	2,830	2,388
Awards & Manuals Purchased	3,005	2,540
Audit Fees	1,320	1,250
Bank Charges	254	54
Carnivals	7,445	3,930
Cleaning & Rubbish Removal	2,436	3,956
Capitation & Affiliation Fees	8,447	7,765
Depreciation	3,311	1,448
Electricity & Gas	5,238	4,101
Equipment purchases < \$1,000	1,939	3,824
First Aid Supplies	2,375	2,184
Function & Fundraising Expenses		
- Raffles	9,098	7,553
- Beach Stomp	1,933	-
	11,032	7,553
Insurance	4,008	3,665
Lease Fees	297	771
Postage, Printing & Stationery	391	2,129
Presentation Night	5,093	4,569
Rego/Ins & Maintenance - Trailer	168	165
Repairs & Replacement	17,895	22,707
Subscriptions	-	20
Sundry Expenses	3,351	1,268
Telephone	1,026	1,245
Training & Course Costs	1,467	629
	84,115	78,392
PROFIT/(LOSS) BEFORE INCOME TAX	29,510	63,019

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Port Macquarie Surf Lifesaving Club Inc.
ABN 89 023 565 419
Income and Expenditure Statement
For the period ended 31 May 2011

	2011	2010
	\$	\$
<u>JUNIORS</u>		
INCOME		
Carnivals	-	4,777
Presentation Night	-	2,273
Camps & Course Income	591	1,104
Donations	-	1,965
Sponsorship	5,000	-
Interest Received	11	58
Other Sundry Income	-	161
Sales		
- Gear	-	200
	-	200
	<u>5,602</u>	<u>10,539</u>

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Port Macquarie Surf Lifesaving Club Inc.
ABN 89 023 565 419
Income and Expenditure Statement
For the period ended 31 May 2011

	2011	2010
	\$	\$
EXPENDITURE		
Advertising	250	-
Awards & Manuals	-	66
Bank Charges	15	-
Carnivals	341	4,889
Capitation Levy	1,283	-
Equipment Purchases & Repairs	1,446	867
Leadership & Development Camps	3,350	2,185
Postage, Printing & Stationery	142	142
Presentation Night	105	3,644
Rego/Ins & Maintenance - Trailer	-	238
Sundry Expenses	1,226	399
	8,159	12,430
PROFIT/(LOSS) BEFORE INCOME TAX	(2,557)	(1,892)

The accompanying notes form part of these financial statements.
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Port Macquarie Surf Lifesaving Club Inc.
ABN 89 023 565 419
Summary Income & Expenditure Statements
For the period ended 31 May 2011

	2011	2010
	\$	\$
PROFIT (LOSS) FROM:		
SURF CLUB	29,510	63,019
JUNIORS	(2,557)	(1,892)
TOTAL PROFIT/(LOSS) FOR THE YEAR	26,953	61,127
Retained Profits at the beginning of the year	166,552	105,425
Retained Profits at the end of the year	193,506	166,552

The accompanying notes form part of these financial statements.
These financial statements have been subject to audit and should be read in conjunction with the
attached Independent Auditor's Report.

Port Macquarie Surf Lifesaving Club Inc.
ABN 68 618 506 588
Statement of Financial Position
As at 31 May 2011

	2011	2010
	\$	\$
MEMBERS' FUNDS		
Retained Earnings	193,505	166,552
TOTAL MEMBERS' FUNDS	193,505	166,552
 Represented By:		
CURRENT ASSETS		
Cash on Hand - Seniors	103	103
Cash on Hand - Juniors	200	200
Holiday Coast Credit Union S14 - Junior SLSC Account	4,005	25,716
Holiday Coast Credit Union S14.2 Caretaker Account	664	-
HCCU S14 General Account	25,967	6,167
HCCU S14.1 Uniform Account	11,844	2,627
HCCU S21 ISaver	72,629	69,960
Trade Debtors	1,500	-
	116,914	104,773
 Sundry Debtors		
- GST Refund Due	3,039	5,573
 Stock on Hand - at Cost	16,271	12,891
Provision for GST	796	-
	137,020	123,236
 NON CURRENT ASSETS		
Buildings - at Cost	19,217	19,217
	19,217	19,217
 Plant & Equipment - at Cost	42,404	25,923
Less Accumulated Depreciation	(5,145)	(1,834)
	37,259	24,089
	56,476	43,306
 INVESTMENTS		
Shares in Unlisted Companies		
- Holiday Coast Credit Union Ltd	10	10
	10	10
TOTAL ASSETS	193,506	166,552
 NET ASSETS	193,506	166,552

