

The Director(s)
DISABILITY RECREATION & SPORTS SA
C/. RAWSON VERCO NEED
38 Greenhill Road
WAYVILLE SA 5034

COPY

Dear Directors,

DISABILITY RECREATION & SPORTS SA – AUDIT 2017

I wish to advise that the audit of the **DISABILITY RECREATION & SPORTS SA** for the year ended 30 June 2017 has recently been completed.

Attach to this letter you can find the following:

- ✓ Audit Management Letter;
- ✓ Audit Engagement Letter;
- ✓ Representation Letter to your Auditors;
- ✓ Special Purposes Financial Statements as at 30 June 2017;
- ✓ Auditors' Report for period ending 30 June 2017;
- ✓ Auditors' Independent Declaration
- ✓ Auditors' Professional Fees.

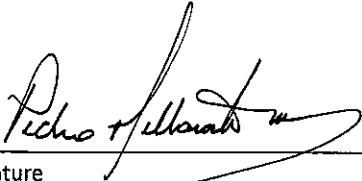
Please, read very carefully each document and if you are satisfied with them; "Sign" where indicated.

After that, forward to us all "signed" documents as soon as practical, so we can finalize the audit process: "signing the Auditor(s) Report in your Special Purpose Financial Statements" and will forward to you our audit findings and recommendations to you in our Audit Management Letter 2017.

Should you wish to discuss the above, please do not hesitate to contact me on M: 0433 780 336.

Yours sincerely,

Pedro Villacorta-Morote
Auditor



Signature

Dated in Adelaide on the 14 November 2017

The Director(s)
DISABILITY RECREATION & SPORTS SA
C/. RAWSON VERCO NEED
38 Greenhill Road
WAYVILLE SA 5034

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Dear Sir(s),

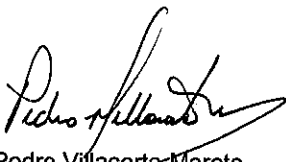
AUDIT MANAGEMENT LETTER

I wish to advise that the audit of the **DISABILITY RECREATION & SPORTS SA** for the year ended 30 June 2017 has recently been completed.

- Auditors are encouraged by ASIC and the Australian Taxation Office (ATO) to issue management letters at the completion of each audit as a means of advising the directors and management of any matters noted during the course of the audit.
- My audit work involves examination on a test basis of evidence supporting the amounts and other disclosures in the association's financial report, in order to form an opinion as to whether in all material respects the financial report is fairly stated in accordance with the accounting policies described in the notes thereto.
- Further, my audit work involves examination again on a test basis, of evidence supporting compliance with certain requirements of the Associations Incorporation Act 1985 (SA) and Regulations.
- I advise that, I have not encountered any material matters or breach during the course of the audit that I believe should be brought to your attention.

Should you wish to discuss the above, please do not hesitate to contact me at this office.

Yours sincerely,



Pedro Villacorta-Morote
Director

Dated in: Adelaide on the 14 November 2017

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Disability Recreation & Sports SA

**Financial statements
For the year ended 30 June 2017**

Disability Recreation & Sports SA

Contents

For the year ended 30 June 2017

Report of the Board	1
Income statement	2
Balance sheet	3
Notes to the financial statements	4
Independent audit report	7

Disability Recreation & Sports SA

Report of the Board

For the year ended 30 June 2017

The Board reports that:

(a) during the year ended 30 June 2017, no officer of the Association, firm of which the officer is a member, or body corporate in which the officer has a substantial financial interest, has received or become entitled to receive a benefit as a result of a contract between the officer firm or body corporate and the Association:

(b) during the year ended 30 June 2017, no officer of the Association has received directly or indirectly From the Association any payment or other benefit of a pecuniary value, except for the reimbursement of expenses incurred on behalf of the Association.

