

TENNIS TOWNSVILLE INC.

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2015



TENNIS TOWNSVILLE INC.
FINANCIAL STATEMENTS
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TENNIS TOWNSVILLE INC.

INCOME AND EXPENDITURE STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2015

	2015 \$	2014 \$
INCOME		
Canteen Catering	2,676	2,752
Claims on Insurance	-	2,059
Coaching Fees	125,296	110,937
Court Hire - External	25,668	27,150
Donations Received	7,250	-
Facility Hire	920	832
Fixtures Fees	74,996	67,990
Fundraising Proceeds	5,071	2,479
Grants capital	101,073	160,984
Grants non capital	15,150	-
Interest Income	3,011	3,615
Participation Fees	7,248	7,637
Registration - Ground Members	806	4,648
Registration - Membership Ord	38,352	32,870
Registration - Social	106	1,201
Sales - Balls & Grips	3,428	3,833
Sales - Canteen GST Free	2,345	3,083
Sales - Canteen with GST	32,715	28,263
Solar Rebates	988	1,156
Special Income - Lease Land	15,362	15,036
Sponsorship	34,734	32,634
Sponsorship in Kind	8,442	-
Sundry Income	4,062	1,703
Tournament Fees	15,600	15,496
Uniform & Wages Recoveries	-	79
TOTAL INCOME	525,299	526,438
EXPENSES		
Advertising	18,999	13,272
Bank Fees	277	375
Computer Reps & Mt'ance	573	422
Consumables	1,725	1,758
Contractors	24,816	44,518
Depreciation	73,508	68,619
Donations	1,257	1,440
Doubtful Debts	510	-
Electricity & Gas	17,847	17,151
Employment Expenses	43	333
Employee Leave Provision expense	7,078	0
Freight & Courier	25	-
Fundraising Expenses	938	1,549
Hire of equipment or services	1,276	-
Insurances Building Assets	6,075	7,574
Interest Expense	7,478	6,777
Internet / Web Site	570	898

TENNIS TOWNSVILLE INC.

INCOME AND EXPENDITURE STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2015

	2015 \$	2014 \$
Lease - Office Equipment	1,415	1,296
Legal/Bookkeeping/ Professional Fee	4,713	5,368
Licences, Fees & Subscription	3,038	2,046
Loss on Assets Write Off	-	3,225
Merchant Fees	3,859	2,725
Office Supplies & Stationery	2,459	5,077
Prizes, Trophies & Giveaways	13,830	18,601
Purchases - Canteen (Ball & Grips, other Tennis items)	3,197	2,177
Purchases - Canteen GST Free	1,988	4,098
Purchases - Canteen with GST	15,878	13,976
Rates, Rents & Land Taxes	12,630	12,010
Redevelopment Prelim Costs	2,100	-
Registrations Tennis Australia	-	166
Rental - Container	173	465
Repairs - Electrical repairs to tennis lights	11,949	5,738
Repairs - Office Equipment & Kiosk	1,754	1,656
Repairs & maintenance - Courts, Grounds & Fences	2,429	7,478
Repairs & Maintenance Buildings	5,444	1,738
Software	2,191	3,194
Sundry Account	1,914	3,711
Superannuation	13,816	13,325
Telephone / Fax / Postage	3,289	4,296
Tennis Balls	12,952	10,739
TQ Affiliation fee	4,303	4,194
Training / Course Fees	46	-
Travel Assistance for players, staff	5,276	8,703
Uniforms and shirts	2,107	-
Volunteer expenses	1,029	-
Wages and Salaries	177,899	170,978
Wages and Salaries - Bonus payments	19,039	-
Workcover Insurance	2,449	2,216
TOTAL EXPENSES	496,158	473,882
Net Profit / (Loss)	29,141	52,556

The accompanying notes form part of these financial statements.

TENNIS TOWNSVILLE INC.

BALANCE SHEET AS AT 31 DECEMBER 2015

	2015 \$	2014 \$
Current Assets		
Cash Floats on Hand	550	580
Business Everyday Acc - 28099	2,055	14,986
Business Saver Acc - 95203	42,398	537
Fixed Term Deposit	50,000	91,274
Accounts Receivable	510	-
Provision for Doubtful Debts	(510)	-
Accounts Receivable Adjustments	693	1,960
Stock on Hand - Bar & Balls	4,849	5,375
Stock - Tennis Racquets	1,490	1,648
Prepayments - Security Ergon Paxton Street	100	100
Prepayment of Exps (12 months)	11,663	8,823
Total Current Assets	113,798	125,283
Non-Current Assets		
Building Improvements	296,159	301,197
Less: Accumulated Depreciation	(132,234)	(125,363)
	<u>163,925</u>	<u>175,834</u>
Plant and Equipment	75,742	75,318
Less: Accumulated Depreciation	(33,856)	(32,396)
	<u>41,886</u>	<u>42,922</u>
Tennis Courts	1,189,484	1,080,134
Less: Accumulated Depreciation	(301,814)	(247,135)
	<u>887,670</u>	<u>832,999</u>
Total Non-Current Assets	1,093,482	1,051,755
Total Assets	1,207,279	1,177,038
Current Liabilities		
Accounts Payable	-	5,772
Other Accounts Payable (Wayne Hannah Pro Shop)	140	-
Accrued Expenses (Accounts Payable)	19,917	1,200
Accrued Expenses (Other)	1,193	-
Business Visa Card	2,303	251
Grants & Funding Awaiting Use	26,395	16,273
GST Payable / (Receivable)	2,001	4,888
PAYG Withholdings Payable	4,578	15,718
Prepaid Income	597	6,233
Superannuation Payable	-	2,667
Unsecured Notes	102,844	99,476
Wages Payable	-	3,768
Total Current Liabilities	159,970	156,246

