



**Shanahan Swaffield Partners**

Accounting + Taxation + Auditing

16 July 2019

Mr A Barnes  
Yeppoon Surf Life Saving Club Inc  
PO Box 1078  
YEPPOON QLD 4703

Dear Anthony

**RE: Management Letter for audit period ending 30 April 2019**

We have completed the audit of your organisation for the period 1 May 2018 to 30 April 2019. Your attention is drawn to the following.

- The BAS Mar 2019 has been adjusted due to the differences between the BASs already lodged and the general ledger. Please sign and return the attached letter to amend the BAS Mar 2019 for \$1,236 (payable).
- During the audit, we were unable to test any of the income transactions as there were no bar/canteen/clothing till tapes or receipt books to verify the amounts received.
- An asset and membership registers were not presented during the audit. Under the *Associations Incorporation Act 1981* both these registers need to be maintained.
- During the audit, the signed minutes of meetings were not presented. As per the *Associations Incorporation Act 1981*, all minutes must be ratified by the committee at the following meeting and signed by President and filed for future reference.

We are also required under mandatory auditing standards to communicate the level of financial controls within your organisation. We note it is common for this type of organisation not to have sufficient controls particularly in relation to receipting of monies and payment of accounts. Proper segregation of duties is not always practical but you should adhere to this where possible.

These were the only matters that need to be communicated to you as a result of our audit. If you have any questions, please contact our office on 4927 4122.

Yours sincerely

.....  
**Blair Burke B. Bus., FIPA**  
**SHANAHAN SWAFFIELD PARTNERS**

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**Yeppoon Surf Life Saving Club Inc**  
**Financial Statements**  
**For the Year ended 30 April 2019**

# Yeppoon Surf Life Saving Club Inc

## **Annual Report for the Year Ended 30 April 2019**

<i>Contents</i>	<i>Page</i>
Trading Statement .....	2
Profit & Loss Statement .....	3
Balance Sheet .....	4
Notes to the Accounts .....	5
Statement by Members of the Committee .....	6

**Yeppoon Surf Life Saving Club Inc**  
**Trading Statement**  
**For the Year ended 30 April 2019**

	2019	2018
	\$	\$
<b>Income</b>		
Sales - Bar	75,876.53	95,699.78
Sales - Canteen	1,671.73	431.64
Sales - Clothing	3,398.26	1,227.27
	<u>80,946.52</u>	<u>97,358.69</u>
<b>Less Cost of Sales</b>		
Opening Stock - Bar	5,444.00	5,673.00
Opening Stock - Clothing	5,110.00	5,923.00
Purchases - Bar	27,091.08	43,535.03
Purchases - Canteen	1,084.65	2,291.91
Purchases - Clothing	17,072.66	25,481.96
	<u>55,802.39</u>	<u>82,904.90</u>
Closing Stock - Bar	4,867.05	5,444.00
Closing Stock - Clothing	15,103.80	5,110.00
	<u>35,831.54</u>	<u>72,350.90</u>
<b>Gross Profit</b>	<u><u>45,114.98</u></u>	<u><u>25,007.79</u></u>
<b>Gross Profit Margin</b>	55.73%	25.69%

*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 Audit Report.*

**Yeppoon Surf Life Saving Club Inc**  
**Profit and Loss Statement**  
**For the Year ended 30 April 2019**

	2019	2018
	\$	\$
<b>Income</b>		
Grant Funding	32,908.94	56,985.55
Membership	19,515.36	14,708.99
Nomination Fees	4,484.28	1,491.83
Fundraising	5,275.88	7,470.93
Donations	2,163.25	13,099.38
Hire Premises	-	1,545.47
Sponsorship	24,816.05	25,867.45
Interest Received	103.39	116.77
Educational Courses	470.00	1,659.09
Profit on Sale of Non-current Assets	1,193.64	-
Gross Profit from Trading	45,114.98	25,007.79
	<u>136,045.77</u>	<u>147,953.25</u>
<b>Expenditure</b>		
Advertising	2,820.00	1,219.03
Bank Charges	1,096.94	1,175.29
Cleaning	5,626.49	5,568.15
Competition Expenses	3,205.42	1,405.51
Computer Expenses	1,239.08	622.68
Commission	144.52	20.17
Depreciation	42,262.00	33,602.00
Electricity	6,898.36	7,749.65
Filing Fees	166.05	-
First Aid Supplies	2,876.65	2,121.17
Freight & Cartage	166.04	248.51
Fundraising Expenses	3,506.04	2,760.12
Fuel & Oil	259.86	1,105.02
Insurance	23,514.97	30,463.17
Land Lease	272.73	1,090.91
Minor Equipment	4,496.33	568.53
Nominations	14,529.91	14,438.90
Permits, Licences & Fees	5,463.50	1,578.00
Postage	334.21	202.86
Printing & Stationery	2,119.48	2,176.05
Presentation Expenses	5,206.32	6,029.56
Rates & Taxes	620.30	589.40
Registration Fees	659.99	565.98
Repairs & Maintenance	11,807.78	5,810.19
Telephone	2,577.13	2,401.48
Training	4,089.68	1,541.82
Travelling Expenses	7,276.05	4,740.56
Uniforms	5,344.21	1,019.99
Workcover	4,998.10	3,763.99
	<u>163,578.14</u>	<u>134,578.69</u>
<b>Net Surplus/(Deficit)</b>	<u>(27,532.37)</u>	<u>13,374.56</u>

