

DARWIN TENNIS ASSOCIATION INCORPORATED
SPECIAL PURPOSE FINANCIAL REPORT
for the year ended 30th JUNE 2016

SUSANNE LEE & ASSOCIATES PTY LTD

CERTIFIED PRACTISING ACCOUNTANTS

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**DARWIN TENNIS ASSOCIATION INCORPORATED
SPECIAL PURPOSE FINANCIAL REPORT
YEAR ENDED 30th JUNE 2016**

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DARWIN TENNIS ASSOCIATION INCORPORATED
STATEMENT BY THE MANAGEMENT COMMITTEE

for the year ended 30th June 2016

In our opinion –

- (a) the accompanying financial report as set out on pages 4-8 being a special purpose financial statement, is drawn up so as to present fairly the state of affairs of the Association as at 30th June 2016 and the results of the Association for the year ended on that date;
- (b) the accounts of the Association have been properly prepared and are in accordance with the books of account of the Association; and
- (c) there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

We confirm as follows:

- (a) The name of each committee member of the association during the relevant financial year were:

President: Charles Webb
Vice President: Debra Liddiard
Treasurer: Jamie O'Brien
Secretary: Paul Kelly
Public Officer: Lindsay Hutley
Committee member: Luke Black
Committee member: Jane Sheehan
Committee member: Phillipa Tziolis

- (b) The principal activities of the association during the relevant financial were:
To maintain facilities for, and promote, the game of tennis in Darwin.
- (c) The net deficit of the association for the relevant financial year was: **(\$26,756.22)**

Signed at Darwin on / /

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President

Treasurer

The accompanying notes form part of the financial report and are to be read in conjunction with the attached audit report.

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INDEPENDENT AUDIT REPORT**TO THE MEMBERS OF DARWIN TENNIS ASSOCIATION INCORPORATED****Report on the Financial Report**

I have audited the accompanying financial report of the Darwin Tennis Association Incorporated which comprises the balance sheet as at 30 June 2016 and the income and expenditure statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the committee of management's statement.

Committee's Responsibility for the Financial Report

The Committee of Management is responsible for the preparation and fair presentation of the special purpose financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility 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/Scope

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements, 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 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 of management, as well as evaluating the overall presentation of the financial report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting my audit, I have complied with the independence requirements of Australian professional ethical requirements.

Qualification

Receipts from cash self-generated funds are a source of revenue for the Darwin Tennis Association Incorporated. The Association has determined that it is impracticable to establish extensive control over the collection of cash revenue prior to entry in its financial records. Accordingly, my audit procedures were limited to the amounts recorded in the financial records.

Audit Opinion

In my opinion, subject to the above qualification, the financial report does presents fairly in accordance with the accounting policies described in Note 1 to the Financial report and the *Associations Act*, the financial position of the Darwin Tennis Association Incorporated as at 30th June 2016 and the results of its operations for the year then ended.



SUSANNE LEE, FCPA

DATED: 29/10/2016

Darwin Tennis Association Incorporated

Balance Sheet

June 2016

	This Year	Last Year
Assets		
Current Assets		
Cash On Hand		
Cheque Account	\$67,002.59	\$38,473.31
Sinking Fund	\$2,501.28	
Junior Account	\$4,196.55	\$16,084.26
Cash Drawer	\$0.00	\$247.00
Petty Cash	\$0.00	\$263.20
Undeposited Funds	\$0.00	\$3,838.95
Total Cash On Hand	\$73,700.42	\$58,906.72
Trade Debtors & Receivables		
Trade Debtors	\$3,740.00	\$16,022.00
Total Trade Debtors & Receivables	\$3,740.00	\$16,022.00
Other Current Assets		
Prepaid Insurance	\$0.00	\$1,839.55
Deposits Paid	\$163.02	\$0.00
Total Other Current Assets	\$163.02	\$1,839.55
Inventories		
Inventory - Food & Soft Drinks	\$0.00	\$1,985.52
Inventories - Alcohol	\$0.00	\$972.20
Inventory - Other	\$0.00	\$3,658.31
Pro-shop Stocks	\$0.00	\$11,849.23
Clothing	\$0.00	\$2,608.00
Total Inventories	\$0.00	\$21,073.26
Total Current Assets	\$77,603.44	\$97,841.53
Fixed Assets		
Buildings & Improvements		
Lighting at Replacement Cost	\$360,000.00	\$360,000.00
Accumulated Depreciation Light	(\$24,000.00)	(\$12,000.00)
Total Lighting	\$336,000.00	\$348,000.00
Fencing at Replacement Cost	\$71,500.00	\$71,500.00
Accumulated Dep Fencing	(\$4,766.00)	(\$2,383.00)
Total Fencing	\$66,734.00	\$69,117.00
Buildings at Replacement Cost	\$957,000.00	\$957,000.00
Accumulated Dep Buildings	(\$25,520.00)	(\$12,760.00)
Total Buildings	\$931,480.00	\$944,240.00
Total Buildings & Improvements	\$1,334,214.00	\$1,361,357.00
Motor Vehicles		
Motor Vehicles	\$0.00	\$7,000.00
Accumulated Dep Motor Vehicle	\$0.00	(\$3,500.00)
Total Motor Vehicles	\$0.00	\$3,500.00
Plant & Equipment		
Plant & Equipment at Cost/Val	\$3,211.37	\$1,567.73
Plant & equipment Depreciation	(\$1,971.30)	(\$960.90)
Total Plant & Equipment	\$1,240.07	\$606.83
Furniture and Fixtures		
Furniture & Fixtures at Cost	\$14,704.40	\$14,704.40
Accumulated Dep Furniture & Fixtures	(\$13,106.11)	(\$8,115.79)
Total Furniture and Fixtures	\$1,598.29	\$6,588.61
Total Fixed Assets	\$1,337,052.36	\$1,372,052.44
Total Assets	\$1,414,655.80	\$1,469,893.97

