

The Committee
Dressage NSW Incorporated
PO Box 372
Richmond NSW 2753

Ref: DRESNS SJL

29th November 2016

Dear Sir/Madam,

MANAGEMENT LETTER

We have completed our audit for the financial year ended 30th June 2016.

Our review of the financial books and records did not uncover any material errors or omissions.

Our audit procedures are designed primarily to enable us to form an opinion on the financial statements as a whole, and therefore may not expose errors or weaknesses that may exist in terms of internal controls, procedures and any systems in place. The Committee is responsible to maintain an adequate structure of internal control as the principal safeguard against irregularities which an audit examination may not disclose.

We would like to thank Trish for his assistance and co-operation provided during the audit.

Should you have any queries with this audit engagement then please do not hesitate to contact Mr Steve Luck on (02)4722 3066 or mobile 0416 261 073.

Yours faithfully
ROSS FOWLER & CO.





DRESSAGE
NEW SOUTH WALES

DRESSAGE NSW INCORPORATED

FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2016.

DRESSAGE NSW INCORPORATED**ABN: 97 482 552 442****INCOME STATEMENT FOR THE YEAR ENDED JUNE 30, 2016**

	Note	<u>2016</u> \$	<u>2015</u> \$
CLASSIFICATION OF EXPENSES BY NATURE			
Revenues		882,285.07	969,685
Depreciation and amortisation expenses		-13,946.00	-16,122
Publication costs		-28,063.90	-25,548
Other expenses		<u>-803,998.27</u>	<u>-890,633</u>
Profit/-loss before income tax		36,276.90	37,382
Income tax expense relating to ordinary activities	1(a)	<u>0.00</u>	<u>0</u>
Net profit/-loss from ordinary activities after income tax expense attributable to the Association		<u>36,276.90</u>	<u>37,382</u>
Profit/-loss from operation		<u><u>36,276.90</u></u>	<u><u>37,382</u></u>

The accompanying Notes form part of the Financial Report.

DRESSAGE NSW INCORPORATED
ABN: 97 482 552 442

BALANCE SHEET AS AT JUNE 30, 2016

	Note	<u>2016</u> \$	<u>2015</u> \$
CURRENT ASSETS			
Cash Assets	2	321,426.12	266,313
Receivables	3	19,683.11	33,739
Inventories	4	4,592.74	2,747
TOTAL CURRENT ASSETS		<u>345,701.97</u>	<u>302,799</u>
NON-CURRENT ASSETS			
Property, Plant and Equipment	5	<u>52,928.36</u>	<u>66,874</u>
TOTAL NON-CURRENT ASSETS		<u>52,928.36</u>	<u>66,874</u>
TOTAL ASSETS		<u>398,630.33</u>	<u>369,673</u>
CURRENT LIABILITIES			
Payables	6	<u>28,023.55</u>	<u>35,343</u>
TOTAL CURRENT LIABILITIES		<u>28,023.55</u>	<u>35,343</u>
TOTAL LIABILITIES		<u>28,023.55</u>	<u>35,343</u>
NET ASSETS		<u>370,606.78</u>	<u>334,330</u>
EQUITY			
Retained Profits		<u>370,606.78</u>	<u>334,330</u>
TOTAL EQUITY		<u>370,606.78</u>	<u>334,330</u>

The accompanying Notes form part of the Financial Report.

DRESSAGE NSW INCORPORATED
ABN: 97 482 552 442

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2016

	RESERVES	RETAINED SURPLUS	RETAINED SURPLUS
	\$	\$	\$
Balance as at July 1, 2014	<u>13,920</u>	<u>283,028.37</u>	<u>296,948.37</u>
Surplus/(Deficit) attributable to the Association	0	37,381.51	37,381.51
Total comprehensive income for the year	<u>0</u>	<u>37,381.51</u>	<u>37,381.51</u>
Balance as at June 30, 2015	13,920	320,409.88	334,329.88
Surplus/(Deficit) attributable to the Association	0	36,276.90	36,276.90
Total comprehensive income for the year	<u>0</u>	<u>36,276.90</u>	<u>36,276.90</u>
Balance as at June 30, 2016	<u>13,920</u>	<u>356,686.78</u>	<u>370,606.78</u>

The accompanying Notes form part of the Financial Report.

