

THE SURF LIFE SAVING ASSOCIATION OF AUSTRALIA
SYDNEY BRANCH INCORPORATED

AUDITORS' REPORT TO THE MEMBERS

Scope

We have audited the financial statements of the Surf Life Saving Association of Australia Sydney Branch Incorporated for the financial year ended 31st May, 1994, comprising of the profit and loss account, balance sheet, statement of cash flows and accompanying notes. The Association's officers are responsible for the preparation and presentation of the financial statements and the information they contain. We have conducted an independent audit of these financial statements in order to express an opinion on them to the members of the Association.

Our audit has been conducted in accordance with Australian Auditing Standards as applied to companies incorporated in Australia.

**THE SURF LIFE SAVING ASSOCIATION OF AUSTRALIA
SYDNEY BRANCH INCORPORATED**

**FINANCIAL STATEMENTS AND REPORTS
31ST MAY, 1994**

Our audit was limited to the financial statements and the information they contain. It does not extend to other disclosures or other financial information which may be included in the financial statements or other documents. It is the responsibility of the Association's officers to ensure that all financial information is properly disclosed and that the financial statements are prepared in accordance with the Australian Accounting Standards. We have not audited the financial statements or other documents to determine whether, in all material aspects, they are in accordance with the Australian Accounting Standards. We have only audited the financial statements and the information they contain. We have not audited the financial statements or other documents to determine whether, in all material aspects, they are in accordance with the Australian Accounting Standards. We have only audited the financial statements and the information they contain.

The audit opinion expressed in this report applies to the financial statements as presented.


Audit Opinion

It is not practical for the Association to establish whether or not voluntary donations and contributions have been included in the accounting records. It is possible that contributions have been included in the accounting records. The Association's officers are responsible for the preparation and presentation of the financial statements and the information they contain. We have not audited the financial statements or other documents to determine whether, in all material aspects, they are in accordance with the Australian Accounting Standards. We have only audited the financial statements and the information they contain.

In our opinion, except for the effect of any adjustments that might have resulted, the financial statements of the Association of Australia Sydney Branch Incorporated are properly drawn up so as to give a true and fair view of the state of affairs of the Association at 31st May, 1994 and the results and cash flows of the Association for the year ended on that date, and are in accordance with the requirements of the Corporations Law and applicable Australian Accounting Standards.

HUNTER AND BROWN

Chartered Accountants



Walter A. Duncan

Partner

Sydney, 2nd September 1994

**THE SURF LIFE SAVING ASSOCIATION OF AUSTRALIA
SYDNEY BRANCH INCORPORATED**

AUDITORS' REPORT TO THE MEMBERS

Scope

We have audited the financial statements of the Surf Life Saving Association of Australia, Sydney Branch Incorporated for the financial year ended 31st May, 1994, consisting of the profit and loss account, balance sheet, statement of cash flows, and accompanying notes. The Association's officers are responsible for the preparation and presentation of the financial statements and the information they contain. We have conducted an independent audit of these financial statements in order to express an opinion on them to the members of the Association.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial statements are presented fairly in accordance with Australian accounting standards and statutory requirements so as to present a view which is consistent with our understanding of the Association's financial position and the results of their operations and cash flows.

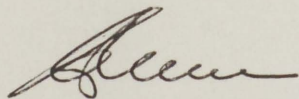
The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

It is not practical for the Association to establish control over voluntary donations and contributions prior to their initial entry in the accounting records, nor is it practical to circularise possible contributions to confirm that all such monies have been received and recorded. The examination relating to voluntary contributions was therefore limited to the amounts recorded in the financial statements.

In our opinion, except for the effect of any adjustments that might have resulted had the receipts from voluntary donations and contributions referred to above been subjected to satisfactory audit tests, the financial statements of the Surf Life Saving Association of Australia, Sydney Branch Incorporated are properly drawn up so as to give a true and fair view of the state of affairs of the Association at 31st May, 1994 and the results and cash flows of the Association for the year ended on that date, and are in accordance with the provisions of the Corporations Law and applicable Australian Accounting Standards.

DUNCAN DOVICO
Chartered Accountants



Warren A. Duncan
Partner

Sydney, 2nd September, 1994.