Darwin Tennis Association Incorporated

Balance Sheet

June 2016

	This Year	Last Year
Liabilities		
Current Liabilities		
Trade Creditors	\$1,000.00	\$8,679.02
GST Liabilities		
GST Collected	\$16,546.26	\$25,534.11
GST Paid	(\$11,395.26)	(\$11,199.22)
Total GST Liabilities	\$5,151.00	\$14,334.89
Payroll Liabilities		
Payroll Accruals Payable		\$0.00
PAYG Withholding Payable	\$0.00	\$5,528.68
Super Liabilities	\$806.10	\$11,510.05
FBT Payable	\$0.00	\$5,256.92
Total Payroll Liabilities	\$806.10	\$22,295.65
Other Current Liabilities		
Prepaid Membership	\$0.00	\$18,943.14
Grants in Advance	\$11,000.00	\$0.00
Master Plan	\$18,000.00	\$0.00
Coaching Development Grant	\$463.64	\$0.00
Total Current Liabilities	\$36,420.74	\$64,252.70
Long Term Liabilities		
Other Long Term Liabilities		
Operators Bond	\$0.00	\$650.00
Total Long Term Liabilities	\$0.00	\$650.00
Total Liabilities	\$36,420.74	\$64,902.70
Net Assets	\$1,378,235.06	\$1,404,991.27
Equity		
Retained Earnings	\$16,491.28	\$41,819.48
Asset Revaluation Reserve	\$1,388,500.00	\$1,388,500.00
Current Year Earnings	(\$26,756.22)	(\$25,328.21)
Total Equity	\$1,378,235.06	\$1,404,991.27

The accompanying notes form part of the financial report and are to be read in conjunction with the attached audit report.

Darwin Tennis Association Incorporated

Profit & Loss

July 2015 through June 2016

	This Year	Last Year
Income		
Pro-Shop	\$10,601.85	\$28,010.95
Coaching Fees	\$54,617.23	\$127,548.61
Food & Beverage Sales	\$22,671.73	\$57,243.38
Court Hire	\$11,004.54	\$36,550.92
Junior Fundraising	\$1,823.10	\$50.00
Player Participation	\$16,453.61	\$35,865.46
Memberships	\$39,066.99	\$17,454.86
Sponsorship & Fundraising	\$15,100.00	\$15,305.00
Miscellaneous Income	\$32,225.07	\$11,239.84
Total Income	\$203,564.12	\$329,269.02
Cost of Sales		
Cost of Sales – Pro-Shop	\$6,629.30	\$19,165.47
Cost of Sales - Food Beverages	\$11,729.89	\$28,115.73
Discounts Given	\$0.00	\$436.00
Total Cost of Sales	\$18,359.19	\$47,717.20
Gross Profit	\$185,204.93	\$281,551.81
Expenses		
General & Administrative Expenses	\$81,190.96	\$57,033.68
Operating Expenses	\$33,514.23	\$29,826.59
Employment Expenses	\$63,271.75	\$189,307.61
Occupancy Costs	\$21,240.00	\$31,079.98
Total Expenses	\$199,216.94	\$307,247.86
Operating Profit	(\$14,012.01)	(\$25,696.05)
Other Income		
Interest Income	\$162.11	\$367.84
Total Other Income	\$162.11	\$367.84
Other Expenses		
Prior Year Adjustment	\$12,906.32	\$0.00
Total Other Expenses	\$12,906.32	\$0.00
Net Profit / (Loss)	(\$26,756.22)	(\$25,328.21)

The accompanying notes form part of the financial report and are to be read in conjunction with the attached audit report.

DARWIN TENNIS ASSOCIATION INCORPORATED.
NOTES TO, AND FORMING PART OF, THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2016

1. SUMMARY OF ACCOUNTING POLICIES

The accounting policies adopted by the Association are stated in order to assist in a general understanding of the financial statements. These policies have been consistently applied except as otherwise indicated.

Reporting entity

The association is not a reporting entity because in the committee's opinion there are likely to exist users who are able to command the preparation of reports tailored so as to satisfy all of their information needs, and these accounts are therefore "special purpose accounts" that have been prepared solely to meet the requirements of the Constitution and the *Associations Act*.

Accounting policies

The financial report has been prepared under the historical cost conventions and does not take into account changing money values except to the extent that they are reflected in the revaluation of certain assets.

In order for the financial report to present fairly the state of affairs of the Association and the results of the Association for the year, Australian Accounting Standards have been adopted to the extent disclosed in this note.

Government Grants

Government grants are brought to account as income when the Association receives them. Unspent Grants are transferred to an appropriate liability account.

Assets

DTA has adopted the practice that all new assets will be shown on the balance sheet and depreciated over their useful life. Buildings and improvements such as Fencing and Lighting have been valued at replacement cost and depreciated accordingly.

Income tax

The Association is of the opinion that it is not subject to income tax.

2. LAND

The DTA holds a perpetual lease over the land at 47 Gilruth Avenue Darwin on which the Gardens Tennis Centre is located and owns all improvements including the clubhouse, courts and lights.

The Land on which the centre is located would appear to be prescribed property and accordingly has been assigned a nil value.

The accompanying notes form part of the financial report and are to be read in conjunction with the attached audit report.