

Equestrian Victoria Inc

Financial Report for the Year Ended 30 June 2016

COMMITTEE'S REPORT

Your committee members submit the financial report of Equestrian Victoria Inc for the financial year ended 30 June 2016.

Committee Members

The names of committee members throughout the year and at the date of this report are:

Ingrid Green	Michael Bragge
David Shavin (resigned 1/07/2016)	Janet Houghton
Derek O'Leary (acting CEO 1/6/16)	Mitchell Fox
Suzie Batten (appointed 28/10/15)	Paul Williams
Nicholas Ott (appointed 22/3/16)	Mark Griffiths (resigned 18/12/15)

Principal Activities

The principal activities of the association during the financial year were to provide membership, training and competition services in relation to equestrian related sporting and recreational pursuits.

Significant Changes

No significant change in the nature of these activities occurred during the year.

Operating Result

The surplus after providing for income tax for the 2016 financial year amounted to \$402,331. (2015: \$84,557)

Signed in accordance with a resolution of the members of the committee:



.....
Ingrid Green



.....
Derek O'Leary

Dated this 18th day of October 2016

Equestrian Victoria Inc

INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016	2015
		\$	\$
INCOME			
Administration Income		223,650	129,197
Operational Income		2,053,171	1,897,615
Horse Registrations		236,395	262,224
Interest Income		7,629	6,172
Membership Income		936,841	894,004
WPNEC Income		286,770	376,954
Other Income		2,263	25,173
		3,746,719	3,591,339
EXPENDITURE			
Administration		797,167	854,815
Operational		1,645,176	1,946,210
Wages & Salaries		439,389	324,047
WPNEC		458,656	366,800
Other expenses		4,000	14,910
		3,344,388	3,506,782
Current year surplus before income tax		402,331	84,557
Income tax expense	1(a)	-	-
Net current year surplus		402,331	84,557
RETAINED SURPLUS AT THE BEGINNING OF THE YEAR		(285,875)	(370,432)
RETAINED SURPLUS AT THE END OF THE YEAR		116,456	(285,875)

The accompanying notes form part of these financial statements.

Equestrian Victoria Inc

ASSETS AND LIABILITIES STATEMENT AS AT 30 JUNE 2016

	Note	2016	2015
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash on hand	2, 1(f)	581,225	252,565
Accounts receivable and other debtors	3, 1(g)	101,029	117,179
Other Assets	4	24,928	43,432
TOTAL CURRENT ASSETS		707,182	413,176
NON-CURRENT ASSETS			
Fixed Assets	5, 1(b)	18,876	48,532
TOTAL NON-CURRENT ASSETS		18,876	48,532
TOTAL ASSETS		726,058	461,708
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	6, 1(j)	238,340	305,647
Income Received in Advance	1(h)	315,520	385,373
Employee provisions	7, 1(d)	52,571	25,764
TOTAL CURRENT LIABILITIES		606,431	716,784
NON-CURRENT LIABILITIES			
Employee provisions	7, 1(d)	3,171	30,799
TOTAL NON-CURRENT LIABILITIES		3,171	30,799
TOTAL LIABILITIES		609,602	747,583
NET ASSETS		116,456	(285,875)
MEMBERS' FUNDS			
Retained earnings		116,456	(285,875)
TOTAL MEMBERS' FUNDS		116,456	(285,875)

The accompanying notes form part of these financial statements.

Equestrian Victoria Inc

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Reform Act 2012. The committee has determined that the association is not a reporting entity.

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

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

a. **Income Tax**

As the incorporated association is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

b. **Fixed Assets**

Leasehold Improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all fixed assets is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

c. **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.

d. **Employee Provisions**

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee provisions have been measured at the amounts expected to be paid when the liability is settled.

e. **Provisions**

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

f. **Cash on Hand**

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

g. **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.

h. **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.

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

Equestrian Victoria Inc

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

If conditions are attached to the grant that must be satisfied before the association is eligible to receive the contribution, recognition of the grant as revenue will be deferred until those conditions are satisfied.

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

i. 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 (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the assets and liabilities statement.

j. 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.

