

**EQUESTRIAN FEDERATION OF AUSTRALIA
VICTORIA BRANCH INC
TRADING AS EQUESTRIAN VICTORIA**

(Incorporated under the Associations Incorporation Act (Vic) 1981)

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2009**

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
EQUESTRIAN FEDERATION OF AUSTRALIA - VICTORIA BRANCH INC**

We have audited the accompanying financial report of Equestrian Federation of Australia – Victoria Branch Inc. (the association) comprising the Balance Sheet as at 30 June 2009 and the Income Statement, Statement of Changes in Equity and Cash Flow Statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Statement by Members of the Committee.

Committee's Responsibility for the Financial Report

The Members of the Committee of the association are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Act (Vic) 1981. This responsibility includes establishing and maintaining internal controls 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. 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 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 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 Members of 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.

Basis for Qualified Auditor's Opinion

In carrying out our audit, it was not practicable to positively confirm all income from social functions and event gate takings beyond accounting for amounts received as shown in the books and records of Equestrian Federation of Australia - Victoria Branch Inc.

Qualified Auditor's Opinion

In our opinion, except for the effects on the financial report of the matter referred to in the preceding paragraph, the financial report of Equestrian Federation of Australia – Victoria Branch Inc. is in accordance with the Associations Incorporation Act (Vic) 1981 including:

- (i) giving a true and fair view of the Association's financial position as at 30 June 2009 and of its performance and cash flows for the year ended on that date; and
- (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Act (Vic) 1981.



PKF

J A Mooney
Partner27 October 2009
Melbourne

Tel: 61 3 9603 1700 | Fax: 61 3 9602 3870 | www.pkf.com.au

PKF | ABN 83 236 985 726

Level 14, 140 William Street | Melbourne | Victoria 3000 | Australia

GPO Box 5099 | Melbourne | Victoria 3001

EQUESTRIAN FEDERATION OF AUSTRALIA - VICTORIA BRANCH INC

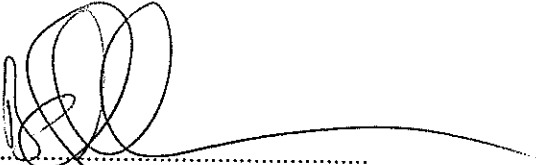
STATEMENT BY MEMBERS OF THE COMMITTEE

FOR THE YEAR ENDED 30 JUNE 2009

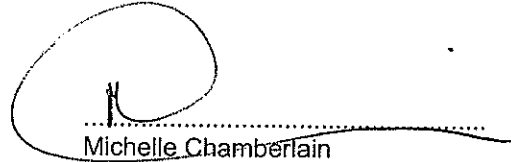
In the opinion of the Members of the Committee of the Equestrian Federation of Australia – Victoria Branch Inc., the financial report:

1. presents a true and fair view of the financial position of the Association as at 30 June 2009 and its performance for the 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; and
2. 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 Members of the Committee by:



.....
Bruce Chamberlain
President



.....
Michelle Chamberlain
Treasurer

27 October 2009
Melbourne

EQUESTRIAN FEDERATION OF AUSTRALIA - VICTORIA BRANCH INC

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	Note	2009 \$	2008 \$
REVENUE	2	2,708,528	2,185,594
EXPENDITURE			
Advertising		63,532	30,271
Allowance for doubtful debts		11,112	-
Catering and refreshments		168,391	115,049
Course building		-	48,899
Depreciation and amortisation		20,373	17,065
Donations, including bushfire donations		69,197	23,372
Event expenses		180,675	115,038
Facility fee to Werribee Park		94,324	15,947
Insurance expenses		128,427	178,261
Hire of equipment		240,909	148,813
Judges expenses		95,862	71,478
Legal fees		8,127	5,535
National membership and ICDF levy		125,359	131,905
Postage		40,786	22,615
Printing – including photocopier rental and fax		191,427	193,671
Prize expenses		43,671	49,214
Rental expenses		17,320	17,320
Sashes, medallions and trophies		58,735	33,391
Sponsor costs		53,233	49,715
Squad / Training Expenses		106,958	135,808
Stabling expenses		-	28,731
Staging costs		-	22,538
State government grant expense		-	3,482
Stock purchases		93,442	51,814
Strategic planning		-	25,510
Telephone and facsimile		17,066	18,375
Ticketing expenses		3,471	6,360
Trade stand expenses		-	32,943
Travel and accommodation		99,776	22,112
Venue hire		146,327	68,742
Wages, salaries and related on costs		432,969	381,139
Other expenses		164,095	128,099
Operating surplus/(loss) before income tax expense	3	32,964	(7,618)
Income tax expense	1(b)	-	-
Operating surplus/(loss) after income tax expense		32,964	(7,618)

The accompanying notes form part of these financial statements.