DRESSAGE NSW INCORPORATED
ABN: 97 482 552 442

CASH FLOWS STATEMENT FOR THE YEAR ENDED JUNE 30, 2016

	Note	<u>2016</u> \$	<u>2015</u> \$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Cash receipts in the course of operations		865,180.06	954,595
Receipts from sale of Publications		11,720.93	9,692
Cash payments in the course of operations		-827,171.95	-920,324
Interest received		5,384.08	5,397
Payment of income tax		<u>0.00</u>	<u>0</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	8(b)	<u>55,113.12</u>	<u>49,360</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Fixed asset purchases		0.00	0
Proceeds on sale of fixed assets		<u>0.00</u>	<u>0</u>
NET CASH PROVIDED/-USED IN INVESTING ACTIVITIES		<u>0.00</u>	<u>0</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Repayment of borrowings		0.00	0
Proceeds from borrowings		<u>0.00</u>	<u>0</u>
NET CASH USED IN FINANCNG ACTIVITIES		<u>0.00</u>	<u>0</u>
Net increase/-decrease in cash held		55,113.12	49,360
Cash at beginning of the financial year		<u>266,313.00</u>	<u>216,953</u>
CASH AT THE END OF THE FINANCIAL YEAR	8(a)	<u>321,426.12</u>	<u>266,313</u>

The accompanying Notes form part of the Financial Report.

DRESSAGE NSW INCORPORATED

ABN: 97 482 552 442

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

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporations Act NSW.

The financial report covers Dressage NSW Incorporated as an individual entity. Dressage NSW Incorporated is an association incorporated in New South Wales under the Associations Incorporations Act 1984.

The financial report of Dressage NSW Incorporated as an individual entity complies with all Australian equivalents to International Financial Standards (IFRS) in their entirety.

The following is a summary of the material accounting policies by the Association in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

a) INCOME TAX

The Association adopts the liability method of tax-effect accounting whereby the income tax expense shown in the statement of financial performance is based on the profit from ordinary activities before income tax adjusted for any permanent differences.

Non-member income of the association is only assessable for tax, as member income is excluded under the principle of mutuality.

b) INVENTORIES

Inventories consist of merchandise and are measured at the lower of cost and net realisable value. Costs are assigned on a specific identification basis and include direct costs and appropriate overhead, if any.

c) PROPERTY, PLANT and EQUIPMENT

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

- PLANT and EQUIPMENT

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by the Association to ensure it is not in excess of the recoverable amount 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.

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

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- DEPRECIATION

The depreciable amount of all fixed assets are depreciated on a straight line basis over the useful lives of the assets to the association commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

<u>Class of Non-Current Asset</u>	<u>Depreciation Rate</u>
Leasehold Improvements	10% -20%
Plant and office equipment	11.25% - 30%

d) INVESTMENTS

The carrying amount of investments is reviewed annually by directors to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed from the quoted market value for shares in listed companies. The expected net cash flows from investments have not been discounted to their present value in determining the recoverable amounts.

e) EMPLOYEE ENTITLEMENTS

Provision is made for the association's liability for employee entitlements 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 their nominal amount. 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 for an employee superannuation fund and are charged as expenses when incurred. The entity has no legal obligation to provide benefits to employees on retirement.

f) CASH

For the purposes of the Statement of Cash Flows, cash includes cash on hand, at banks and on deposit.

g) GOODS AND SERVICES TAX

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

Receivables and payables in the Statement of Financial Position are stated with the amount of GST excluded.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a net basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

DRESSAGE NSW INCORPORATED**ABN: 97 482 552 442****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016**

