

**Surf Life Saving Sydney Branch Incorporated**  
**Financial Statements**  
**For the Year ended 31st May 2002**

Surf Life Saving Sydney Branch Incorporated  
Statement of Financial Position  
As at 31 May 2002

**Surf Life Saving Sydney Branch Incorporated**

**Annual Report  
for the Year Ended 31 May 2002**

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**Surf Life Saving Sydney Branch Incorporated**  
**Statement of Financial Position**  
**As at 31 May 2002**

	Note	2002 \$	2001 \$
<b>CURRENT ASSETS</b>			
Cash	2	54,202	45,790
Receivables	3	17,919	43,472
Investments		100	-
<b>TOTAL CURRENT ASSETS</b>		<u>72,221</u>	<u>89,262</u>
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	4	398,175	388,781
<b>TOTAL NON-CURRENT ASSETS</b>		<u>398,175</u>	<u>388,781</u>
<b>TOTAL ASSETS</b>		<u>470,396</u>	<u>478,043</u>
<b>CURRENT LIABILITIES</b>			
Accounts Payable	5	33,736	21,238
Borrowings	6	-	1,775
Provisions	7	11,013	2,782
<b>TOTAL CURRENT LIABILITIES</b>		<u>44,749</u>	<u>25,795</u>
<b>TOTAL LIABILITIES</b>		<u>44,749</u>	<u>25,795</u>
<b>NET ASSETS</b>		<u>425,647</u>	<u>452,248</u>
<b>EQUITY</b>			
Reserves	9	26,403	26,403
Retained Profits		399,244	425,845
<b>TOTAL EQUITY</b>		<u>425,647</u>	<u>452,248</u>

The accompanying notes form part of these financial statements.  
These financial statements have not been subject to audit or review and should be read in conjunction  
with the attached Independent Audit Report.

**Surf Life Saving Sydney Branch Incorporated**  
**Statement of Financial Performance**  
**For the Year ended 31 May 2002**

	2002	2001
	\$	\$
<b>INCOME</b>		
Affiliation Fees	4,338	3,928
Capitation Fees	16,757	17,563
Awards	12,991	11,417
NSW Government Grants	47,483	14,119
Sponsorship and Donations	135,569	116,948
Carnival Funds	69,254	28,293
Sundry	3,098	2,356
Interest Received	31	1,805
Profit on Sale of Non-current Assets	-	682
Profit on Rental Operations	26,984	29,634
	316,505	226,745
<b>EXPENDITURE</b>		
Accountancy Fees	2,045	2,000
Archive Storage	1,282	526
Award Charges	(88)	4,515
Bank Charges	1,391	917
Branch team, instruction and examination	34,173	10,315
Carnival Expenses	45,149	39,013
Computer Expenses	3,275	3,216
Depreciation	15,794	8,062
Employees' Amenities	3,301	755
General Expenses	14,636	8,340
Insurance	890	6,378
Long Service Leave	6,816	-
Motor Vehicle Expenses	6,446	209
Petty Cash Expenditure	16	-
Postage	2,833	3,215
Printing & Stationery	4,646	7,914
Presentation Night Expenses	26,849	7,209
Publicity Expenses	724	1,064
Repairs & Maintenance	5,889	3,139
Rescue Services	5,072	4,228
Salaries & Wages	119,689	77,738
Security Costs	1,058	12
Seminars & Meetings	8,175	7,115
Sponsorship Expenses	1,000	30,211
Staff Hiring Expenses	1,412	3,161
Staff Training	600	-
Superannuation Contributions	8,394	4,912
Telephone	12,214	4,844

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conjunction with the attached Independent Audit Report.*



**Surf Life Saving Sydney Branch Incorporated**  
**Profit and Loss Statement**  
**For the Year ended 31 May 2002**

	2002	2001
	\$	\$
Travelling & Courier Expenses	1,103	821
Web Site Service	4,089	-
Youth Development Expenses	4,233	14,885
	<u>343,106</u>	<u>254,714</u>
<b>OPERATING LOSS BEFORE INCOME TAX</b>	<u>(26,601)</u>	<u>(27,969)</u>

