



DRESSAGE
NEW SOUTH WALES

DRESSAGE NSW INCORPORATED

FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2014.

DRESSAGE NSW INCORPORATED**ABN: 97 482 552 442****INCOME STATEMENT FOR THE YEAR ENDED JUNE 30, 2014**

| | Note | <u>2014</u> \$ | <u>2013</u> \$ |
|---|-------------|--------------------------|--------------------------|
| CLASSIFICATION OF EXPENSES BY NATURE | | | |
| Revenues | | 903,970 | 882,792 |
| Depreciation and amortisation expenses | | -16,967 | -18,341 |
| Publication costs | | -26,810 | -25,809 |
| Other expenses | | <u>-874,078</u> | <u>-875,847</u> |
| Profit/-loss before income tax | | -13,885 | -37,205 |
| Income tax expense relating to ordinary activities | 1(a) | <u>0</u> | <u>0</u> |
| Net profit/-loss from ordinary activities after income tax expense attributable to the Association | | <u>-13,885</u> | <u>-37,205</u> |
| Profit/-loss from operation | | <u><u>-13,885</u></u> | <u><u>-37,205</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, 2014

| | Note | <u>2014</u> \$ | <u>2013</u> \$ |
|----------------------------------|-------------|--------------------------|--------------------------|
| CURRENT ASSETS | | | |
| Cash Assets | 2 | 216,953 | 238,935 |
| Receivables | 3 | 22,974 | 13,800 |
| Inventories | 4 | 6,580 | 4,195 |
| TOTAL CURRENT ASSETS | | <u>246,507</u> | <u>256,930</u> |
| NON-CURRENT ASSETS | | | |
| Property, Plant and Equipment | 5 | <u>82,996</u> | <u>99,963</u> |
| TOTAL NON-CURRENT ASSETS | | <u>82,996</u> | <u>99,963</u> |
| TOTAL ASSETS | | <u>329,503</u> | <u>356,893</u> |
| CURRENT LIABILITIES | | | |
| Payables | 6 | <u>32,555</u> | <u>46,060</u> |
| TOTAL CURRENT LIABILITIES | | <u>32,555</u> | <u>46,060</u> |
| TOTAL LIABILITIES | | <u>32,555</u> | <u>46,060</u> |
| NET ASSETS | | <u>296,948</u> | <u>310,833</u> |
| EQUITY | | | |
| Retained Profits | | <u>296,948</u> | <u>310,833</u> |
| TOTAL EQUITY | | <u>296,948</u> | <u>310,833</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, 2014

| | <u>2014</u> | <u>2013</u> |
|--|-----------------------|-----------------------|
| | \$ | \$ |
| Balance July 1, 2013 | 296,913 | 334,118 |
| Profit/-loss attributable to Association | <u>-13,885</u> | <u>-37,205</u> |
| Balance June 30, 2014 | <u>283,028</u> | <u>296,913</u> |

The accompanying Notes form part of the Financial Report.

CASH FLOWS STATEMENT FOR THE YEAR ENDED JUNE 30, 2014

| | Note | <u>2014</u> | <u>2013</u> |
|--|-------------|--------------------|--------------------|
| | | \$ | \$ |
| <u>CASH FLOWS FROM OPERATING ACTIVITIES</u> | | | |
| Cash receipts in the course of operations | | 883,659 | 862,292 |
| Receipts from sale of Publications | | 14,527 | 14,722 |
| Cash payments in the course of operations | | -926,452 | -907,825 |
| Interest received | | 6,284 | 5,778 |
| Payment of income tax | | <u>0</u> | <u>0</u> |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | 8(b) | <u>-21,982</u> | <u>-25,033</u> |
| <u>CASH FLOWS FROM INVESTING ACTIVITIES</u> | | | |
| Fixed asset purchases | | 0 | -726 |
| Proceeds on sale of fixed assets | | <u>0</u> | <u>0</u> |
| NET CASH PROVIDED/-USED IN INVESTING ACTIVITIES | | <u>0</u> | <u>-726</u> |
| <u>CASH FLOWS FROM FINANCING ACTIVITIES</u> | | | |
| Repayment of borrowings | | 0 | 0 |
| Proceeds from borrowings | | <u>0</u> | <u>0</u> |
| NET CASH USED IN FINANCNG ACTIVITIES | | <u>0</u> | <u>0</u> |
| Net increase/-decrease in cash held | | -21,982 | -25,759 |
| Cash at beginning of the financial year | | <u>238,935</u> | <u>264,694</u> |
| CASH AT THE END OF THE FINANCIAL YEAR | 8(a) | <u>216,953</u> | <u>238,935</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, 2014

