

Auditors Copy
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and return to
Bishop Collins.

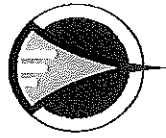
**WARNERVALE RUGBY
UNION CLUB INC
ABN: 42 048 343 508**

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 SEPTEMBER 2010**

**WARNERVALE RUGBY
UNION CLUB INC
ABN: 42 048 343 508**

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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF WARNERVALE RUGBY
UNION CLUB INC
ABN: 42 048 343 508**

Report on the Financial Report

I have audited the accompanying financial report, being a special purpose financial report, of Warnervale Rugby Union Club Inc (the association) which comprises the statement of financial position as at 30 September 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows, a summary of significant accounting policies and other explanatory notes and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies 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 NSW 1984 and are appropriate to meet the needs of the members. The committee's responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

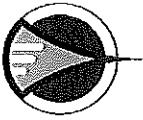
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 entity'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.

The financial report has been prepared for distribution to members for the purpose of fulfilling the committee's financial reporting under the Associations Incorporation Act NSW 1984. I 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.

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LIABILITY LIMITED BY A SCHEME APPROVED UNDER THE PROFESSIONAL STANDARDS LEGISLATION



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF WARNERVALE RUGBY
UNION CLUB INC
ABN: 42 048 343 508**

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

Independence

In conducting my audit, I have complied with the independence requirements of Australian professional ethical pronouncements.

Qualification

Receipts

We were unable to confirm whether there is any other unrecorded income or expenditure. The income and expenditure has only been verified to the extent it has been receipted, banked and supported by documentation.

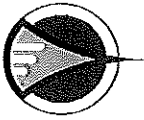
Qualified Auditor's Opinion

In my opinion, subject to the above qualification:

The financial report of Warnervale Rugby Union Club Inc is in accordance with the Associations Incorporation Act NSW 1984 including:

- (i) giving a true and fair view of the Association's financial position as at 30 September 2010 and of their performance for the year ended on that date; and
- (ii) complying with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporations Act NSW 1984 to the extent outlined in note 1 to this financial report.





**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF WARNERVALE RUGBY
UNION CLUB INC
ABN: 42 048 343 508**

Name of Firm: Bishop Collins
Chartered Accountants

Name of Principal: _____

David McClelland
David McClelland

Auditor's Registration

Number: 320260

Address: Unit 1, 1 Pioneer Avenue, Tuggerah NSW 2259

Dated this 16th day of March 2011

**WARNERVALE RUGBY
UNION CLUB INC
ABN: 42 048 343 508**

STATEMENT BY MEMBERS OF THE COMMITTEE

The committee has 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 committee the financial report as set out on pages 5 to 13:

1. Presents a true and fair view of the financial position of Warnervale Rugby Union Club Inc as at 30 September 2010 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Warnervale Rugby Union Club Inc 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:

President: J. Bilton
Jim Bilton

Treasurer: D. Head
Deborah Head

Dated this 16th day of March 2011

**WARNERVALE RUGBY
UNION CLUB INC
ABN: 42 048 343 508**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2010**

	Note	2010 \$	2009 \$
Revenue	2	124,166	114,547
Changes in inventories of finished goods and work in progress		328	401
Purchases		(24,843)	(19,422)
Advertising expenses		(2,153)	(1,942)
Auditor's remuneration		(2,500)	(9,226)
Donations		(1,000)	(1,323)
Events & Activities		(11,250)	(20,837)
Fines & Penalties		-	(386)
Fundraising expenses		(8,981)	(8,815)
Hire Expenses		(6,874)	(1,171)
Insurance expense		(3,167)	(8,073)
Prizes & Awards		(4,457)	(2,747)
Registration fees		(17,760)	(8,837)
Repairs and maintenance		(1,037)	(58)
Training courses		(146)	(173)
Uniforms & Clothing		(24,608)	(25,100)
Other expenses		(7,116)	(5,680)
Profit attributable to members before income tax		<u>8,602</u>	<u>1,158</u>
Income tax expense		-	-
Profit after income tax		<u>8,602</u>	<u>1,158</u>
Other comprehensive income:			
Net gain/(loss) on revaluation of financial assets		-	-
Other comprehensive income for the year		-	-
Total comprehensive income for the year		<u>8,602</u>	<u>1,158</u>
Total comprehensive income attributable to members of the entity		<u><u>8,602</u></u>	<u><u>1,158</u></u>

The accompanying notes form part of these financial statements.