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conjunction with the attached Independent Audit Report.*

**Surf Life Saving Sydney Branch Incorporated**  
**Profit and Loss Statement**  
**For the Year ended 31 May 2002**

	2002	2001
	\$	\$
<b>OPERATING LOSS BEFORE INCOME TAX</b>	(26,601)	(27,969)
<b>OPERATING LOSS AFTER INCOME TAX</b>	(26,601)	(27,969)
Retained Profits at the beginning of the financial year	425,845	453,814
<b>UNAPPROPRIATED PROFIT AT 31 MAY 2002</b>	<u>399,244</u>	<u>425,845</u>

*The accompanying notes form part of these financial statements.*  
*These financial statements have not been subject to audit or review and should be read in*  
*conjunction with the attached Independent Audit Report.*



**Surf Life Saving Sydney Branch Incorporated**  
**Rental Income Statement**  
**For the Year ended 31 May 2002**

	2002	2001
	\$	\$
<b>PROPERTY NAME(S)</b>		
<b>Rental Income</b>		
Rent Received	45,865	55,200
<b>Less Expenses</b>		
Agent's Fees	158	450
Depreciation	18,725	18,725
Interest	-	89
Levies	-	3,462
Rates	-	2,323
Sundry Expenses	(2)	517
	<u>18,881</u>	<u>25,566</u>
<b>Total Rental Profit</b>	<u><u>26,984</u></u>	<u><u>29,634</u></u>

*The accompanying notes form part of these financial statements.  
These financial statements have not been subject to audit or review and should be read in  
conjunction with the attached Independent Audit Report.*

**Surf Life Saving Sydney Branch Incorporated**  
**Statement of Cash Flows**  
**For the Year ended 31st May 2002**

		2002 \$	2001 \$
	Note		
Cash Flows from Operating Activities			
Cash receipts in the course of operations		316,474	271,207
Interest received		31	1,805
Interest paid		-	-
Cash payments in the course of operations		(262,306)	(251,746)
Net cash provided from operating activities		54,199	21,266
Cash Flows from Investing Activities			
Purchases of property, plant and equipment		(43,912)	(39,985)
Net cash flows from investing activities		(43,912)	(39,985)
Cash Flows from Financing Activities			
Increase / (decrease) in loans		-	(412)
Net cash flows from financing activities		-	(412)
Net increase in cash held		10,287	(19,131)
Cash at the beginning of the financial year	10	44,015	63,146
Cash at the end of the financial year		54,302	44,015

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



# Surf Life Saving Sydney Branch Incorporated

## Notes to the Financial Statements

### For the Year ended 31st May 2002

#### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report has been prepared for use by the directors and members of the company and is a special purpose financial report. The directors have determined that the company is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the following Australian Accounting Standards;

AAS 5 Materiality

AAS 8 Events Occurring After Reporting Date

No other applicable Accounting Standards, Urgent Issues Group Consensus Views or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The report is also prepared on an accruals basis and is based on historic costs and except where stated does not take into account changing money values or current valuations of non-current assets.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this report for Surf Life Saving Sydney Branch Incorporated ;

#### (a) Property, plant and equipment

Plant and Equipment, property are carried at cost, independent or directors' valuation.

Excluding freehold land, all assets are depreciated over their useful lives to Surf Life Saving Sydney Branch Incorporated.

