

Finance Report – Marina Crowley



I am pleased to present the Financial Statements for the year ended 30 April 2016.

The Club presents a surplus of \$44,839 and the net asset position is \$811,951 as at 30 April 2016.

I would like to thank the Board for assisting with the delivery of a surplus again this year. The finances across all service areas are well planned and disciplined.

The Building Levy raised \$18,322 during the year. From this \$9,015 was expended on the planning stages for the new building. The balance of \$9,307 has been allocated to the Building Reserve on the Balance Sheet.

Hall Hire revenue increased by \$23,000 this year, an example of the great work done by Leanne Lewis, Club Services Director and Mike Wren, Bar Manager. Our facilities are an important asset of the Club and should be used to produce income when the members do not need use of the rooms.

A major highlight for the year was the successful sourcing of a grant for the purchase of a New Ute to the extent of \$18,400 from the Federal Government, which funds 50% of the cost of the vehicle. The Grant will be reported in the 2017 year as the cash was received in May 2016.

Capital Assets purchased this year amounted to \$89,000. Much of the increase in capital expenditure was funded with Grants.

ITEM	Amount \$
Junior Reel	\$5,200
Recue Boards	\$6,900
IRB	\$15,200
Surf Boat (deposit only)	\$10,000
Lifesaving Equipment	\$4,700
IRB Beach Trailer	\$1,800
Hall Entry Honour Board	\$4,500
Foam Boards	\$4,500
Paddle Boards	\$6,200
Skis	\$7,500
New Coffee Machine	\$2,800
New Freezer	\$5,300
Gym Equipment	\$1,200
Building Upgrade	\$9,000
New Ute (deposit only)	\$4,500
Total	\$89,300

The Board is committed to delivering a surplus again next year to enable re-invest into the Club facilities and equipment.

Marina Crowley
Finance Director 2015/16

Sorrento Surf Life Saving Club
 Trading Account
 For the year ended 30 April 2016

	2016	2015
	\$	\$
Trading Income		
Bar and Restaurant Sales	158,520	123,438
Clothing Sales	56,037	60,481
Hall hire revenue	40,524	17,273
Total Trading Income	255,081	201,192
Cost of Sales		
Add:		
Opening bar and restaurant stock	4,180	3,734
Opening clothing stock	50,435	42,670
Bar and Restaurant purchases	76,870	58,388
Clothing purchases	52,023	64,920
Hall hire costs	2,977	91
Utilities and cleaning	19,933	18,180
Employment costs - Bar and Restaurant	69,695	34,961
Other costs - Bar and Restaurant	3,353	8,574
Less:		
Closing bar and restaurant stock	-4,177	-4,180
Closing clothing stock	-37,148	-50,435
Cost of Sales	238,141	176,903
Trading Result	16,940	24,289

Sorrento Surf Life Saving Club
Detailed Profit and Loss Statement
For the year ended 30 April 2016

	2016	2015
	\$	\$
Income		
Trading profit	16,940	24,289
Memberships	189,068	190,653
Sponsorship	87,063	91,445
Fund raising	57,372	46,656
Grant income	7,514	9,873
Donations	2,875	4,995
Kiosk rent	10,477	9,677
Social functions	16,524	20,542
Carnival entry and hosting income	38,314	30,318
Community education	18,859	13,320
Water safety income	20,190	19,966
Administration	16,751	10,185
Building Levy	18,322	12,060
Interest received	4,329	4,692
Profit on sale of property, plant, equip	0	3,025
Total income	504,598	491,696
Expenses		
Club services	36,967	32,564
Competition expenses	81,590	89,028
Junior expenses	17,363	18,248
Club development		636
Lifesaving expenses	29,730	25,224
Water safety and education	17,976	6,111
Sorrento challenge	301	7,200
Social function expenses	21,586	33,543
Fundraising expenses	16,834	11,775
Depreciation	79,659	75,409
Administration	34,429	28,086
Computer expenses	5,508	5,639
Postage	371	1,006
Printing and stationery	7,214	6,884
Telephone	1,733	1,947
Wages	70,757	73,642
Reimbursements	2,158	6,385
Insurance	10,167	6,480
Audit and accountancy	18,640	16,612
Bank fees and charges	6,776	6,313
Total expenses	459,759	452,732
Surplus from ordinary activities	44,839	38,964