STATEMENT BY OFFICERS OF THE ASSOCIATION

The officers of the Association have determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Officers of the Association:

- (a) The accompanying financial report has been drawn up so as to present fairly the results of operations of Wheelchair Sports Association of South Australia Inc for the year ended 30 June 2017 and the state of affairs as at that date;
- (b) the attached financial statements and notes thereto comply with the Australian Charities and Not-for-profits Commission Act 2012, the Accounting Standards as described in note 1 to the financial statements, the Australian Charities and Not-for-profits Commission Regulation 2013 and other mandatory professional reporting requirements;
- (c) the attached financial statements and notes thereto give a true and fair view of the Association's financial position as at 30 June 2017 and of its performance for the financial year ended on that date; and
- (d) there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board made pursuant to section 60.15 (2) of the Australian Charities and Not-for-profits Commission Regulation 2013.



Board Member

19-11-17
Dated



Board Member

23-11-17
Dated

Disability Recreation & Sports SA

Income statement

For the year ended 30 June 2017

	2017	2016
	\$	\$
Income		
Sports & Recreation	27,395	31,518
Fundraising	405,100	538,920
Membership Income	2,350	2,114
Wheelie Net Income	32,246	34,259
Grants Received	158,750	165,561
Donations & Bequeths	275,996	63,500
Interest Received	783	1,323
Miscellaneous Income	23,871	30,947
Expense Recovery	82,659	32,791
	1,009,151	900,933
Expenses		
Accountancy, Audit & Legal Fees	5,510	5,192
Administration Expenses	336,437	105,175
Bank Charges	2,453	3,032
Computer & IT Expenses	2,741	4,552
Consultancy Fees	2,739	14,510
Depreciation	7,047	9,005
Fundraising Expenses	267,210	388,995
Grants Provided	8,306	28,500
Insurance	18,524	18,244
Interest Paid	4,409	5,212
Postage, Photocopying Printing & Stationery	29,021	41,047
Repairs & Maintenance	1,799	4,751
Sponsorship Provided	-	36,364
Sports & Recreation	167,838	99,843
Subscriptions	13,053	13,050
Telephone & Internet	16,711	21,193
Wages	-	191,201
Wheelie Net Expenses	16,684	12,882
	900,483	1,002,748
Net profit (loss)	108,668	(101,815)
Retained earnings at the beginning of the financial year	69,135	170,950
Retained earnings at the end of the financial year	177,803	69,135

The accompanying notes form part of these financial statements.

These statements should be read in conjunction with the attached compilation report of Rawson Verco Need Pty Ltd Accountants.

Disability Recreation & Sports SA

Balance sheet

For the year ended 30 June 2017

	2017 \$	2016 \$
Current assets		
Cash on Hand	350	350
Cash at Bank	295,298	81,755
Trade Receivables	24,432	52,276
GST Paid	1,763	5,099
Inventory	-	764
Total current assets	321,844	140,244
Non-current assets		
Property, plant and equipment	27,330	34,377
Total non-current assets	27,330	34,377
Total assets	349,174	174,621
Current liabilities		
Trade Creditors	10,361	9,179
Other Taxes	1,810	4,470
Borrowings	6,065	6,065
Provision for Holiday Pay	9,562	21,910
Superannuation Contributions Surcharge	3,126	-
Income in Advance	55,944	9,803
Total current liabilities	86,867	51,427
Non-current liabilities		
Borrowings	17,032	23,097
Provision for Long Service Leave	17,000	13,774
Total non-current liabilities	34,032	36,871
Total liabilities	120,899	88,298
Net assets	228,275	86,323
Members' funds		
Members Funds	50,472	17,188
Retained earnings	177,803	69,135
Total members' funds	228,275	86,323

The accompanying notes form part of these financial statements.

These statements should be read in conjunction with the attached compilation report of Rawson Verco Need Pty Ltd Accountants.

Disability Recreation & Sports SA

Notes to the financial statements

For the year ended 30 June 2017

The financial statements cover Disability Recreation & Sports SA as an individual entity. Disability Recreation & Sports SA is a not-for-profit association incorporated in Victoria under the Associations Incorporation Reform Act 2012 ('the Act').

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of preparation

In the opinion of the Committee of Management, the association is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the Act.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 Presentation of Financial Statements, AASB 107 Statement of Cash Flows, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors and AASB 1054 Australian Additional Disclosures.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

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

2 Summary of significant accounting policies

Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Association and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Disability Recreation & Sports SA

Notes to the financial statements

For the year ended 30 June 2017

Rendering of services

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

Revenue from training services is generally recognised once the training has been delivered.