EQUESTRIAN FEDERATION OF AUSTRALIA - VICTORIA BRANCH INC

**BALANCE SHEET
AS AT 30 JUNE 2009**

	Note	2009 \$	2008 \$
CURRENT ASSETS			
Cash and cash equivalents	4	222,647	231,005
Trade and other receivables	5	146,451	79,377
Other financial assets	6	308,168	290,206
Other assets	7	108,063	2,356
TOTAL CURRENT ASSETS		<u>785,329</u>	<u>602,944</u>
NON-CURRENT ASSETS			
Receivables	5	15,576	6,667
Property, plant & equipment	8	30,572	37,688
TOTAL NON-CURRENT ASSETS		<u>46,148</u>	<u>44,355</u>
TOTAL ASSETS		<u>831,477</u>	<u>647,299</u>
CURRENT LIABILITIES			
Trade and other payables	9	119,871	90,676
Income in advance	10	443,423	324,374
Provisions	11	19,465	12,667
TOTAL CURRENT LIABILITIES		<u>582,759</u>	<u>427,717</u>
NON-CURRENT LIABILITIES			
Provisions	11	9,986	13,814
TOTAL NON-CURRENT LIABILITIES		<u>9,986</u>	<u>13,814</u>
TOTAL LIABILITIES		<u>592,745</u>	<u>441,531</u>
NET ASSETS		<u>238,732</u>	<u>205,768</u>
MEMBERS FUNDS			
Accumulated Funds		225,363	205,768
Reserves		13,369	-
TOTAL MEMBERS FUNDS		<u>238,732</u>	<u>205,768</u>

The accompanying notes form part of these financial statements.

EQUESTRIAN FEDERATION OF AUSTRALIA - VICTORIA BRANCH INC

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2009

	Accumulated Funds \$	Reserve \$	Total Members Funds \$
Balance at 30 June 2007	213,386	-	213,386
Net Loss for the year	(7,618)	-	(7,618)
Balance at 30 June 2008	205,768	-	205,768
Net Surplus for the year	32,964	-	32,964
Transfer to bushfire fund reserve	(13,369)	13,369	-
Balance at 30 June 2009	225,363	13,369	238,732

The accompanying notes form part of these financial statements.

EQUESTRIAN FEDERATION OF AUSTRALIA - VICTORIA BRANCH INC

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009**

	Note	2009	2008
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members, customers and fundraising		2,760,457	2,164,528
Interest received		31,124	27,643
Payments to suppliers and employees		<u>(2,717,560)</u>	<u>(2,278,620)</u>
Net cash provided by/(used in) operating activities	13(b)	<u>74,021</u>	<u>(86,449)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for plant and equipment		(13,257)	(10,035)
Loan advance to Werribee Park		(51,160)	-
Payments for investments		<u>(17,962)</u>	<u>(26,269)</u>
Net cash used in investing activities		<u>(82,379)</u>	<u>(36,304)</u>
NET DECREASE IN CASH HELD		(8,358)	(122,753)
Cash and cash equivalents at beginning of year		<u>231,005</u>	<u>353,758</u>
Cash and cash equivalents at end of year	13(a)	<u>222,647</u>	<u>231,005</u>

The accompanying notes form part of these financial statements.

EQUESTRIAN FEDERATION OF AUSTRALIA - VICTORIA BRANCH INC

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 JUNE 2009

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporation Act 1981 (Vic).

The financial report covers Equestrian Federation of Australia - Victoria Branch Inc. as an individual entity. Equestrian Federation of Australia - Victoria Branch Inc. is an association incorporated in Victoria under the Associations Incorporation Act (Vic) 1981. The financial report is presented in Australian dollars.

The financial report was authorised for issue by the Members of the Committee on the date of signing of the Statement by Members of the Committee.

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

(a) Basis of Preparation

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 association is considered to be a Not-for-Profit entity and has prepared the financial statements in accordance with the requirements regarding Not-for-Profit entities as contained in Australian Accounting Standards.

