

**Ballina Sub-Branch
of The Returned and Services League
of Australia (New South Wales Branch)**

**Financial Statements for the Year Ended
31 December 2016**

Ballina R.S.L. Sub-Branch

Committee's Report

Your committee submit the financial report of the Ballina Sub-Branch of The Returned and Services League of Australia (New South Wales Branch), a non-reporting entity for the financial year ended 31st December 2016.

Principal Activities

The principal activities of the sub-branch during the financial year were to provide social facilities and support services to members of the sub-branch, whilst providing service to and raising money for the local and ex-services communities.

Significant Changes

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

Operating Result

The surplus after providing community services amounted to \$193,630 which is represented in accordance with the requirements and disclosures appropriate for non-reporting entities.

Declaration

Your Committee are of the opinion that:

1. The accompanying financial statements and notes are drawn up so as to give a true and fair view of the financial position and performance of the sub-branch for the financial year;
2. At the date of this statement there are reasonable grounds to believe that the sub-branch can meet its debts as and when they fall due;
3. The financial statements and notes have been made out in accordance with applicable Australian Accounting Standards as disclosed at Note 1 to the financial statements; and
4. The sub-branch has complied with its requirements under the Charitable Fundraising Act 1991 and the Regulations:-
 - i. The financial statements show a true and fair view of the financial results of fundraising appeals conducted during the year;
 - ii. The accounting and associated records have been properly kept during the year in accordance with the Act and the Regulations; and
 - iii. Money received as a result of fundraising appeals conducted during the year has been properly accounted for and applied in accordance with the Act and the Regulations.

Signed in accordance with a resolution of the Committee

Committee President

Ballina R.S.L. Sub-Branch

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Sub-Branch

Fundraising Income & Expenditure for the Year Ended 31 December 2016

Note	2016	2015
	\$	\$
RSL Appeals	11,939	15,884
Grants	6,920	10,319
	<u>18,859</u>	<u>26,203</u>
Less cost of badges & poppies	6,136	7,260
	<u>12,723</u>	<u>18,943</u>

Sub-Branch

Statement of Income & Expenditure for the Year Ended 31 December 2016

Note	2016	2015
	\$	\$
Income		
Net Surplus from Fund Raising Activities	12,723	18,943
Affiliation, Subscription & Registration Fees	2,861	4,384
Bus Hire Fees	8,741	7,278
Catering Receipts	4,449	3,855
Donations Received	122	4,847
Investment Income Received	278,329 / W	262,437
Sales	676	1,391
Sundry Income	7,834	7,844
Total Income	<u>315,735</u>	<u>310,979</u>
Less Expenses		
Administration Expenses	3,916	5,994
Advertising & Stationery	4,661	5,469
ANZAC Day Expenses	13,650	14,123
Bus Expenses	8,648	8,964
Catering Expenses	9,587	8,334
Delegates' Expenses	1,144	709
Depreciation	23,206	22,963
Insurances	6,713	7,035
Legal & Accountancy Fees	5,140	7,607
Memorial Garden Maintenance	1,161	1,511

Ballina R.S.L. Sub-Branch

Sub-Branch

Statement of Income & Expenditure for the Year Ended 31 December 2016

	Note	2016 \$	2015 \$
Other Expenses		6,916	4,642
Postage, Telephone & Electricity		2,246	2,731
Purchases – Merchandise		2,584	3,743
Repairs & Maintenance		2,921	1,899
Small Asset Purchases		-	211
Trust Fund Fees		26,251	24,642
Wages		36,341	28,753
Welfare Provided			
- Capitation Fees – State Branch		8,869	9,721
- Affiliation Fees – FNCDC		762	862
- Monthly Meetings		11,180	9,504
- Other		3,423	21
Total Expenses		<u>179,319</u>	<u>169,438</u>
Net Surplus before Donations and Changes in Market Value of Investments		136,416	141,541
Donations Made		(19,436)	(25,248)
Net Surplus before Donations and Changes in Market Value of Investments		<u>116,980</u>	<u>116,293</u>
Change in Market Value of Investments		64,460	41,661
Net Surplus		<u><u>181,440</u></u>	<u><u>157,954</u></u>

To be read in conjunction with attached audit report.