**THE SURF LIFE SAVING ASSOCIATION OF AUSTRALIA
SYDNEY BRANCH INCORPORATED
PROFIT AND LOSS ACCOUNT AS AT 31ST MAY, 1994**

	<u>Note</u>	<u>1994</u> <u>\$</u>	<u>1993</u> <u>\$</u>
Operating profit	2	15,006	8,673
Income tax attributable to operating profit		-	-
Operating profit after income tax		<u>15,006</u>	<u>8,673</u>

The profit and loss account should be read in conjunction with the notes to and forming part of the financial statements

**THE SURF LIFE SAVING ASSOCIATION OF AUSTRALIA
SYDNEY BRANCH INCORPORATED
STATEMENT OF CASH FLOWS FOR YEAR ENDED 31ST MAY, 1994**

	<u>Note</u>	<u>1994</u> <u>\$</u>	<u>1993</u> <u>\$</u>
Cash flows from operating activities			
Cash receipts in the course of operations		189,725	132,274
Interest received		13,643	20,657
Interest paid		(1,851)	-
Cash payments in the course of operations		<u>(215,523)</u>	<u>(104,879)</u>
Net cash provided from operating activities	3 (ii)	<u>(14,006)</u>	<u>48,052</u>
Cash flows from investing activities			
Purchased of property, plant and equipment		(478,652)	(13,619)
Proceeds from sale of property, plant and equipment		-	450
Decrease in loans		<u>22,000</u>	<u>(31,600)</u>
Net Cash flows from investing activities		<u>(456,652)</u>	<u>(44,769)</u>
Cash flows from financing activities			
Increase in loans		<u>199,151</u>	<u>-</u>
Net Cash flows from financing activities		<u>199,151</u>	<u>-</u>
Net increase in cash held		(271,507)	3,283
Cash at the beginning of the financial year		<u>387,037</u>	<u>383,754</u>
Cash at the end of the financial year	3 (i)	<u>115,530</u>	<u>387,037</u>

The statement of cash flows should be read in conjunction with the notes to and forming part of the financial statements

**THE SURF LIFE SAVING ASSOCIATION OF AUSTRALIA
SYDNEY BRANCH INCORPORATED**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The significant policies which have been adopted in the preparation of these financial statements are:

(a) Basis of Preparation

The financial statements have been prepared on the basis of historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets.

The accounting policies have been consistently applied by the Association and are consistent with those of the previous year.

(b) Inventories

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

(c) Property, Plant and Equipment

Acquisition

Items of property, plant and equipment are recorded at cost and depreciated as outlined below.

Depreciation and Amortisation

Items of property, plant and equipment are depreciated over their estimated useful lives ranging from 1 to 25 years. The straight line and reducing balance methods of depreciation are used.

Assets are depreciated or amortised from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and held ready for use.

THE SURF LIFE SAVING ASSOCIATION OF AUSTRALIA
SYDNEY BRANCH INCORPORATED
BALANCE SHEET AS AT 31st MAY, 1994

	1994 \$	1993 \$
RESERVES AND ACCUMULATED FUNDS		
Asset revaluation reserve	26,403	26,403
Accumulated funds		
Accumulated funds at beginning of financial year	411,671	402,998
Add : Operating profit after income tax	15,006	8,673
Accumulated funds at end of financial year	426,677	411,671
Total reserves and accumulated funds	453,080	438,074
Represented by :		
PROPERTY, PLANT AND EQUIPMENT		
Carnival gear - at cost	14,606	14,606
Less : Accumulated depreciation	(5,046)	(3,706)
	9,560	10,900
Furniture and fittings - at cost	3,889	3,889
Less : Accumulated depreciation	(2,544)	(2,366)
	1,345	1,523
Plant and equipment - at cost	112,153	101,636
Less : Accumulated depreciation	(84,071)	(77,300)
	28,082	24,336
Motor vehicle - at cost	13,302	13,302
Less : Accumulated depreciation	(12,116)	(11,846)
	1,186	1,456
Building - at cost	468,135	-
Less: Accumulated depreciation	(1,692)	-
	466,443	-
Total property, plant and equipment - net	506,616	38,215
CASH		
Cash on hand	2,721	1,100
Cash at bank	14,357	2,120
Building fund	-	27,338
Donors fund	2,133	2,054
Helicopter asset sales fund	-	275,607
General fund	92,535	75,193
Board of control education fund	3,784	3,626
Total cash	115,530	387,038
CURRENT ASSETS		
Prepayments	4,393	6,167
Sundry debtors	6,769	410
Stock	565	565
Loan - ORB3	5,050	9,050
Loan - Bondi	17,000	35,000
Total current assets	33,777	51,192
TOTAL ASSETS	655,924	476,445
CURRENT LIABILITIES		
Creditors and accruals	3,693	38,370
Westpac Term Loan	32,400	-
Total current liabilities	36,093	38,370
NON-CURRENT LIABILITIES		
Westpac Term Loan	166,751	-
Total non-current liabilities	166,751	-
TOTAL LIABILITIES	202,844	38,370
NET ASSETS	453,080	438,075

The balance sheet should be read in conjunction with the notes to and forming part of the financial statements

**THE SURF LIFE SAVING ASSOCIATION OF AUSTRALIA
SYDNEY BRANCH INCORPORATED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR YEAR ENDED 31st MAY, 1994**