(b) Income Tax

Any income derived by the association is exempt from Income Tax under section 50-45 of the Income Tax Assessment Act 1997.

(c) Revenue

Grants received that relate to periods beyond balance date have been treated as grants received in advance and appear as current liabilities in the balance sheet.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

(d) 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 Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of an asset or as part of an item of expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

Cash flows are included in the Cash Flow Statement on a gross basis, except for the GST component of cash flows arising from investing and financing activities which are disclosed as operating cash flows.

EQUESTRIAN FEDERATION OF AUSTRALIA - VICTORIA BRANCH INC

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2009

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(f) Receivables

Trade accounts receivable are generally settled within 30 days and are carried at amounts due. An allowance is raised for any doubtful debts based on a review of all outstanding amounts at balance date. Bad debts are written off in the period in which they are identified.

(g) Financial Instruments

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets at fair value through the income statement

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

(h) Plant and Equipment

Each class of plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and accumulated impairment losses.

The carrying amount of plant and equipment is reviewed annually by the association to ensure it is not in excess of the recoverable amounts from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

The carrying amount of assets is immediately written down to its recoverable amount if greater than its estimated recoverable amount.

EQUESTRIAN FEDERATION OF AUSTRALIA - VICTORIA BRANCH INC

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2009

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Plant and Equipment (Continued)

Depreciation

The depreciable amount of all items of plant and equipment is depreciated on a straight-line basis over their estimated useful lives to the association commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Trailer	25%
Office furniture and Equipment	20%
Computer Equipment	33%
Site improvements	50%

The residual values and useful lives of assets are reviewed and adjusted, if appropriate, at each balance sheet date.

(i) **Impairment of Assets**

At each reporting date, the association reviews the carrying value of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the assets fair value less costs to sell and value-in-use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Income Statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(j) **Accounts Payable**

Trade accounts payable, including accruals not yet billed, are recognised when the Company becomes obliged to make future payments as a result of a purchase of assets or services. Trade accounts payable are generally settled within 30 days.

(k) **Employee Benefits**

Provision is made for the association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the association to an employee superannuation fund and are charged as expenses when incurred.

(l) **Comparative Figures**

Where required by Accounting Standards comparative figures have been adjusted to conform to changes in presentation for the current financial year.

EQUESTRIAN FEDERATION OF AUSTRALIA - VICTORIA BRANCH INC

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2009**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Critical Accounting Estimates and Judgements

The committee members evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information.

Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the association.

There are no significant judgements or key assumptions made by management in the application of accounting policies that are considered to have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year.

(n) Impact of new or revised Australian Accounting Standards or Interpretations that are not yet effective

There have been a number of amendments made to Accounting Standards issued by the Australian Accounting Standards Board ("AASB") that are not yet effective. The committee members do not believe that the new and revised standards issued by the AASB that are not yet effective will have any material impact on the financial statements.

	2009	2008
	\$	\$
2. REVENUE		
Subscriptions	466,305	375,651
Insurance levies income from members	124,684	164,171
National levies income from members	125,546	131,905
Horse registrations, renewals and transfers	125,711	126,596
Performance cards	77,262	60,781
Advertising income	18,881	29,538
Dinner / BBQ	30,056	28,834
Donations	98,007	62,551
Entry fees	432,329	288,287
Facility fees	81,510	11,385
Grants	15,000	10,000
HPP/ICDF funding	40,500	25,000
Management fees	22,500	18,182
Raffle / auction income	-	4,585
Sales of publication and merchandise	50,559	39,941
Special clinics and tickets income	12,956	42,088
Sponsorships	270,628	207,599
Stabling income	68,844	39,605
Trade stands and camping income	93,186	83,952
Ticket sales	242,466	223,458
Training income	214,816	160,868
Interest	31,124	27,643
Donations for Bushfire	29,347	-
Other income	36,311	22,974
	<hr/>	<hr/>
Total revenue	2,708,528	2,185,594