Ballina R.S.L. Sub-Branch

Lighthouse RSL Day Club

Statement of Income & Expenditure for the Year Ended 31 December 2016

	Note	2016 \$	2015 \$
Income			
Affiliation, Subscription & Registration Fees		34,859	35,142
Catering Receipts		6,874	7,686
Donations Received – Sub Branch		6,500	6,500
Donations Received - Other		476	230
Investment Income Received		1	30
Sales		627	641
Sundry Income		-	170
Total Income		<u>49,337</u>	<u>50,399</u>
Less Expenses			
Administration Expenses		682	572
Bus Expenses		9,142	9,030
Catering Expenses		20,543	24,123
Other Expenses		3,049	3,341
Rent, Rates & Taxes		6,355	6,798
Small Asset Purchases		230	1,235
Trophies & Prizes		6,205	5,866
Total Expenses		<u>46,206</u>	<u>50,965</u>
Net Surplus/(Deficit)		<u>3,131</u>	<u>(566)</u>

To be read in conjunction with attached audit report.

Ballina R.S.L. Sub-Branch

RSL Youth Club

Fundraising Income & Expenditure for the Year Ended 31 December 2016

	Note	2016 \$	2015 \$
Donations and Fundraising Proceeds		3,048	-
Grants		4,000	-
		<u>7,048</u>	<u>-</u>
Direct Fundraising Costs		849	-
		<u>6,199</u>	<u>-</u>

RSL Youth Club

Statement of Income & Expenditure for the Year Ended 31 December 2016

	Note	2016 \$	2015 \$
Income			
Net Surplus from Fund Raising Activities		6,199	-
Affiliation, Subscription & Registration Fees		223,554	179,463
Donations Received		-	4,002
Sales		13,166	8,082
Sundry Income		33	639
Wages Subsidy			1,818
Total Income		<u>242,952</u>	<u>194,004</u>
Less Expenses			
Administration Expenses		4,152	2,049
Advertising & Stationery		1,043	342
Bad Debts		7,149	1,391
Catering Expenses		-	518
Depreciation		7,546	5,770
Hire of Plant & Equipment		1,408	1,034
Insurances		3,762	2,781
Legal & Accountancy Fees		950	6,754

Ballina R.S.L. Sub-Branch

RSL Youth Club

Statement of Income & Expenditure for the Year Ended 31 December 2016

	Note	2016 \$	2015 \$
Other Expenses		14,615	13,815
Postage, Telephone & Electricity		6,691	6,499
Purchases – Merchandise		5,584	5,542
Rent, Rates & Taxes		10,450	9,990
Repairs & Maintenance		3,382	4,656
Small Asset Purchases		1,259	1,945
Travel		4,546	3,333
Trophies & Prizes		881	1,333
Wages		160,475	117,859
Total Expenses		233,893	185,611
Net Surplus/(Deficit)		9,059	8,393

To be read in conjunction with attached audit report.

Ballina R.S.L. Sub-Branch

Consolidated

Fundraising Income & Expenditure for the Year Ended 31 December 2016

	Note	2016 \$	2015 \$
RSL Appeals		11,939	15,884
Donations and Fundraising Proceeds		3,048	-
Grants		10,920	10,319
		<u>25,907</u>	<u>26,203</u>
Less: cost of badges & poppies		6,136	7,260
Direct Fundraising Costs		849	-
		<u>18,922</u>	<u>18,943</u>