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 GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the balance sheet.

Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Property, plant and equipment

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

Property, plant and equipment is depreciated on a straight-line basis over the asset's useful life to the Association, commencing when the asset is ready for use.

Employee benefits

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 benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cash flows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cash flows. Changes in the measurement of the liability are recognised in profit or loss.

Disability Recreation & Sports SA

Notes to the financial statements

For the year ended 30 June 2017

Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first in- first- out basis and is net of any rebates and discounts received.

Impairment of non-financial assets

At the end of each reporting period, the association determines whether there is an evidence of an impairment indicator for non- financial assets.

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the assets is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash- generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash- generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss,

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.

Independent Audit Review Report
To the members of
DISABILITY, RECREATION & SPORTS SA
(Formerly Wheelchair Sports Association of South Australia Inc.)

We have audited the accompanying financial report of the Disability, Recreation & Sports SA, which comprises the statement of financial position as at 30 June 2017, and the statement of comprehensive income for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and those charged with governance assertion statement.

Those charged with governance responsibility for the financial report

Those charged with governance of the Disability, Recreation & Sports SA are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and South Australia Incorporated Associations legislations, where applicable and for such internal control as those charged with governance determine is necessary to enable the preparation and fair presentation of a financial report that are 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 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 about 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 assessment, the auditor considers internal control relevant to the Associations preparation and fair presentation of the financial statements 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 the accounting policies used and the reasonableness of accounting estimates made by those charged with governance, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Qualification

Cash Donations

Cash donations are a significant source of revenue for the Disability, Recreation & Sports SA. The Disability, Recreation & Sports SA has determined that it is impracticable to establish control over the collection of cash donations prior to entry into its financial records.

Accordingly, as the evidence available to us regarding revenue from this source was limited, our audit procedures with respect to cash donations had to be restricted to the amounts recorded in the financial records. We therefore are unable to express an opinion whether cash donations to the Disability, Recreation & Sports SA obtained are complete.

Electronic publication of the audited financial report

It is our understanding that the Disability, Recreation & Sports SA intends to electronically present the audited financial report and auditor's report on its internet website. Responsibility for the electronic presentation of the financial report on the Disability, Recreation & Sports SA website is that of those charged with governance of the Disability, Recreation & Sports SA the security and controls over information on the website should be addressed by the Disability, Recreation & Sports SA to maintain the integrity of the data presented. The examination of the controls over the electronic presentation of audited financial report(s) on the Disability, Recreation & Sports SA website is beyond the scope of the audit of the financial report.

Qualified Auditor's Opinion

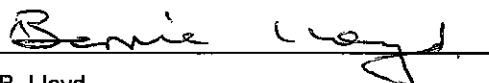
In our opinion, except for the effects on the financial report of such adjustments, if any, referred to in the qualification paragraph, the financial report of Disability, Recreation & Sports SA, has been prepared in accordance with the requirements of the Associations Incorporations Act 1985 (SA) and Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

- a) Giving a true and fair view of the registered entity's financial position as at 30 June 2017 and of its financial performance for the year ended on that date; and
- b) Complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note No1 to the financial report, which describes the basis of accounting. The financial report is prepared to assist the Disability, Recreation & Sports SA to comply with the financial reporting provisions of the Corporations Act (2001). As a result, the financial statement may not be suitable for another purpose.

Compass Group
Accounting & Audit Advisory
Suite 3, 154 Fullarton Road,
ROSE PARK SA 5067



B. Lloyd
RCA No 5357
Public Practice Certificate

Adelaide, 14 November 2017

DISABILITY, RECREATION & SPORTS SA

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 60-40 OF THE AUSTRALIAN
NOT-FOR-PROFIT COMMISSION ACT 2012 TO THE COMMITTEE MEMBERS OF
DISABILITY, RECREATION & SPORTS SA**

I declare that to the best of my knowledge and belief, in relation to the audit of Disability, Recreation & Sports SA for the year ended 30 June 2017 there have been:

- i. no contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profit Commission Act 2012 in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

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Adelaide, 14 November 2017