EQUESTRIAN FEDERATION OF AUSTRALIA - VICTORIA BRANCH INC

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2009**

	2009	2008
	\$	\$
3. RESULT		
Result before income tax has been arrived at after charging		
Allowance for doubtful debts	11,112	-
Depreciation of:		
- Plant and equipment	20,373	17,065
Superannuation contributions	31,194	28,020
4. CASH AND CASH EQUIVALENTS		
Cash at bank - NAB current account	214,867	229,979
Petty cash	7,780	1,026
	<u>222,647</u>	<u>231,005</u>
5. TRADE AND OTHER RECEIVABLES		
CURRENT		
Trade debtors	92,146	68,544
Less allowance for doubtful debts	<u>(13,612)</u>	<u>(2,500)</u>
	78,534	66,044
Accrued income	683	-
G.S.T. receivable	11,650	-
Werribee Park National Equestrian Centre loan	<u>55,584</u>	<u>13,333</u>
	<u>146,451</u>	<u>79,377</u>
NON-CURRENT		
Werribee Park National Equestrian Centre loan	<u>15,576</u>	<u>6,667</u>

As at 30 June 2009, the ageing of trade receivables is as follows

	2009		2008	
	Debtors	Allowance	Debtors	Allowance
	\$	\$	\$	\$
0 – 30 days	18,351	-	53,097	
31 – 60 days	29,702	-	4,878	
61 – 90 days	335	-	1,612	
90 days +	43,758	(13,612)	8,957	(2,500)
	<u>92,146</u>	<u>(13,612)</u>	<u>68,544</u>	<u>(2,500)</u>

Receivables past due but not considered impaired are: \$60,183 (2008 \$12,947).
Management is satisfied that payment will be received in full.

EQUESTRIAN FEDERATION OF AUSTRALIA - VICTORIA BRANCH INC

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2009

	2009 \$	2008 \$
5. TRADE AND OTHER RECEIVABLES (Continued)		
The movement in the allowance for doubtful debts is detailed below:		
Opening balance	2,500	2,500
Charge for the year	11,112	-
Closing balance	<u>13,612</u>	<u>2,500</u>
The allowance for doubtful debts is based upon a review of the actual debtors outstanding and an assessment of the recoverability of overdue balances.		
6. OTHER FINANCIAL ASSETS		
CURRENT		
EFA term deposit	278,649	262,407
LSL term deposit	29,519	27,799
	<u>308,168</u>	<u>290,206</u>
7. OTHER ASSETS		
CURRENT		
Prepayments	<u>108,063</u>	<u>2,356</u>
8. PROPERTY, PLANT AND EQUIPMENT		
Trailers (at cost)	19,158	19,158
Less accumulated depreciation	<u>(17,701)</u>	<u>(15,993)</u>
	<u>1,457</u>	<u>3,165</u>
Computer equipment (at cost)	47,009	44,415
Less accumulated depreciation	<u>(36,381)</u>	<u>(24,735)</u>
	<u>10,628</u>	<u>19,680</u>
Office equipment (at cost)	46,566	45,559
Less accumulated depreciation	<u>(39,794)</u>	<u>(35,666)</u>
	<u>6,772</u>	<u>9,893</u>
Trophies (at cost)	<u>4,950</u>	<u>4,950</u>

EQUESTRIAN FEDERATION OF AUSTRALIA - VICTORIA BRANCH INC

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2009

	2009 \$	2008 \$
8. PROPERTY, PLANT AND EQUIPMENT (Continued)		
Site improvements and equipment for events (at cost)	42,638	32,988
Less accumulated depreciation	<u>(35,873)</u>	<u>(32,988)</u>
	6,765	-
	<u>30,572</u>	<u>37,688</u>
Reconciliation of movements in carrying amounts of plant and equipment:		
Trailers		
Opening balance	3,165	4,873
Additions	-	-
Depreciation	<u>(1,708)</u>	<u>(1,708)</u>
Closing balance	<u>1,457</u>	<u>3,165</u>
Computer equipment		
Opening balance	19,680	27,290
Additions	2,600	3,159
Depreciation	<u>(11,652)</u>	<u>(10,769)</u>
Closing balance	<u>10,628</u>	<u>19,680</u>
Office equipment		
Opening balance	9,893	7,606
Additions	1,007	6,875
Depreciation	<u>(4,128)</u>	<u>(4,588)</u>
Closing balance	<u>6,772</u>	<u>9,893</u>
Site improvements and equipment for events		
Opening balance	-	-
Additions	9,650	-
Depreciation	<u>(2,885)</u>	<u>-</u>
Closing balance	<u>6,765</u>	<u>-</u>