Consolidated

Statement of Income & Expenditure for the Year Ended 31 December 2016

	Note	2016 \$	2015 \$
Income			
Net Surplus from Fund Raising Activities		18,922	18,943
Affiliation, Subscription & Registration Fees		261,274	218,989
Bus Hire Fees		3,494	3,138
Catering Receipts		11,323	11,541
Donations Received		598	8,782
Investment Income Received		278,330	262,467
Sales		14,469	10,114
Sundry Income		231	1,017
Wage Subsidy		-	1,818
Total Income		<u>588,641</u>	<u>536,809</u>
Less Expenses			
Administration Expenses		8,750	8,615
Advertising & Stationery		5,704	5,811
ANZAC Day Expenses		13,650	14,123
Bad Debts		7,149	1,391
Bus Expenses		13,678	13,854
Catering Expenses		30,130	32,975
Delegates' Expenses		1,144	709
Depreciation		30,752	28,733

Ballina R.S.L. Sub-Branch

Consolidated

Statement of Income & Expenditure for the Year Ended 31 December 2016

	Note	2016 \$	2015 \$
Hire of Plant & Equipment		1,408	1,034
Insurances		10,475	9,519
Legal & Accountancy Fees		6,090	14,361
Memorial Garden Maintenance		1,161	1,511
Other Expenses		26,934	21,798
Postage, Telephone & Electricity		8,937	9,230
Purchases – Merchandise		8,168	9,285
Rent, Rates & Taxes		6,815	9,152
Repairs & Maintenance		6,303	6,555
Small Asset Purchases		1,489	3,391
Travel		3,411	3,333
Trophies & Prizes		7,086	7,199
Trust Fund Fees		26,251	24,642
Wages		196,816	146,612
Welfare Provided			
- Capitation Fees – State Branch		8,869	9,721
- Affiliation Fees – FNCDC		762	862
- Monthly Meetings		11,180	9,504
- Other		3,423	21
Total Expenses		446,535	393,941
Net Surplus before Donations and Changes in Market Value of Investments		142,106	142,868
Donations Made		(12,936)	(18,748)
Net Surplus before Donations and Changes in Market Value of Investments		129,170	124,120
Change in Market Value of Investments		64,460	41,661
Net Surplus		193,630	165,781

To be read in conjunction with attached audit report.

Ballina R.S.L. Sub-Branch

Balance Sheet as at 31 December 2016

	Note	2016 \$	2015 \$
Current Assets			
Cash & Cash Equivalents	2	447,180✓	423,984
Trade and Other Receivables	3	37,407✓	34,135
Inventories		1,509✓	1,409
Financial Assets	4	4,919,390✓	4,729,639
Prepayments		- 6,933	- 6,884
Total Current Assets		<u>5,412,419</u>	<u>5,196,051</u>
Non Current Assets			
Property, Plant & Equipment	5	<u>504,760</u>	<u>517,068</u>
Total Non Current Assets		<u>504,760</u>	<u>517,068</u>
Total Assets		<u>5,917,179</u>	<u>5,713,119</u>
Current Liabilities			
Trade & Other Payables	6	<u>28,645</u>	<u>18,215</u>
Total Liabilities		<u>28,645</u>	<u>18,215</u>
Net Assets		<u>5,888,534</u>	<u>5,694,904</u>
Accumulated Funds			
Balance Brought Forward		5,694,904	5,529,123
Net Surplus/(Deficit)		193,630	165,781
		<u>5,888,534</u>	<u>5,694,904</u>

The accompanying notes form part of these financial statements.

Ballina R.S.L. Sub-Branch

Notes to and Forming Part of the Accounts for the Year Ended 31 December 2016

Note 1: Statement of Significant Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Sub-branch. The committee has determined that the sub-branch is not a reporting entity.

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 accounting policies that have been adopted in the preparation of the statements are as follows:

(a) **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 overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(b) **Income Tax**

The sub-branch is exempt from income tax.

(c) **Revenue and Other Income**

Revenue is measured at the value of the consideration received or receivable. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

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. In these circumstances, the GST is recognised as part of the cost of the acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

(d) **Trade and Other Receivables**

Trade receivables are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. Most sales are made on the basis of normal credit terms and do not bear interest. Where credit is extended beyond normal credit terms and is more than 12 months, receivables are discounted to present value.