	1994 \$	1993 \$
NOTE 2 OPERATING PROFIT		
Operating profit has been arrived at after including :		
OPERATING INCOME		
Government grants	29,969	10,890
Interest from:		
Other persons	<u>13,643</u>	<u>20,657</u>
OPERATING EXPENSES		
Depreciation	10,251	8,300
Loss on sale of fixed assets	<u>-</u>	<u>5,043</u>
RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO OPERATING PROFIT AFTER INCOME TAX		
Operating profit after income tax	18,978	3,073
And Non-cash items:		
Depreciation	10,251	8,300
Loss on disposal of fixed assets	-	5,043
Change in assets and liabilities:		
Increase / Decrease in stock	1,774	(6,167)
Increase / Decrease in prepayments	(8,363)	6,002
Increase / Decrease in sundry debtors	(24,573)	26,237
Increase / Decrease in creditors and accounts	14,739	42,263
Net cash provided by operating activities	4,836	16,458

**THE SURF LIFE SAVING ASSOCIATION OF AUSTRALIA
SYDNEY BRANCH INCORPORATED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

NOTE 3 NOTE TO THE STATEMENT OF CASH FLOWS

(i). RECONCILIATION OF CASH

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at bank and short term deposits at call, net of outstanding overdrafts. Cash at the end of financial year as shown in the Statements of Cash Flows is reconciled to the related items in the balance sheets as follows :

	1994 \$	1993 \$
Cash on hand	2,721	1,100
Deposit at call		
Cash at bank	14,357	2,120
Building fund	-	27,338
Donors fund	2,133	2,054
Helicopter asset sales fund	-	275,607
General fund	92,535	75,193
Board of control education fund	3,784	3,626
	<u>115,530</u>	<u>387,038</u>

(ii). RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO OPERATING PROFIT AFTER INCOME TAX

Operating profit after income tax	15,006	8,673
Add Non-cash items :		
Depreciation	10,251	8,300
Loss on disposal of fixed assets	-	5,043
Change in assets and liabilities		
(Increase) / Decrease in stock	-	(36)
(Increase) / Decrease in prepayments	1,774	(6,167)
(Increase) / Decrease in sundry debtors	(6,359)	6,002
Increase / (Decrease) in creditors and accruals	(34,677)	26,237
Net cash provided by operating activities	<u>(14,006)</u>	<u>48,053</u>

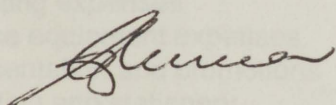
**THE SURF LIFE SAVING ASSOCIATION OF AUSTRALIA
SYDNEY BRANCH INCORPORATED**

**ACCOUNTANTS DISCLAIMER ON THE
DETAILED STATEMENT OF INCOME AND EXPENDITURE**

The Detailed Statement of Income and Expenditure to follow is in accordance with the books and records of The Surf Life Saving Association of Australia which have been subject to the audit procedures set out in the Auditors' Report. It will be appreciated that our audit did not cover all details of the additional data attached.

Accordingly, we do not express an opinion on the Detailed Statement of Income and Expenditure, and no warranty of accuracy or reliability is given. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than the Association) in respect of the attached data, including errors or omissions therein however caused.

DUNCAN DOVICO
Chartered Accountants



Warren A. Duncan
Partner

Sydney, 2nd September, 1994.

**THE SURF LIFE SAVING ASSOCIATION OF AUSTRALIA
SYDNEY BRANCH INCORPORATED
DETAILED STATEMENT OF INCOME AND EXPENDITURE
FOR YEAR ENDED 31st MAY, 1994**

	1994 \$	1993 \$
INCOME		
Affiliation fees	5,656	3,210
Capitation fees	15,965	14,967
Awards	7,864	12,474
NSW Government grants	29,969	10,890
Sponsorship & donations	62,404	51,493
Interest	13,643	20,657
Sundry	9,156	532
Insurance contributions	7,810	4,436
Carnival funds	53,094	28,269
Rent & outgoings	4,167	-
	<hr/> 209,728	<hr/> 146,929
LESS EXPENSES		
Award charges	3,355	20,769
Bank charges	108	233
Board of control and carnival gear	2,490	4,248
Branch teams	1,283	1,648
Carnival expenses	30,334	15,619
Computer software expense	900	0
Depreciation	10,251	8,300
Distribution of sponsorship money	33,520	27,793
General expenses	16,582	1,195
Insurance	11,111	5,812
Interest paid	1,851	-
Institutional expenses	-	3,510
Legal fees	-	-
Loss on disposal of fixed assets	-	5,043
Meeting expenses	4,907	3,435
Office equipment expenses	1,438	2,569
Presentation and promotions	-	900
Printing and stationery	11,152	5,086
Postage	4,534	3,656
Radio room expenses	139	941
Salaries and wages	54,421	22,876
Superannuation	975	695
Telephone	5,369	3,926
	<hr/> 194,722	<hr/> 138,255
EXCESS OF INCOME OVER EXPENDITURE	<u>15,006</u>	<u>8,673</u>