EQUESTRIAN FEDERATION OF AUSTRALIA - VICTORIA BRANCH INC

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2009**

	2009	2008
	\$	\$
9. TRADE AND OTHER PAYABLES		
CURRENT		
Sundry creditors and accruals	119,871	84,719
G.S.T. payable	-	5,957
	<u>119,871</u>	<u>90,676</u>
10. INCOME IN ADVANCE		
CURRENT		
Subscriptions in advance	-	409
Prepaid income	443,423	323,965
	<u>443,423</u>	<u>324,374</u>
11. PROVISIONS		
CURRENT		
Provision for annual leave	14,698	12,667
Provision for long service leave	4,767	-
	<u>19,465</u>	<u>12,667</u>
NON-CURRENT		
Provision for long service leave	9,986	13,814
Aggregate employee benefits	29,451	26,481
	<u>29,451</u>	<u>26,481</u>
12. AUDITOR'S REMUNERATION		
For auditing the financial report	10,000	9,000
For preparation of financial accounts	2,750	2,000
	<u>12,750</u>	<u>11,000</u>

EQUESTRIAN FEDERATION OF AUSTRALIA - VICTORIA BRANCH INC

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2009**

13. CASH FLOW INFORMATION

a) Reconciliation of Cash

For the purposes of the Cash Flow Statement, cash and cash equivalents includes cash on hand and in banks net of outstanding bank overdrafts. Cash and cash equivalents at the end of the year, as shown in the Cash Flow Statement, is reconciled to the related items in the Balance Sheet as follows:

	2009	2008
	\$	\$
Cash at bank – NAB current account	214,867	229,979
Petty Cash	7,780	1,026
	<hr/>	<hr/>
	222,647	231,005
	<hr/>	<hr/>

b) Reconciliation of Net Cash Provided By/(Used In) Operating Activities to Surplus/(Loss) for the year

Surplus / (Loss) for the year	32,964	(7,618)
Non cash items:		
Depreciation expense	20,373	17,065
Allowance for doubtful debts	11,112	-
Change in assets and liabilities:		
(Increase) in trade and other receivables	(35,935)	(29,906)
(Increase) / Decrease in prepayments	(105,707)	29,865
Increase / (Decrease) in creditors and accruals	29,195	(182,247)
Increase in income in advance	119,049	86,392
Increase in provisions	2,970	-
Net cash provided by/(used in) operating activities	<hr/>	<hr/>
	74,021	(86,449)
	<hr/>	<hr/>

14. KEY MANAGEMENT PERSONNEL COMPENSATION

Short-term employee benefits	65,688	64,880
Post-employment benefits	5,685	4,248
Termination benefits	-	-
	<hr/>	<hr/>
	71,373	69,128
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EQUESTRIAN FEDERATION OF AUSTRALIA - VICTORIA BRANCH INC

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2009

15. RELATED PARTY TRANSACTIONS

The names of each person who has been a committee member at any time during the financial year are as follows:

Mr Bruce Chamberlain	President
Mr Barry Roycroft	Vice President
Mr Neil Clinton	Vice President
Ms Michelle Chamberlain	Treasurer (appointed October 2008)
Ms Susannah Clarke	
Mr Robbie Allen	
Mr Peter Gardiner	

Committee members have been in office since the start of the financial year unless otherwise stated.

The members of the committee do not receive remuneration for their services on the committee, other than Mr Bruce Chamberlain, who received \$5,818 (2008: \$8,000) as allowances for the performance of his presidential duties.

The following persons received payments for instructor fees during the year:
Mr Robbie Allen \$7,200 (2008: \$8,000) and Mr Barry Roycroft \$4,600 (2008: \$5,334).

Mr Bruce Chamberlain, Ms Michelle Chamberlain and Mr Neil Clinton (In 2008, Mr Bruce Chamberlain, Ms Susannah Clarke and Barry Roycroft) are members of the committee of the Equestrian Federation of Australia – Victoria Branch Inc, and also members of the Committee of Management of the Werribee Park National Equestrian Centre (WPNEC).

During the year the association entered into the following transactions with WPNEC:

- (a) the association incurred rental expenses of \$17,320 (2008: \$17,320) in relation to office space rented from WPNEC;
- (b) the association incurred venue hire expenses of \$94,348 (2008: \$61,580) at discounted rates to other persons, including Werribee Park levy charges of \$28,880 (2008: \$28,880);
- (c) a loan advance of \$51,160 (2008: \$Nil). Interest is being earned at a rate of 3.165% per annum;
- (d) eventing, training, stabling and bedding fees of \$111,760 (2008: \$111,034) were collected on behalf of WPNEC and on-forwarded to the centre; and
- (e) the association made cash and in-kind donations of \$nil (2008: \$11,995); and
- (f) the association received management fees of \$22,500 (2008: \$18,182).