	<u>2016</u>	<u>2015</u>
	\$	\$
<u>NOTE 2. CASH AND CASH EQUIVALENT</u>		
Cash on hand	550.00	250
Westpac Banking Corporation	<u>320,876.12</u>	<u>266,063</u>
	<u>321,426.12</u>	<u>266,313</u>
<u>NOTE 3. RECEIVABLES</u>		
Debtors	1,131.82	21,294
Prepayments	16,579.29	12,445
Refundable current tax assets	<u>1,972.00</u>	<u>0</u>
	<u>19,683.11</u>	<u>33,739</u>
<u>NOTE 4. INVENTORIES</u>		
Stock on hand - Merchandise	<u>4,592.74</u>	<u>2,747</u>
<u>NOTE 5. PROPERTY, PLANT AND EQUIPMENT</u>		
Plant and equipment - at cost	36,595.00	36,595
Less: Accumulated depreciation	<u>36,465.00</u>	<u>35,693</u>
	<u>130.00</u>	<u>902</u>
Buildings & improvements Leasehold-at valuation & cost	42,248.00	42,248
Less: Accumulated depreciation	<u>42,248.00</u>	<u>41,993</u>
	<u>0.00</u>	<u>255</u>
Clarendon Development Arenas Leasehold- at cost	176,550.00	176,550
Less: Accumulated amortisation	<u>123,752.00</u>	<u>110,833</u>
	<u>52,798.00</u>	<u>65,717</u>
Total Property, Plant and Equipment	<u>52,928.00</u>	<u>66,874</u>

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

	<u>2016</u>	<u>2015</u>
	\$	\$
<u>NOTE 6. PAYABLES</u>		
Members subscriptions & joining fees in advance	7,250.17	4,519
Competition - other in advance	12,293.38	10,639
Sydney CDI fees in advance	0.00	6,499
Young Rider Championships in advance	6,280.00	647
Creditors, accruals and sundry income in advance	2,200.00	5,514
GST Clearing account	0.00	7,525
	<u>28,023.55</u>	<u>35,343</u>

NOTE 7. AUDITORS REMUNERATION

Auditing fees	<u>2,200.00</u>	<u>1,635</u>
---------------	-----------------	--------------

NOTE 8. CASH FLOW INFORMATION

a) RECONCILIATION OF CASH

Cash on hand and at bank	<u>321,426.12</u>	<u>266,313</u>
--------------------------	-------------------	----------------

b) RECONCILIATION OF NET CASH PROVIDED BY
OPERATING ACTIVITIES TO PROFIT/-LOSS
FROM ORDINARY ACTIVITIES AFTER
INCOME TAX: -

Profit/-loss from ordinary activities after income tax	36,276.90	37,382
Non-cash flows in profit from ordinary activities:		
Depreciation and amortisation	13,946.00	16,122
Net loss on disposal of plant and equipment	0.00	0
Changes in assets and liabilities:		
- Increase/decrease in receivables	14,055.63	-10,765
- Increase/decrease in inventories	-1,845.74	3,833
- Decrease/increase in payables	<u>-7,319.67</u>	<u>2,788</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>55,113.12</u>	<u>49,360</u>

The Association has no credit stand-by or financing facilities in place.

There were no non-cash financing or investing activities during the year.

DRESSAGE NSW INCORPORATED

ABN: 97 482 552 442

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

NOTE 9. FINANCIAL INSTRUMENTS

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 the assets, net of any provision for doubtful debts, as disclosed in the Statement of Financial Position and Notes to the Financial Statements.

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

NET FAIR VALUES

The net fair value of assets and liabilities approximates their carry 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 principal 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 Statement of Financial Position and in the Notes to the Financial Statement.

NOTE 10. PRINCIPAL ACTIVITIES

The principal activities of the association during the financial year were:

- to provide social facilities to members of the association; and
- to promote, hold and/or assist in holding exhibitions (including competitions, tests, demonstrations of performance and other displays) of Dressage.