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, 2014

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014

| | <u>2014</u> | <u>2013</u> |
|--|----------------|----------------|
| | \$ | \$ |
| <u>NOTE 2. CASH ASSETS</u> | | |
| Cash on hand | 685 | 200 |
| Westpac Banking Corporation | <u>216,268</u> | <u>238,735</u> |
| | <u>216,953</u> | <u>238,935</u> |
| | | |
| <u>NOTE 3. RECEIVABLES</u> | | |
| Debtors | 200 | 400 |
| Prepayments | 14,051 | 13,400 |
| Refundable current tax assets | <u>8,723</u> | <u>0</u> |
| | <u>22,974</u> | <u>13,800</u> |
| | | |
| <u>NOTE 4. INVENTORIES</u> | | |
| Stock on hand - Merchandise | <u>6,580</u> | <u>4,195</u> |
| | | |
| <u>NOTE 5. PROPERTY, PLANT AND EQUIPMENT</u> | | |
| Plant and equipment - at cost | 36,595 | 36,595 |
| Less: Accumulated depreciation | <u>33,444</u> | <u>31,195</u> |
| | <u>3,151</u> | <u>5,400</u> |
| | | |
| Buildings & improvements Leasehold-at valuation & cost | 42,248 | 42,248 |
| Less: Accumulated depreciation | <u>41,039</u> | <u>39,240</u> |
| | <u>1,209</u> | <u>3,008</u> |
| | | |
| Clarendon Development Arenas Leasehold- at cost | 176,550 | 176,550 |
| Less: Accumulated amortisation | <u>97,914</u> | <u>84,995</u> |
| | <u>78,636</u> | <u>91,555</u> |
| | | |
| Total Property, Plant and Equipment | <u>82,996</u> | <u>99,963</u> |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014

| | 2014 | 2013 |
|--|---------------|---------------|
| | \$ | \$ |
| NOTE 6. PAYABLES | | |
| Members subscriptions & joining fees in advance | 5,837 | 7,418 |
| Competition - other in advance | 2,077 | 0 |
| National Championships fees in advance | 2,105 | 10,500 |
| State Championships fees in advance | 13,000 | 1,000 |
| Sydney CDI fees in advance | 5,159 | 0 |
| Rider Clinics fees in advance | 1,885 | 8,492 |
| Young Rider Championships in advance | 0 | 5,808 |
| Creditors, accruals and sundry income in advance | 2,492 | 7,449 |
| GST Clearing account | 0 | 5,393 |
| | <u>32,555</u> | <u>46,060</u> |

NOTE 7. AUDITORS REMUNERATION

| | | |
|---------------|--------------|--------------|
| Auditing fees | <u>1,700</u> | <u>1,700</u> |
|---------------|--------------|--------------|

NOTE 8. CASH FLOW INFORMATION

| | | |
|---|----------------|----------------|
| a) RECONCILIATION OF CASH | | |
| Cash on hand and at bank | <u>216,953</u> | <u>238,935</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 | -13,885 | -37,205 |
| Non-cash flows in profit from ordinary activities: | | |
| Depreciation and amortisation | 16,967 | 18,341 |
| Net loss on disposal of plant and equipment | 0 | 0 |
| Changes in assets and liabilities: | | |
| - Increase/decrease in receivables | -9,174 | 3,429 |
| - Increase/decrease in inventories | -2,385 | -115 |
| - Decrease/increase in payables | <u>-13,505</u> | <u>-9,483</u> |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | <u>-21,982</u> | <u>-25,033</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, 2014

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 loss after providing for depreciation and amortisation amounts to \$14,385.16

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, 2014 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:

Honorary Treasurer:

November 18, 2014

DRESSAGE NSW INCORPORATED

ABN: 97 482 552 442

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
DRESSAGE NSW INCORPORATED**

SCOPE

We have audited the financial report of Dressage NSW Incorporated for the year ended June 30, 2014 as set out on pages 1 to 10. The Committee is responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members.

AUDIT APPROACH

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements so as to present a view which is consistent with our understanding of the association's financial position and performance as represented by the results of its operations and its cash flows.

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

INDEPENDENCE

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

AUDIT OPINION

In our opinion, the financial report presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements the financial position of Dressage NSW Incorporated as at June 30, 2014 and the results of its operations and its cash flows for the year then ended.

D Scott & Associates
Chartered Accountants

Stephen Yu
Registered Company Auditor
Blacktown – November 18, 2014.

Liability limited by a scheme approved under Professional Standards Legislation

DRESSAGE NSW INCORPORATED

ABN: 97 482 552 442

COMPILATION REPORT TO DRESSAGE NSW INCORPORATED

Scope

On the basis of the information provided by the Committee of Management of Dressage NSW Incorporated we have compiled, in accordance with APS 9 Statement of Compilation of Financial Reports the special purpose financial report of Dressage NSW Incorporated for the period ended June 30, 2014 comprising the attached Income and Expenditure Statement.

The specific purpose for which the special purpose financial report has been prepared is to provide financial information to the members. Accounting Standards and other mandatory professional reporting requirements have not been adopted in the preparation of the special purpose financial report.

The Committee of Management is solely responsible for the information contained in the special 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 of 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 special purpose financial report without having an audit or review conducted.