At year end the association had loans receivable of \$71,160 with WPNEC (2008: \$20,000).

During the year ended 30 June 2008 payments for event management services of \$8,192, were received by a former board member, Mr Allan Bruno (resigned October 2007) and payments for acting as the Chief Executive Officer of \$22,400 were received by a former board member, Ms Jackie Woodhead (resigned October 2007).

Transactions between related parties are on normal commercial terms and conditions and no more favourable than those available to other persons unless otherwise stated.

There were no other related party transactions during the year.

EQUESTRIAN FEDERATION OF AUSTRALIA - VICTORIA BRANCH INC

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2009**

16. FINANCIAL INSTRUMENTS

(a) Financial risk management objectives and policies

The association's principal financial instruments comprise receivables, payables, and cash and short-term deposits. These activities expose the association to a variety of financial risks: interest rate risk, credit risk, and liquidity risk.

Although the association does not have documented policies and procedures, the committee manage the different types of risks to which it is exposed by considering risk and monitoring levels of exposure to interest rate and by being aware of market forecasts for interest rates. Ageing analyses and monitoring of specific credit allowances are undertaken to manage credit risk, liquidity risk is monitored through general business budgets and forecasts.

(b) Risk exposures and responses

Interest rate risk

The association's exposure to market interest rates relates primarily to short term deposits held.

Management monitors term deposit rates and balances the achievement of high rates against the flexibility offered by at call funds.

Sensitivity analysis

At 30 June 2009, if interest rates had moved, as illustrated in the table below, with all other variables held constant, post tax surplus and equity would have been affected as follows:

	Net Surplus		Net Assets	
	Higher / (Lower)		Higher / (Lower)	
	Year Ended		As at	
	30 June		30 June	
	2009	2008	2009	2008
Interest rate movement	\$	\$	\$	\$
+2.0%	10,520	11,389	10,520	11,389
- 2.0%	(10,520)	(11,389)	(10,520)	(11,389)

EQUESTRIAN FEDERATION OF AUSTRALIA - VICTORIA BRANCH INC

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2009**

16. FINANCIAL INSTRUMENTS (Continued)

Liquidity risk

The association manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

Maturities of financial liabilities

The table below analyses the association's financial liabilities:

	Maturing within 0 – 3 months	Maturing within 3 – 12 months	Total
	\$	\$	\$
2009			
Trade and sundry creditors	119,871	-	119,871
Income in advance	443,423	-	443,423
Total financial liabilities	563,294	-	563,294
2008			
Trade and sundry creditors	84,720	-	84,720
Other payables	5,957	-	5,957
Income in advance	324,374	-	324,374
Total financial liabilities	415,051	-	415,051

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 of those assets, net of any allowance for doubtful debts, as disclosed in the balance sheet and notes to the financial report.

The association trades only with recognised, creditworthy third parties, and as such collateral is not requested not is it the association's policy to securitise its trade or other receivables. All sales are on cash basis and as such, there is no credit risk on trade receivables.

In addition, receivable balances are monitored on an ongoing basis with the result that the association's exposure to bad debts is not significant. There are no significant concentrations of credit risk.

Foreign currency risk

The association is not exposed to any material foreign currency risk.

Price risk

The association is not exposed to any material commodity price risk.

(c) Net fair values

The carrying amount of financial assets and financial liabilities recorded in the financial statements

EQUESTRIAN FEDERATION OF AUSTRALIA - VICTORIA BRANCH INC

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
17. LEASING COMMITMENTS		
Operating Lease Commitments		
Non-cancellable operating lease contracted for but not capitalised in the financial statements		
Payable – minimum lease commitments		
- Not later than one year	40,434	40,434
- Later than one year but not later than 5 years	107,824	148,258
- Later than 5 years	-	-
	<u>148,258</u>	<u>188,692</u>
	=====	=====

The lease is a non-cancellable lease for printing and photocopying equipment with a five-year term, with rent payable monthly in advance.

18. SEGMENT INFORMATION

Equestrian Federation of Australia – Victoria Branch Inc. operates in Australia as a non-profit organisation providing membership, training and competition services in relation to Equestrian related sporting and recreational pursuits.