NOTE 11. SIGNIFICANT CHANGES

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

NOTE 12. OPERATING RESULT

The profit after providing for depreciation and amortisation amounts to \$36,276.90

NOTE 13. EVENTS SUBSEQUENT TO BALANCE DATE

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect significantly the operations of the Association, the results of those operations, or the state of affairs of the Association in subsequent financial years.

NOTE 14. SEGMENT REPORTING

The Association operates predominantly in one business and geographical segment, being in the leisure sector providing social facilities to Members of the Association.

STATEMENT BY MEMBERS OF THE COMMITTEE

In the opinion of the committee the financial report as set out on pages 1 to 9:

1. Presents fairly the financial position of Dressage NSW Incorporated as at June 30, 2016 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.
2. At the date of this statement, there are reasonable grounds to believe that Dressage NSW Incorporated 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:

Honorary Secretary & Public Officer:
T. Venhaus



Honorary Treasurer:
S. Doyle



November 29 , 2016.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
DRESSAGE NSW INCORPORATED
ABN 97 482 552 442**

Scope

The Financial Report and Committee's Responsibility

The financial report comprises the statement of financial position, income and expenditure statement, accompanying notes to the financial statements, and the statement by members of the committee for Dressage NSW Incorporated (the association), for the year ended 30 June 2016.

The committee of the association is responsible for the preparation and true and fair presentation of the financial report and have determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are consistent with the financial reporting requirements of the Associations Incorporations Act and are appropriate to meet the needs of the members. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the committee's financial reporting requirements under the Associations Incorporations Act. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

Audit Approach

We conducted an independent audit in order to express an opinion to the members of the association. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the accounting policies as described in Note 1, so as to present a view which is consistent with our understanding of the company's financial position. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia. No opinion is expressed as to whether the accounting policies used, and described in Note 1, are appropriate for the needs of the members.

We formed our audit opinion on the basis of these procedures, which included:

examining, on a test basis, information to provide evidence supporting the amounts and -disclosures in the financial report, and

assessing the appropriateness of the accounting policies and disclosures used and the -reasonableness of significant accounting estimates made by the committee.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.



Chartered Accountants



COVER OF EXCELLENCE

DRESSAGE NSW INCORPORATED
ABN 97 482 552 442

AUDITORS REPORT to the MEMBERS (cont)

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In our opinion, the financial report of Dressage NSW Incorporated presents a true and fair view in accordance with the accounting policies described in Note 1 to the financial statements, the financial position of Dressage NSW Incorporated as at 30 June 2016 and the results of its operations for the year then ended.

Name of Firm: Ross Fowler & Co
Chartered Accountants



R B Fowler
Registered Company Auditor 01810

Address: 11 Tindale Street Penrith NSW 2750

Dated this 29th day of November 2016

Liability limited by a scheme approved under Professional Standards Legislation.

**COMPILATION REPORT
TO DRESSAGE NSW INCORPORATED
ABN 97 482 552 442****Scope**

On the basis of information provided by the Committee of Management of Dressage NSW Incorporated, we have compiled, in accordance with APS 9: Statement on Compilation of Financial Reports the general purpose financial report of Dressage NSW Incorporated for the year ended 30 June 2016.


The Committee of Management is solely responsible for the information contained in the general purpose financial report and has determined that the accounting policies used are consistent with the financial reporting requirements of the Association's Constitution and are appropriate to meet the needs of the Committee of Management for the purposes of complying with the Association's Constitution.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the Committee of Management provided into a financial report. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than the Association, may suffer arising from any negligence on our part. No person should rely on the general purpose financial report without having an audit or review conducted.

The general purpose financial report was prepared exclusively for the benefit of the Association and the purpose identified above. We do not accept responsibility to any other person for the contents of the general purpose financial report.

Name of Firm: Ross Fowler & Co
Chartered Accountants



R B Fowler

Address: 11 Tindale Street Penrith NSW 2750

Dated this 29th day of November 2016

Liability limited by a scheme approved under Professional Standards Legislation.