At the end of the reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. A provision for impairment of trade receivables is established when there is objective evidence that the sub-branch will not be able to collect all amounts due according to the original terms of the receivables.

(e) **Property, Plant & Equipment**

Property, plant and equipment are carried at cost. All assets, excluding freehold land and buildings, are depreciated over their useful lives to the sub-branch. The depreciable amount of property, plant and equipment (excluding freehold land and buildings) is depreciated on a diminishing value and prime cost basis. Depreciation commences from the time the asset is available for its intended use.

Ballina R.S.L. Sub-Branch

Notes to and Forming Part of the Accounts for the Year Ended 31 December 2016

Note 1: Statement of Significant Accounting Policies Continued

The useful lives used for each class of depreciable assets are as follows:

Class of Asset	Useful Life
Buildings	40 years
Office & Other Equipment	3 – 20 years

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

(f) Impairment of Assets

At the end of each reporting period, property, plant and equipment, intangible assets and investments are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of assets) is estimated and compared with its carrying amount. The recoverable amount is the higher of the asset's fair value less costs to sell and the present value of the asset's future cash flows discounted at the expected rate of return. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount and an impairment loss is recognised immediately in profit or loss.

(g) Trade Payables

Trade payables are recognised at their transaction price. Trade payables are obligations on the basis of normal credit terms and do not bear interest.

(d) Trade and Other Receivables

Financial assets have been measured at net market values after allowing for costs of realisation. Changes in the net market value of assets are brought to account in the income and expenditure statement in the periods in which they occur.

Net market values have been determined as follows:

- (i) Shares and other securities listed on the Australian Stock Exchange by reference to the relevant market quotations at the end of the reporting period; and
- (ii) Units in managed funds by reference to the unit redemption price at the end of the reporting period.

	2016	2015
	\$	\$
Note 2: Cash & Cash Equivalents		
Cash at Bank	447,014	423,824
Cash on Hand	166	160
	<u>447,180</u>	<u>423,984</u>

Ballina R.S.L. Sub-Branch

Notes to and Forming Part of the Accounts for the Year Ended 31 December 2016

	2016	2015
	\$	\$
Note 3: Trade & Other Receivables		
Accounts Receivable	10,107	6,323
Accrued Income	25,317	24,855
GST Receivable	1,983	2,957
	<u>37,407</u>	<u>34,135</u>

Note 4: Financial Assets

Other Financial Assets at Fair Value	4,919,390	4,729,639
	<u>4,919,390</u>	<u>4,729,639</u>

Note 5: Property, Plant & Equipment

Buildings at Cost	583,647 ✓ U	583,647 ✓ U
Less: Accumulated Depreciation	(219,851)	(205,342)
	<u>363,796</u>	<u>378,305</u>
Equipment	367,577	349,133
Less: Accumulated Depreciation	(226,613)	(210,370)
	<u>140,964</u>	<u>138,763</u>
	<u>504,760</u>	<u>517,068</u>

Note 6: Trade & Other Payables

Accounts Payable	8,689	6,305
Accrued Expenses	3,200	3,045
GST Payable	4,396	2,498
PAYG Withheld Payable	8,600	3,081
Superannuation Payable	3,760	3,286
ATO Integrated Client Account	-	-
	<u>28,645</u>	<u>18,215</u>

Note 7: Events after the balance sheet date

No matters of significance have arisen since the end of the financial year, which significantly affected or may significantly affect the operations of the sub-branch, the results of those operations or the state of affairs of the sub-branch in future financial years.