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These financial statements have been subject to audit and should be read in conjunction with the attached Independent Auditor's Report.*

Port Macquarie Surf Lifesaving Club Inc.
ABN 89 023 565 419
Statement of Cash Flows
For the period ended 31 May 2011

	Note	2011 \$	2010 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Fundraising Receipts		33,657	31,763
Grant Funding		4,210	23,758
Donations & Sponsorships		18,503	29,118
Other Receipts		135,065	78,800
Interest Received		2,786	2,343
Payments to Suppliers		(156,067)	(110,665)
Fundraising Expenses		(11,032)	(7,553)
Net Cash Generated from Operating Activities	2	<u>27,122</u>	<u>47,564</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase Plant & Equipment		(16,482)	(39,505)
Net cash used in investing activities		<u>(16,482)</u>	<u>(39,505)</u>
NET INCREASE/(DECREASE) IN CASH		10,640	8,059
Cash at the Beginning of the Year		104,773	96,714
Cash at the End of the Year		<u>115,413</u>	<u>104,773</u>

*The accompanying notes form part of these financial statements.
These financial statements have been subject to audit and should be read in conjunction with the attached Independent Auditor's Report.*

Port Macquarie Surf Lifesaving Club Inc.
ABN 89 023 565 419
Notes to the Financial Statements
For the period ended 31st May 2011

The financial statements cover Port Macquarie Surf Lifesaving Club Inc. as an individual entity. Port Macquarie Surf Lifesaving Club Inc. is an Association incorporated in New South Wales under the Associations Incorporation Act (NSW).

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, the Associations Incorporation Act (NSW) and the NSW Charitable Fundraising Act and Regulations.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

These financial statements have been prepared on an accruals basis and are based on historic costs, modified where applicable by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

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

Accounting Policies

(a) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short term highly liquid investments with maturities of three months or less, and bank overdrafts.

(b) Property, Plant & 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.

Plant & Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the committee to ensure it is not in excess of the recoverable amount from those assets.

An assets carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

These notes should be read in conjunction with the attached Independent Auditor's Report.

Port Macquarie Surf Lifesaving Club Inc.
ABN 89 023 565 419
Notes to the Financial Statements
For the period ended 31st May 2011

Depreciation

The depreciable amount of all fixed assets are depreciated on a straight line basis over the useful lives to the company commencing from the time the asset is ready for use.

The depreciation rates used for each class of assets are:

Class of Fixed Assets	Depreciation Rate
Buildings	2.5%
Plant & Equipment	10 % - 20%

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

(c) Impairment of Assets

At each reporting date, the committee reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of Income and Expenditure.

Where it is not possible to estimate the recoverable amount of an individual asset, the committee estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(d) Income Tax

The Association has been endorsed by the Australian Taxation Office as exempt from income tax.

(e) Inventories

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

(f) Revenue

Revenue from providing a service is recognised when the customer receives the service.

Revenue from the sale of goods is recognised upon the delivery of the goods to the customer.

Interest revenue is recognised on a proportional basis taking into account the interest rates relevant to the financial assets.

Grant revenue is recognised in the period to which the funding agreement relates.

Donations are recognised when banked to the Association account.

All revenue is stated net of the amount of GST.

Port Macquarie Surf Lifesaving Club Inc.

ABN 89 023 565 419

**Notes to the Financial Statements
For the period ended 31st May 2011**

(g) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax, except where the amount of GST incurred is not recoverable from the Australian Taxation Office, it is then recognised as part of the cost of acquisition of an asset or as part of an item of expenses. Receivables and payables in the Statement of Financial Position are stated with the amount of GST included.