TENNIS TOWNSVILLE INC.

**BALANCE SHEET
AS AT 31 DECEMBER 2015**

	2015	2014
	\$	\$
Non-Current Liabilities		
Loan - Tennis Aust (TTI7587)	30,850	40,550
Provision for Long Service Leave	7,078	-
Total Non-Current Liabilities	<u>37,928</u>	<u>40,550</u>
Total Liabilities	<u>197,898</u>	<u>196,797</u>
Net Assets	<u>1,009,382</u>	<u>980,241</u>
Equity		
Retained Earnings	980,241	927,685
Current Year Profit / (Loss)	29,141	52,556
Total Equity	<u>1,009,382</u>	<u>980,241</u>

The accompanying notes form part of these financial statements.

TENNIS TOWNSVILLE INC.

Notes to the Financial Statements For the Period Ended 31 December 2015

Note 1: Summary of Significant Accounting Policies

Basis of preparation

This financial report is a special financial report prepared in order to satisfy the financial reporting requirements of the *Associations Incorporation Act 1981 (Qld)*. The management committee has determined that the association is not a reporting entity.

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

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

(a) Property, plant and equipment

Plant and equipment are carried at cost less, where applicable, any accumulated depreciation

The depreciable amount of all PPE is depreciated over the asset's useful life commencing from the time the asset is held ready for use.

(b) Impairment of Assets

At the end of each reporting period, the committee reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in the income and expenditure statement.

(c) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

(d) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

TENNIS TOWNSVILLE INC.

Notes to the Financial Statements For the Period Ended 31 December 2015

Note 1: Summary of Significant Accounting Policies continued

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

All revenue is stated net of the amount of goods and services tax.

(e) Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

(f) Accounts Payable and Other Payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(g) Income Taxes

The association was established for community sporting service. The association is not carried on for the purpose of profit or gain to the individual members.

The committee has not made a submission to the Australian Taxation Office to determine if the association qualifies for income tax exemption pursuant to Section 23 of the *Income Tax Assessment Act*. However the committee is satisfied that the exemption is applicable.

(h) Inventories

Inventories are measured at their realisable value.

Note 2: Related Party Transactions

Transactions with Committee Members of the Association and their related entities made during the year are on arm's length terms and conditions that are no more favourable than those with which it is reasonable to expect the Association to have adopted with non-related suppliers.

Note 3: Events after Balance Date

No matters or circumstance have arisen since the end of the financial year which have significantly or may significantly affect the operations or state of affairs of the Association in the subsequent financial period.

TENNIS TOWNSVILLE INC.

Statement by Members of the Committee

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.

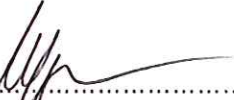
In the opinion of the committee, the financial report:

- 1 Presents a true and fair view of the financial position of Tennis Townsville Inc. as at 31 December 2015 and its performance for the year ended on that date.
- 2 At the date of this statement, there are reasonable grounds to believe that Tennis Townsville 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 this 7th day of March 2016

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
TENNIS TOWNSVILLE INC.**

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Tennis Townsville Inc., which comprises the balance sheet as at 31 December 2015, the income and expenditure statement for the period then ended, notes comprising 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 Tennis Townsville Inc. is responsible for the preparation of the financial report, and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the *Associations Incorporation Act 1981 (Queensland)* and is appropriate to meet the needs of the members. The committee's responsibility also includes such internal control as the committee determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those 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 association's preparation of the financial report that gives a true and fair view, 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 association'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.

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.

Qualification - Limitations of Scope

It is not always practicable for the Association to establish accounting control over all sources of income prior to receipt of these funds by members of the Association and accordingly, it is not possible for our examination to include procedures which extend beyond the amounts of such income recorded in the accounting records of the Association. Our audit report is thus qualified on the completeness of income.

Qualified Audit Opinion

In our opinion, except for the effect, if any, of the matter referred to in the above qualification paragraph, the financial report presents fairly, in all material respects the financial position of Tennis Townsville Inc. as at 31 December 2015 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 requirements of the *Associations Incorporation Act 1981 (Queensland)*.

Basis of Accounting

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

Dated: 9th March 2016

1/19 Stanley Street
TOWNSVILLE QLD 4810


R. Dunstan
(Registered Company Auditor)
RCA No.: 6834