The special purpose financial report was prepared 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 special purpose financial report.

D Scott & Associates
Chartered Accountants

Blacktown – November 18, 2014.

DRESSAGE NSW INCORPORATED**ABN: 97 482 552 442****INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED JUNE 30 2014**

| | <u>2014</u> | <u>2013</u> |
|-------------------------------------|-------------------|-------------------|
| | \$ | \$ |
| <u>REVENUE</u> | | |
| Competition entry fees | 96,892.98 | 81,257.54 |
| Donations - General | 0.00 | 0.00 |
| EFA support contributions | 13,000.00 | 13,000.00 |
| Funding & Grants - other | 4,021.19 | 4,000.00 |
| Interest received | 6,283.58 | 5,777.85 |
| Judges Seminars & Workshops | 17,207.61 | 18,004.59 |
| Membership subscriptions | 34,021.38 | 37,152.84 |
| National Championships 2012 | 0.00 | 248,613.08 |
| National Championships 2013 | 248,884.98 | 0.00 |
| Newsletter subscriptions and income | 14,527.27 | 14,721.83 |
| Pony Championships 2012 | 0.00 | 23,218.44 |
| Rider Clinics | 1,926.36 | 19,044.11 |
| Sale of member merchandise | -533.77 | 910.02 |
| State Championships 2012 | 0.00 | 93,751.80 |
| State Championships 2013 | 102,242.61 | 0.00 |
| Sydney CDI 2012 | 0.00 | 264.91 |
| Sydney CDI 2013 | 48.18 | 285,297.59 |
| Sydney CDI 2014 | 313,205.43 | 0.00 |
| Young Rider Championships 2011 | 0.00 | 213.64 |
| Young Rider Championships 2012 | 0.00 | 37,563.85 |
| Young Rider Championships 2013 | 52,741.82 | 0.00 |
| | <u>904,469.62</u> | <u>882,792.09</u> |
| TOTAL INCOME | 904,469.62 | 882,792.09 |

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 2014**

| EXPENDITURE | 2014 | 2013 |
|--|-------------------|-------------------|
| | \$ | \$ |
| Amortisation - Clarendon Development | 12,919.00 | 12,919.00 |
| Audit & Accountancy | 1,700.00 | 1,700.00 |
| Bank charges | 2,878.03 | 5,431.74 |
| Committee Meeting expenses | 3,166.71 | 3,563.33 |
| Competition expenses | 85,767.16 | 83,573.55 |
| Depreciation - Buildings | 1,799.00 | 3,360.00 |
| Depreciation - Plant and equipment | 2,249.00 | 2,062.00 |
| Donations | 0.00 | 0.00 |
| Grants training - Judges, Officials & other | 7,701.16 | 4,755.00 |
| Insurance | 4,992.58 | 6,388.39 |
| Judges Seminars & Workshops | 12,755.95 | 18,556.06 |
| Licenses, fees & subscriptions | 508.36 | 662.99 |
| Member merchandise purchases | -3,329.00 | 0.00 |
| National Championships 2011 | 450.00 | 895.45 |
| National Championships 2012 | 586.36 | 238,871.96 |
| National Championships 2013 | 250,080.84 | 0.00 |
| Newsletter | 26,809.73 | 25,808.55 |
| Pony Championships 2012 | 0.00 | 23,308.21 |
| Postage, printing & stationery | 2,927.75 | 7,088.81 |
| Rider & team support | 8,195.18 | 3,790.29 |
| Rider Clinics | 7,297.67 | 31,124.58 |
| Secretarial - general | 15,445.48 | 24,335.21 |
| State Championships 2012 | 0.00 | 89,649.46 |
| State Championships 2013 | 102,370.47 | 0.00 |
| Sydney CDI 2012 | 600.00 | 3,838.48 |
| Sydney CDI 2013 | 1,906.52 | 286,235.00 |
| Sydney CDI 2014 | 306,956.87 | 0.00 |
| Swabbing fees | 4,170.37 | 66.35 |
| Telephone, fax & internet | 1,418.33 | 2,173.26 |
| Test sheets and rule books | 68.05 | 1,008.36 |
| Wreaths & floral tributes | 1,915.92 | 1,330.30 |
| Young Rider Championships 2012 | 0.00 | 37,500.74 |
| Young Rider Championships 2013 | 54,047.29 | 0.00 |
| TOTAL EXPENDITURE | 918,354.78 | 919,997.07 |
| Profit from ordinary activities before income tax | -13,885.16 | -37,204.98 |
| Income tax revenue relating to ordinary activities | 0.00 | 0.00 |
| Net profit attributable to the Association | -13,885.16 | -37,204.98 |
| Total changes in equity of the Association | -13,885.16 | -37,204.98 |
| Opening retained profits | 296,913.53 | 334,118.51 |
| Net profit attributable to the Association | -13,885.16 | -37,204.98 |
| Closing retained profits | 283,028.37 | 296,913.53 |

The accompanying notes form part of these financial statements.

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