Sorrento Surf Life Saving Club
 Detailed Balance Sheet as at 30 April
 2016

	2016	2015
	\$	\$
Current Assets		
Cash Assets		
Cash At Bank	230,213	58,384
Cash on hand	1,900	1,900
	<u>232,113</u>	<u>60,284</u>
Receivables		
Trade debtors	22,138	87,561
Deposits paid	4,182	1,000
	<u>26,320</u>	<u>88,561</u>
Inventories		
Bar stock	4,177	4,180
Clothing stock	37,148	50,435
	<u>41,325</u>	<u>54,615</u>
Other		
Term deposit building fund	75,538	74,503
Term deposit general fund	0	77,113
Prepayments	5,718	9,881
	<u>81,256</u>	<u>161,497</u>
Total Current Assets	<u>381,014</u>	<u>364,957</u>
Non-Current Assets		
Property, Plant and Equipment		
Lease improvements	146,183	137,168
Less: Accumulated depreciation	-48,554	-43,773
Boat Shed Extension	193,309	193,309
Less: Accumulated depreciation	-34,963	-30,902
Plant & equipment	267,411	253,544
Less: Accumulated depreciation	-204,828	-177,425
Surf Craft and Equipment	466,091	399,881
Less: Accumulated depreciation	-316,025	-272,611
	<u>468,624</u>	<u>459,191</u>
Total Non-Current Assets	<u>468,624</u>	<u>459,191</u>
Total Assets	<u>849,638</u>	<u>824,148</u>

Current Liabilities
Payables - Unsecured

Trade creditors	8,965	24,878
Key deposits	7,180	6,580
Income received in advance	6,364	6,931
Sundry creditor	0	4,050
Payroll Liabilities	13,911	11,607
	<u>36,420</u>	<u>54,046</u>

Current Tax Liabilities

GST control account	1,267	2,990
Current tax liabilities		
	<u>1,267</u>	<u>2,990</u>

Total Current Liabilities

	<u>37,687</u>	<u>57,036</u>
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NET ASSETS

	<u>811,951</u>	<u>767,112</u>
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EQUITY
Reserves

General reserves	147,903	147,903
Building reserve	93,150	83,843
Retained Surplus	570,898	535,366

Total Equity

	<u>811,951</u>	<u>767,112</u>
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**INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 30 APRIL 2016**

To the members of The Sorrento Surf Life Saving Club

Report on the financial report

We have audited the accompanying financial report, being a special purpose financial report, of The Sorrento Surf Life Saving Club, which comprises the Balance Sheet as at 30 April 2016, and the Trading Account and Statement of Income and Expenditure for the year then ended, a summary of significant accounting policies, other explanatory notes and the Management Committee declaration.

The responsibility of the Management Committee for the financial report

The Management Committee of the entity are 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 appropriate to meet the financial reporting requirements of the constitution and are appropriate to meet the needs of the members. The Management Committee's responsibility also includes 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 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 those charged with governance, 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 Management Committee's financial reporting responsibilities under the 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.

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

Independence

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

Matters relating to the electronic presentation of the audited financial report

The auditor's report relates to the financial report of The Sorrento Surf Life Saving Club for the year ended 30 April 2016 included on The Sorrento Surf Life Saving Club website. The association's Management Committee are responsible for the integrity of The Sorrento Surf Life Saving Club website. We have not been engaged to report on the integrity of The Sorrento Surf Life Saving Club website. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to / from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this website.

Qualification

Receipts from donations, bar takings and other fundraising activities are a significant source of revenue for The Sorrento Surf Life Saving Club non-reporting entity. The Sorrento Surf Life Saving Club has determined that it is impracticable to establish control over the collection of donations and other fundraising activity revenue prior to entry in its financial records. Accordingly, as the evidence available to us regarding revenue from these sources was limited, our audit procedures with respect to donations and other fundraising activity revenue had to be restricted to the amounts recorded in the financial records. We therefore are unable to express an opinion on whether donations and other fundraising activity revenue obtained by The Sorrento Surf Life Saving Club are complete.

Qualified audit opinion

In our opinion, except for the effects on the financial report of such adjustments, 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 presents fairly in accordance with the accounting policies described in Note 1 to the financial statements, the financial position of The Sorrento Surf Life Saving Club at 30 April 2016 and the results of its operations and its cash flows for the year then ended.

Charter Financial Services

Charter Financial Services


Barry P. Levan
Partner

Dated: 20th June 2016