**Surf Life Saving Sydney Branch Incorporated**  
**Notes to the Financial Statements**  
**For the Year ended 31st May 2002**

	2002 \$	2001 \$
<b>2. CASH</b>		
Cash on Hand	250	500
Cash at Bank	40,875	-
Carnival Funds	80	80
General Funds	3,304	10,968
Property Account	4,227	28,477
Westpac Term Loan	5,466	5,765
	<u>54,202</u>	<u>45,790</u>
<b>3. RECEIVABLES</b>		
<b>Current</b>		
Sundry Debtors	1,178	341
Trade Debtors	16,741	43,131
	<u>17,919</u>	<u>43,472</u>
<b>4. PROPERTY, PLANT &amp; EQUIPMENT</b>		
<b>Land &amp; Buildings</b>		
Artwork	1,347	567
Carnival Gear - at cost	7,709	7,709
Less Accumulated Depreciation	<u>1,674</u>	<u>791</u>
	6,035	6,918
New Cottage - Lease	9,360	8,564
Less Accumulated Depreciation	<u>4,638</u>	<u>357</u>
	4,722	8,207
Buildings - at cost	468,135	468,135
Less Accumulated Depreciation	<u>151,492</u>	<u>132,767</u>
	316,643	335,368
Total Land & Buildings	<u>328,747</u>	<u>351,060</u>

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



**Surf Life Saving Sydney Branch Incorporated**  
**Notes to the Financial Statements**  
**For the Year ended 31st May 2002**

	2002 \$	2001 \$
<b>Plant &amp; Equipment</b>		
Plant & Equipment - at cost	152,687	112,582
Less Accumulated Depreciation	<u>102,756</u>	<u>92,717</u>
	49,931	19,865
Motor Vehicles	15,959	13,727
Furniture & Fittings - at cost	6,088	6,336
Less Accumulated Depreciation	<u>2,550</u>	<u>2,207</u>
	3,538	4,129
Total Plant & Equipment	<u><u>69,427</u></u>	<u><u>37,721</u></u>
Total Property, Plant & Equipment	<u><u>398,175</u></u>	<u><u>388,781</u></u>
<b>5. PAYABLES</b>		
<b>Current</b>		
Trade Creditors	<u>33,736</u>	<u>21,238</u>
	<u><u>33,736</u></u>	<u><u>21,238</u></u>
<b>6. INTEREST BEARING LIABILITIES</b>		
<b>Current</b>		
Bank Overdraft	<u>-</u>	<u>1,775</u>
	<u><u>-</u></u>	<u><u>1,775</u></u>
<b>7. PROVISIONS</b>		
<b>Current</b>		
Provision for Long Service Leave	6,816	-
Provision for PAYG	2,039	4,027
Superannuation Contributions Surcharge	<u>516</u>	<u>667</u>
	<u><u>9,371</u></u>	<u><u>4,694</u></u>
<b>8. CONTRIBUTED EQUITY</b>		

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

**Surf Life Saving Sydney Branch Incorporated**  
**Notes to the Financial Statements**  
**For the Year ended 31st May 2002**

	2002	2001
	\$	\$
9. RESERVES		
Asset Revaluation Reserve	26,403	26,403
	<u>26,403</u>	<u>26,403</u>

10. STATEMENT OF CASH FLOWS

**Reconciliation of Cash**

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

Cash at Hand	250	500
Carnival Funds	80	80
Cash at Bank	40,875	-
Deposit on Call – General Fund	3,304	10,968
Property Account	4,227	28,477
Westpac Term Loan	5,466	5,765
Bank Overdraft	-	(1,775)
Bank Clearing Account	100	-
Total cash at the end of the financial year	<u>54,302</u>	<u>44,015</u>

(a) Interest Rate Risk

The association is exposed to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

Financial Assets	Weighted Average Interest Rate	Floating Interest Rate	Fixed Interest Rate Maturity in 1 Year Or Less
Cash	0.05% p.a.	\$54,302	-

(b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date in respect of financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the balance sheet and notes to the financial report.

The association does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the association.