19. ASSOCIATION DETAILS

The registered office and principal place of business of the association is:

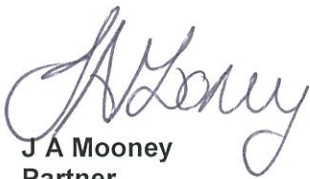
Werribee Park National Equestrian Centre
170 K Road
WERRIBEE VIC 3030

The principal activity of the association is:

The provision of membership, training and competition services in relation to Equestrian related sporting and recreational pursuits.

EQUESTRIAN FEDERATION OF AUSTRALIA - VICTORIA BRANCH INC**DISCLAIMER**

The additional financial data presented in the following pages numbered 21 and 22 is in accordance with the books and records of the association which have been subjected to auditing procedures applied in our statutory audit of the association for the year ended 30 June 2009. It will be appreciated that our statutory audit may not have covered all specific details of the additional financial data 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 persons (other than Equestrian Federation of Australia – Victoria Branch Inc.) in respect of such data including any errors or omissions therein however caused.



J A Mooney
Partner
PKF

27 October 2009
Melbourne

EQUESTRIAN FEDERATION OF AUSTRALIA - VICTORIA BRANCH INC

**REVENUE AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009**

	2009	2008
	\$	\$
REVENUE		
Subscriptions	466,305	375,651
Insurance levies income from members	124,684	164,171
National and ICDF levies income from members	125,546	131,905
Horse registrations, renewals and transfers	125,711	126,596
Performance cards	77,262	60,781
Advertising income	18,881	29,538
Dinner / BBQ	30,056	28,834
Donations	98,007	62,551
Entry fees	432,329	288,287
Facility fees	81,510	11,385
Grants	15,000	10,000
HPP/ICDF funding	40,500	25,000
Management fees	22,500	18,182
Raffle / auction income	-	4,585
Sales of publication and merchandise	50,559	39,941
Special clinics and tickets income	12,956	42,088
Sponsorships	270,628	207,599
Stabling income	68,844	39,605
Trade stands and camping income	93,186	83,952
Ticket sales	242,466	223,458
Training income	214,816	160,868
Interest	31,124	27,643
Donations for Bushfire	29,347	-
Other income	36,311	22,974
	<hr/>	<hr/>
Total revenue	2,708,528	2,185,594
EXPENDITURE		
Advertising	63,532	30,271
Affiliation fees	-	4,586
Allowances / honorariums	14,147	16,358
Audit & accounting fees	27,181	12,751
Bank charges	15,904	8,617
Bad and doubtful debts	11,112	2,040
Catering and refreshments	168,391	115,049
Course building	-	48,899
Depreciation and amortisation	20,373	17,065
Donations, including bushfire donations	69,197	23,372
Event expenses	180,675	115,038
Facility fee to Werribee Park	94,324	15,947
Hire of equipment	240,909	148,813
Information technology	16,785	10,163
Insurance expenses	128,427	178,261
Judges expenses	95,862	71,478
Legal fees	8,127	5,535
Meeting expense	491	10,895
National membership and ICDF levy	125,359	131,905

EQUESTRIAN FEDERATION OF AUSTRALIA - VICTORIA BRANCH INC

**REVENUE AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009**

	2009	2008
	\$	\$
EXPENDITURE (CONT'D)		
Office expenses	1,325	20,549
Office rental expenses	17,320	17,320
On-line revenue collection fees	114	-
Postage	40,786	22,615
Printing and stationery, including photocopier rent	191,427	193,671
Prize money and prizes	43,671	49,214
Sashes, medallions and trophies	58,735	33,391
Secretarial services	-	9,819
Sponsor costs	53,233	49,715
Squad / training expenses	106,958	135,808
Stabling expenses	-	28,731
Staging costs	-	22,538
State Government grant expense	-	3,482
Stock purchases	93,442	51,814
Strategic planning	-	25,510
Superannuation	31,194	26,470
Telephone and facsimile	17,066	18,375
Ticketing expenses	3,471	6,360
Trade stand costs	-	32,943
Travel and accommodation	99,776	22,112
Venue hire	146,327	68,742
Wages	401,775	354,669
Other expenditure	88,148	32,321
	<hr/>	<hr/>
Total expenditure	2,675,564	2,193,212
	<hr/>	<hr/>
OPERATING SURPLUS/(LOSS)	32,964	(7,618)
	<hr/>	<hr/>