NOTE 2: CASH ON HAND

	2016	2015
	\$	\$
NAB Cheque	335,142	166,231
Show Horse Trust	3,119	1,551
Term Deposit	263,223	82,770
Medical Services Trust	(20,259)	1,115
Event petty cash floats	-	898
Total cash on hand	581,225	252,565

NOTE 3: ACCOUNTS RECEIVABLE AND OTHER DEBTORS

Trade debtors	92,687	97,060
Provision for doubtful debts	(1,674)	(3,450)
Loan - WPNEC	10,016	-
Sundry debtor	-	23,569
	101,029	117,179

NOTE 4: OTHER ASSETS

Bond deposit	5,000	-
Prepaid expenses	19,928	43,432
	24,928	43,432

Equestrian Victoria Inc

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 5: FIXED ASSETS	2016	2015
	\$	\$
Leasehold Improvements	163,244	163,244
Less accumulated depreciation	<u>(151,660)</u>	<u>(134,476)</u>
	11,584	28,768
Office Equipment	124,457	123,548
Less accumulated depreciation	<u>(117,165)</u>	<u>(108,734)</u>
	7,292	14,814
Plant & Equipment	4,950	4,950
Less accumulated depreciation	<u>(4,950)</u>	<u>-</u>
	-	4,950
TOTAL FIXED ASSETS	<u><u>18,876</u></u>	<u><u>48,532</u></u>
NOTE 6: ACCOUNTS PAYABLE AND OTHER PAYABLES		
Trade Creditors	179,009	144,178
Credit Card	2,578	-
GST Payable	24,554	58,697
Accrued Expenses	18,501	80,762
PAYG Tax	6,210	5,023
Sundry Creditors	-	10,025
Superannuation Payable	7,488	6,962
	<u>238,340</u>	<u>305,647</u>
NOTE 7: EMPLOYEE PROVISIONS		
CURRENT		
Provision for Annual Leave	36,422	25,764
Provision for Long Service Leave	16,149	-
	<u>52,571</u>	<u>25,764</u>
NON-CURRENT		
Provision for Long Service Leave	3,171	30,799
	<u>3,171</u>	<u>30,799</u>

Equestrian Victoria Inc

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 8: LEASING COMMITMENTS	2016	2015
	\$	\$
Operating Lease Commitments		
Being for rent of office equipment		
Payable – minimum lease payments:		
– not later than 12 months	23,940	-
– between 12 months and five years	93,765	-
– later than five years	-	-
	<hr/>	<hr/>
	117,705	

NOTE 9: ACCOUNTING POLICY CHANGES

For the 2016 financial year Equestrian Victoria Inc has made the following accounting policy changes affecting the financial statements:

- (a) The committee has reviewed the reporting entity status of the association and determined that Equestrian Victoria Inc is a non-reporting entity for the year ended 30 June 2016. As a result, a special purpose set of financial statements have been prepared in accordance with the relevant accounting standards. In 2015, the financial statements were a general purpose set of financial statements;
- (b) For the 2016 financial year, income and expenses from transactions occurring with WPNEC & Equestrian Australia have been included in the financial statements. In 2015, these were recorded in the accounting system but excluded from the audited financial statements; and
- (c) During the 2016 financial year, the accounting system used by Equestrian Victoria Inc was changed from MYOB to Xero.

As a result of the above changes, some comparatives may not agree exactly to the 2015 signed audited financial statements.

Equestrian Victoria Inc

ANNUAL STATEMENTS GIVE TRUE AND FAIR VIEW OF FINANCIAL POSITION AND PERFORMANCE OF INCORPORATED ASSOCIATION

We, Ingrid Green, and Derek O'Leary, being members of the committee of Equestrian Victoria Inc., certify that:

The statements attached to this certificate give a true and fair view of the financial position and performance of Equestrian Victoria Inc. during and at the end of the financial year of the association ending on 30 June 2016.

Signed: 
Dated: 18.10.2016

Signed: 
Dated: 18.10.2016

Equestrian Victoria Inc

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EQUESTRIAN VICTORIA INC.

We have audited the accompanying financial report, being a special purpose financial report, of Equestrian Victoria Inc (the association), which comprises the assets and liabilities statement as at 30 June 2016, the income and expenditure statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the certification by members of the committee on the annual statements giving a true and fair view of the financial position and performance of the association.

Committee's Responsibility for the Financial Report

The committee of Equestrian Victoria Inc is responsible for the preparation and fair presentation 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 Reform Act 2012 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 and fair presentation 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 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 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.

Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of Equestrian Victoria Inc as at 30 June 2016 and 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 Reform Act 2012.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Equestrian Victoria Inc to meet the requirements of the Associations Incorporation Reform Act 2012. As a result, the financial report may not be suitable for another purpose.

Auditor's signature: Graham Morris

Auditor's address: Level 2, 33 Bank Street, South Melbourne VIC

Dated this 16th day of October 2016

Equestrian Victoria Inc

CERTIFICATE BY MEMBERS OF THE COMMITTEE

I, Ingrid Green of Tonimbuk Road Tonimbuk Victoria certify that:

- a. I attended the annual general meeting of the association held on 27/10 2016; and
- b. the financial statements for the year ended 30 June 2016 were submitted to the members of the association at the annual general meeting.

Dated this 18/10 day of 2016



Ingrid Green (Committee Member)