DRESSAGE NSW INCORPORATED**ABN: 97 482 552 442****INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED JUNE 30 2016**

	<u>2016</u>	<u>2015</u>
	\$	\$
<u>REVENUE</u>		
Competition entry fees	223,471.48	150,178.87
Donations - General	941.82	959.51
EFA support contributions	13,000.00	13,000.00
Funding & Grants - other	24,800.00	13,164.80
Interest received	5,384.08	5,397.30
Judges Seminars & Workshops	25,783.50	7,950.00
Membership subscriptions	42,660.55	41,282.75
National Championships 2013	0.00	172.73
National Championships 2014	0.00	274,558.27
Newsletter subscriptions and income	11,720.93	9,691.85
Rider Clinics	127.27	3,056.37
Sale of member merchandise	307.60	-322.34
State Championships 2013	0.00	205.46
State Championships 2014	0.00	90,525.12
State Championships 2015	121,438.05	0.00
Sydney CDI 2014	0.00	0.00
Sydney CDI 2015	0.00	-145.45
Sydney CDI 2016	383,178.04	360,009.51
Young Rider Championships 2015	29,471.75	0.00
	<u>882,285.07</u>	<u>969,684.75</u>
TOTAL INCOME	<u>882,285.07</u>	<u>969,684.75</u>

This report is to be read in conjunction with the attached compilation report.

DRESSAGE NSW INCORPORATED
ABN: 97 482 552 442

INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED JUNE 30 2016

<u>EXPENDITURE</u>	<u>2016</u>	<u>2015</u>
	\$	\$
Amortisation - Clarendon Development	12,919.00	12,919.00
Audit & Accountancy	2,525.38	1,635.00
Bank charges	1,697.22	2,400.82
Committee Meeting expenses	3,805.89	5,057.31
Competition expenses	188,892.19	119,144.93
Depreciation - Buildings	255.00	954.00
Depreciation - Plant and equipment	772.00	2,249.00
Donations/Fundraising/Gifts	3,400.32	0.00
Grants training - Judges, Officials & other	36,986.01	14,082.35
Insurance	5,831.82	5,531.82
Judges Seminars & Workshops	14,202.07	8,771.93
Licenses, fees & subscriptions	127.98	789.00
Member merchandise purchases	-583.18	4,333.00
National Championships 2013	0.00	-615.00
National Championships 2014	-550.00	260,610.98
Newsletter	28,063.90	25,548.41
Postage, printing & stationery	2,585.51	4,302.06
Rider & team support	1,642.66	11,341.99
Rider Clinics	5,785.32	3,607.10
Secretarial - general	16,274.58	15,651.41
State Championships 2013	0.00	-610.00
State Championships 2014	-370.00	89,812.65
State Championships 2015	116,220.10	0.00
Sydney CDI 2014	145.00	-2,249.09
Sydney CDI 2015	-870.00	346,892.92
Sydney CDI 2016	383,281.46	0.00
Swabbing fees	349.00	-4,000.00
Telephone, fax & internet	1,630.44	2,549.65
Test sheets and rule books	0.00	72.73
Wreaths & floral tributes	0.00	1,519.27
Young Rider Championships 2015	20,988.50	0.00
TOTAL EXPENDITURE	<u>846,008.17</u>	<u>932,303.24</u>
Profit from ordinary activities before income tax	<u>36,276.90</u>	<u>37,381.51</u>
Income tax revenue relating to ordinary activities	0.00	0.00
Net profit attributable to the Association	<u>36,276.90</u>	<u>37,381.51</u>
Total changes in equity of the Association	<u>36,276.90</u>	<u>37,381.51</u>
Opening retained profits	320,409.88	283,028.37
Net profit attributable to the Association	36,276.90	37,381.51
Closing retained profits	<u>356,686.78</u>	<u>320,409.88</u>

The accompanying notes form part of these financial statements.
This report is to be read in conjunction with the attached compilation report.