*The accompanying notes form part of these financial statements.  
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**Yeppoon Surf Life Saving Club Inc**  
**Balance Sheet**  
**As at 30 April 2019**

	2019 \$	2018 \$
<b>Accumulated Funds</b>		
Opening Balance	1,083,581.67	1,066,377.11
Net Deficit	(27,532.37)	17,204.56
<b>Total Accumulated Funds</b>	<u>1,056,049.30</u>	<u>1,083,581.67</u>
Represented by:		
<b>Current Assets</b>		
Cash on Hand	750.00	750.00
Cash at Bank - WBC General 148147	13,969.98	37,636.77
Cash at Bank - WBC Higher Interest	15,177.19	15,449.24
Cash at Bank - WBC Debit Card	2,084.66	2,420.87
Trade Debtors	-	4,491.00
BAS Debtor	585.00	-
Prepayments	11,834.12	8,904.45
Stock on Hand - Bar	4,867.05	5,444.00
Stock on Hand - Clothing	15,103.80	5,110.00
Provision for GST	-	3,116.49
	<u>64,371.80</u>	<u>83,322.82</u>
<b>Non-Current Assets</b>		
Property Improvements	320,211.44	320,211.44
Less Accumulated Depreciation & Impairment	<u>38,363.00</u>	<u>27,990.00</u>
	281,848.44	292,221.44
Buildings	<u>600,000.00</u>	<u>600,000.00</u>
	600,000.00	600,000.00
Plant & Equipment	417,256.83	385,074.56
Less Accumulated Depreciation & Impairment	<u>299,544.00</u>	<u>267,655.00</u>
	117,712.83	117,419.56
	<u>999,561.27</u>	<u>1,009,641.00</u>
<b>Total Assets</b>	<u>1,063,933.07</u>	<u>1,092,963.82</u>
<b>Current Liabilities</b>		
Trade Creditors	7,594.29	9,382.15
Provision for GST	289.48	-
	<u>7,883.77</u>	<u>9,382.15</u>
<b>Total Liabilities</b>	<u>7,883.77</u>	<u>9,382.15</u>
<b>Net Assets</b>	<u>1,056,049.30</u>	<u>1,083,581.67</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 Audit Report.*

**Yeppoon Surf Life Saving Club Inc**  
**Notes to the Financial Statements**  
**For the Year ended 30 April 2019**

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**1. Summary of Significant Accounting Policies**

This special purpose financial report was prepared for distribution to the members to fulfill the committee's financial reporting requirements under the Yeppoon Surf Life Saving Club Inc's constitution and the Association's Incorporation Act 1981(Qld). The accounting policies used in the preparation of this report, as described below, are consistent with the financial reporting requirements of the Yeppoon Surf Life Saving Club Inc's constitution and with previous years and are, in the opinion of the committee, appropriate to meet the needs of members:

- (a) The financial report was prepared on limited cash/accruals basis of accounting, including the historical cost convention and the going concern assumption.
- (b) The requirements of accounting standards and other professional reporting requirements in Australia do not have mandatory applicability to Yeppoon Surf Life Saving Club Inc because it is not a 'reporting entity'. The committee has, however, prepared the financial report in accordance with Australian accounting standards.

**2. Mortgages & Charges Over Assets of the Association**

There are no mortgages or charges over any assets of the Yeppoon Surf Life Saving Club Inc at reporting date.

*These notes should be read in conjunction with the attached Compilation Report.*

**Yeppoon Surf Life Saving Club Inc  
Statement by Members of the Committee**

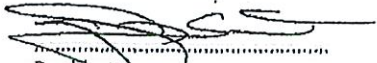
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The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

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 Yeppoon Surf Life Saving Club Inc as at 30 April 2019 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Yeppoon 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

  
.....  
Treasurer

Dated 11/6/2019





**Shanahan Swaffield Partners**  
Accounting + Taxation + Auditing

## **Yeppoon Surf Life Saving Club Inc Independent Audit Report to the Members of Yeppoon Surf Life Saving Club Inc**

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### **Report on the Financial Report**

We have audited the accompanying financial report, being a special purpose financial report, of Yeppoon Surf Life Saving Club Inc, which comprises the balance sheet as at 30 April 2019, and the profit and loss 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 1981 (Qld) and are appropriate to meet the needs of the members. The committee's responsibilities also include designing, implementing 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 1981 (Qld). 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.

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**Yeppoon Surf Life Saving Club Inc**  
**Independent Audit Report**  
**to the Members of**  
**Yeppoon Surf Life Saving Club Inc**

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Independence

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

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Yeppoon Surf Life Saving Club Inc to meet the requirements of the Associations Incorporation Act 1981 (Qld). As a result, the financial report may not be suitable for another purpose.

Qualification

As is common for organisations of this type, it is not considered practicable for Yeppoon Surf Life Saving Club Inc to maintain an effective system of internal controls over bar/canteen/clothing and other fundraising activities until their initial entry in the accounting records. Accordingly, our audit in relation to these activities was limited to amounts recorded.

Fixed assets and cash on hand amounts recorded are supplied by the committee. The fixed assets have not been sighted.

Qualified Auditor's 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 of Yeppoon Surf Life Saving Club Inc presents fairly, in all material respects the financial position of Yeppoon Surf Life Saving Club Inc as of 30 April 2019 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, and the Associations Incorporation Act 1981 (Qld).



Blair Burke

Shanahan Swaffield Partners

Dated this 16<sup>th</sup> day of July 2019