**Surf Life Saving Sydney Branch Incorporated**  
**Notes to the Financial Statements**  
**For the Year ended 31st May 2002**

	2002	2001
	\$	\$
<b>(ii) Reconciliation of Net Cash Provided by Operating Activities to Operating Surplus/(Deficit) after Income Tax</b>		
Operating (surplus)/deficit after income tax	26,601	27,969
Less: Non-Cash Items:		
Depreciation	(34,519)	(26,787)
Add: Non-Cash Items		
(Profit)/loss on sale of fixed assets	-	-
Change in assets and liabilities:		
Increase/(decrease) in prepayments	-	(2,152)
Increase/(decrease) in trade debtors	(32,369)	3,617
Increase/(decrease) in stock on hand	-	-
(Increase)/decrease in creditors and accruals	(13,912)	(23,913)
Net cash provided by operating activities	<u>(54,199)</u>	<u>(21,266)</u>

## 11. FINANCIAL REPORTING BY SEGMENTS

The association predominantly promotes, advances and controls the work of surf life saving and its many aspects devoted to aquatic safety around the coastline within New South Wales.

## 12. FINANCIAL INSTRUMENTS

### (a) Interest Rate Risk

The association exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted Average interest rates on those financial assets and financial liabilities, is as follows:

Financial Assets	Weighted Average Interest Rate	Floating Interest Rate	Fixed Interest Rate Maturing in 1 Year Or Less
Cash	0.05% p.a.	\$54,302	-

### (b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the balance sheet and notes to the financial report.

The association does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the association.

# Surf Life Saving Sydney Branch Incorporated

## Notes to the Financial Statements

For the Year ended 31st May 2002

### (c) Net Fair Values

The net fair values of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values have not been written down as the association intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to and forming part of the accounts.

Beverly Smith

Director of Administration & Finance

Ian Yell

Chief Executive Officer

Dated this ..... day of ..... 2002

*These notes should be read in conjunction with the attached Independent Audit Report*



# **SURF LIFE SAVING SYDNEY BRANCH INCORPORATED**

## **STATEMENT BY MEMBERS OF THE COMMITTEE**

In the opinion of the Committee, the financial report as set out on pages 1 to 11:

Presents fairly the financial position of The Surf Life Saving Association of Australia, Sydney Branch Incorporated as at 31<sup>st</sup> May 2002 and its performance for the financial year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board;

At the date of this statement, there are reasonable grounds to believe that the Association 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:

**Beverly Smith**

Director of Administration & Finance

**Ian Toll**

Chief Executive Officer

Dated this.....day of.....2002



**SURF LIFE SAVING SYDNEY BRANCH INCORPORATED  
INDEPENDENT AUDIT REPORT  
TO THE MEMBERS OF  
SURF LIFE SAVING SYDNEY BRANCH INCORPORATED**

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**Scope**

We have audited the financial report of the Surf Life Saving Association of Australia, Sydney Branch Incorporated for the financial year ended 31<sup>st</sup> May, 2002, consisting of the Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flows, Notes to and forming part of the financial report and the Statement of Members of the Committee. 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 this financial report 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 report is 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 report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) and statutory requirements so as to present a view which is consistent with our understanding of the Association's financial position, the results of its operations and cash flows.

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

**Qualification**

We have found that the books and records of the company contain various irregularities and errors in the recording of transactions for the year. Further due to the manner in which the income of the company is collected it was not practical to extend our examination beyond the company's recording of this income in the books of account.

We are unable to quantify the effect these irregularities may have on the Financial Report of the company due to the extent of the irregularities in the books of the company.

**Qualification Audit Opinion**

In our opinion, because of the difficulties as described in the qualification paragraph, and the effects of such adjustments, if any, as might have been determined to be necessary we are unable to form an opinion on whether the financial report presents fairly in accordance with Australian Accounting Standards, the Associations Incorporation Act (NSW) and other mandatory professional reporting requirements, the financial position of the Surf Life Saving Association of Australia – Sydney Branch Incorporated as at 31<sup>st</sup> May 2002 and the results of its operations and cash flows for the year then ended.

Surry Partners Accountants  
Brett Miller  
Surry Hills, NSW

  
Dated this 6<sup>th</sup> day of August 2002