Cash Flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(h) Critical accounting estimates and judgments

The committee members evaluate estimates and judgements incorporated in the financial report based on historical knowledge and the best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the association.

Key estimates - Impairment

The association assesses impairment at each reporting date by evaluating conditions specific to the group that may lead to impairment of assets. Where an impairment trigger, exists the recoverable amount of the asset is determined.

No impairment has been recognised for the period ended 31 May 2011.

(i) Comparative Figures

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

Note, the comparative figures represent a 12 month period 1 July 2009 to 30 June 2010. The Association has recently changed it's financial year end to 31 May. The current year figures represent an 11 month period 1 July 2010 to 31 May 2011.

Port Macquarie Surf Lifesaving Club Inc.

ABN 89 023 565 419

**Notes to the Financial Statements
For the period ended 31st May 2011**

	2011	2010
	\$	\$
2. CASH FLOW INFORMATION		
Reconciliation of Cash Flow from Operating Activities with Profit after Tax		
Profit after income tax	26,953	61,127
Non-cash Flows in Profit:		
- Depreciation	3,311	1,448
Changes in assets and liabilities:		
- (Increase)/Decrease in Sundry Debtors	1,034	(4,245)
- (Increase)/Decrease in Stock	(3,380)	(11,331)
- (Increase)/Decrease in GST Provision	(796)	565
Net Cash generated from operating activities	<u>27,122</u>	<u>47,564</u>

**3. CONTINGENT LIABILITIES AND
CONTINGENT ASSETS**

The Committee are not aware of any contingent liabilities or contingent assets.

4. EVENTS AFTER THE REPORTING DATE

The Committee are not aware of any events occurring after the reporting date that would materially affect the financial position of the Association.

5. RELATED PARTY TRANSACTIONS

The Committee are not aware of any related party transactions during the year.

6. DEDUCTIBLE GIFT RECIPIENT

The Australian Taxation Office has endorsed the Association as a deductible gift recipient. Donations in excess of \$2 are tax deductible to the donor.

7. ASSOCIATION DETAILS

The principal place of business is;
Tuppeny Road, Flynn's Beach, Port Macquarie NSW 2444

These notes should be read in conjunction with the attached Independent Auditor's Report.

Port Macquarie Surf Lifesaving Club Inc.
Schedule of Fixed Assets
For the period ended 31 May 2011

Asset	Private Use	Cost Price	Cost Limit	Opening W.D.V 01/06/2010	Additions Disposals	Gain/Loss on Disposal	Capital Gains	----- Depreciation ----- Rate	----- Depreciation ----- \$	Accum Deprec 31/05/2011	Closing W.D.V 31/05/2011
BUILDINGS											
Building Payment		19,217		19,217				0.0%	0	0	19,217
Sub-total		19,217		19,217							19,217
PLANT & EQUIPMENT											
Set of Cars and Sweep Car		4,282		3,546				10.0% PC	394	1,130	3,152
IRB Motor		1,352		1,137				10.0% PC	125	340	1,612
120 White Chairs		3,700		3,308				15.0% DV	455	847	2,853
Achilles IRB		10,494		10,089				10.0% DV	926	1,331	9,163
Soft Rescue Board		1,209		1,158				10.0% DV	106	157	1,052
Yamaha IRB Motor		4,086		4,051				10.0% DV	372	407	3,679
Prop Guard for IRB Motor					799			10.0% DV	67	67	732
Stealth Racing Ski					1,409			10.0% DV	3	3	1,406
3 x Soft Racing Boards					2,072			10.0% DV	68	68	2,004
6 x Soft Rescue Boards					6,245			10.0% DV	351	351	5,894
5 x Nipper Boards					4,682			10.0% DV	254	254	4,428
Hayden Double Ski					2,073			10.0% DV	190	190	1,883
Sub-total		25,123		23,289	17,280				3,311	5,145	37,258
Total		44,340		42,506	17,280				3,311	5,145	56,475

This schedule should be read in conjunction with the attached Independent Auditor's Report