Ballina R.S.L. Sub-Branch

Notes to and Forming Part of the Accounts for the Year Ended 31 December 2016

	2016	2015
	\$	\$
Note 8: Charitable Fundraising		
Fundraising Income		
RSL Appeals	11,939	15,884
Donations and Fundraising Proceeds	3,048	-
Grants	10,920	10,319
	<u>25,907</u>	<u>26,203</u>
Total Fundraising Income	<u>25,907</u>	<u>26,203</u>
Fundraising Expense		
Cost of badges & poppies	6,136	7,260
Direct Fundraising Costs	849	-
	<u>6,985</u>	<u>7,260</u>
Total Fundraising Expenditure	<u>6,985</u>	<u>7,260</u>
Annual Fundraising Surplus	<u>18,922</u>	<u>18,943</u>
Application of fundraising funds		
Donations	12,723	18,748
Purchase of Equipment & Resources	6,199	195
	<u>18,922</u>	<u>18,943</u>
Total Fundraising Expenditure	<u>18,922</u>	<u>18,943</u>

There were no material matters or occurrences relating to fundraising activities for the current financial year.

There were no traders engaged in fundraising activities during the current financial year.

A comparison of activities is as follows:

	2016		2015	
	\$	%	\$	%
a) Total cost of fundraising /	6,985	27.0	7,260	27.7
Gross income from fundraising	25,907		26,203	
b) Net surplus from fundraising /	18,922	73.0	18,943	72.3
Gross income from fundraising	25,907		26,203	

Ballina R.S.L. Sub-Branch

Independent Auditor's Report

to the Members of

Ballina R.S.L. Sub-Branch

for the Year Ended 31 December 2016



Report on the Financial Report

I have audited the accompanying financial report, being a special purpose financial report, of Ballina Sub-Branch of The Returned and Services League of Australia (New South Wales Branch) (the sub-branch), which comprises the balance sheet as at 31 December 2016, the statement of income and expenditure and notes comprising a summary of significant accounting policies and other explanatory information, and the Committee's declaration.

Committee's Responsibility for the Financial Report

The Committee are 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 sub-branch's rules, the Charitable Fundraising Act 1991, the Australian Charities and Not-for-profits Commission Act 2012 and is appropriate to meet the needs of the members in accordance with the sub-branch's rules. The Committee's responsibility also includes such internal controls as the Committee determine are necessary to enable compliance with the Charitable Fundraising Act 1991 and is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit, and on the sub-branch's compliance with specific requirements of the Charitable Fundraising Act 1991. I conducted my audit in accordance with Australian Auditing Standards. Those standards require that I 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 and has complied with the specific requirements of the Charitable Fundraising Act 1991.

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 judgment, 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 sub-branch'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 sub-branch'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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

Independence

In conducting my audit, I have complied with the independence requirements of Australian Professional ethical pronouncements and there has been no contravention of any applicable code of professional conduct in respect of the audit.

Ballina R.S.L. Sub-Branch

Independent Auditor's Report to the Members of Ballina R.S.L. Sub-Branch for the Year Ended 31 December 2016

Auditors' Opinion


In my opinion, the financial statements present fairly, in all material aspects, the financial position of Ballina Sub-Branch of The Returned and Services League of Australia (New South Wales Branch) as at 31 December 2016 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1, including:

- (i) That the financial statements show a true and fair view of the financial results of the fundraising appeals conducted during the year;
- (ii) That the accounting and associated records have been properly kept during the year in accordance with the Charitable Fundraising Act 1991 and the regulations;
- (iii) The monies received as a result of fundraising appeals conducted during the year have been accounted for and applied in accordance with the Charitable Fundraising Act 1991 and the regulations;
- (iv) At the date of this report there are reasonable grounds to believe that the sub-branch will be able to pay its debts as and when they fall due; and
- (v) That the financial statements have been prepared in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012.

Basis of Accounting

Without modifying my opinion, I draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial report has been prepared to assist the sub-branch to meet the requirements of the sub-branch's rules, the Charitable Fundraising Act 1991 and the Australian Charities and Not-for-profits Commission Act. As a result, the financial report may not be suitable for another purpose.

OnTrack Chartered Accountants
18 Russellton Drive
Alstonville NSW 2477



Paul Morris - Director
Registered Company Auditor
13 February 2017

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