**WARNERVALE RUGBY
UNION CLUB INC
ABN: 42 048 343 508**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2010**

	Note	2010 \$	2009 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	17,019	8,989
Trade and other receivables	4	4,754	440
Inventories	5	729	401
Other financial assets	6	718	673
TOTAL CURRENT ASSETS		<u>23,220</u>	<u>10,503</u>
TOTAL ASSETS		<u>23,220</u>	<u>10,503</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	16,254	12,139
TOTAL CURRENT LIABILITIES		<u>16,254</u>	<u>12,139</u>
TOTAL LIABILITIES		<u>16,254</u>	<u>12,139</u>
NET ASSETS (LIABILITIES)		<u>6,966</u>	<u>(1,636)</u>
EQUITY			
Retained earnings (Accumulated losses)	8	6,966	(1,636)
TOTAL EQUITY		<u>6,966</u>	<u>(1,636)</u>

The accompanying notes form part of these financial statements.

**WARNERVALE RUGBY
UNION CLUB INC
ABN: 42 048 343 508**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2010**

	Retained earnings / (Accumulated losses)	Total
Note	\$	\$
Balance at 1 October 2008	758	758
Profit attributable to members	1,158	1,158
Adjustment	9 (3,552)	(3,552)
Balance at 30 September 2009	(1,636)	(1,636)
Profit attributable to members	8,602	8,602
Balance at 30 September 2010	<u>6,966</u>	<u>6,966</u>

The accompanying notes form part of these financial statements.

**WARNERVALE RUGBY
UNION CLUB INC
ABN: 42 048 343 508**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2010**

	Note	2010 \$	2009 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		119,412	110,973
Payments to suppliers and employees		(111,384)	(100,266)
Interest received		1	5
Net cash provided by operating activities	10	<u>8,030</u>	<u>10,712</u>
Net increase in cash held		8,030	10,712
Cash at beginning of financial year		<u>8,989</u>	<u>(1,723)</u>
Cash at end of financial year	3	<u><u>17,019</u></u>	<u><u>8,989</u></u>

The accompanying notes form part of these financial statements.

**WARNERVALE RUGBY
UNION CLUB INC
ABN: 42 048 343 508**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2010**

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 Associations Incorporation Act NSW 1984. The committee has determined that the association 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 following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

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.

Income Tax

The Committee are of the opinion that the Association is Income Tax Exempt in accordance with the Income Tax Assessment Act 1997, Section 50-45.

Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebated allowed. 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. Dividend revenue is recognised when the right to receive a dividend has been established.

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

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

**WARNERVALE RUGBY
UNION CLUB INC
ABN: 42 048 343 508**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2010**

Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate portion of variable and fixed overheads. Overheads are applied on the basis of normal operating capacity. Costs are assigned on a first-in first-out basis.

Financial Assets

Financial assets are brought to account at cost or valuation. Dividends and interest are brought to account when received.

Critical Accounting Estimates and Judgments

The committee members evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information.

Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the association.

Key estimates - Debtors

In the opinion of the committee all debtors are collectable, therefore there is no need to provide for doubtful debts

**WARNERVALE RUGBY
UNION CLUB INC
ABN: 42 048 343 508**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2010**

	2010 \$	2009 \$
2 Revenue		
Operating activities		
Canteen and BBQ Sales	32,720	30,517
Retail Sales	2,366	825
Donations received	5,319	3,987
Fundraising	3,630	24,622
Golf Day	-	5,179
Interest received	1	5
Memberships	-	213
Players' Subscriptions	22,507	20,675
Race Day	16,300	-
Sponsorship	31,163	24,955
Ticket Sales	8,445	-
Sundry income	1,715	3,569
Total revenue	124,166	114,547
3 Cash and Cash Equivalents		
Current		
Canteen & Bar Floats	200	200
St George Cheque Account	16,195	8,789
St George Cheque Account Under 13s	624	-
	17,019	8,989
Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
Cash and Cash Equivalents	17,019	8,989
Financial Liabilities	-	-
	17,019	8,989
4 Trade and Other Receivables		
Current		
Trade Debtors	4,754	-
Deposits - Key Deposit	-	440
	4,754	440

**WARNERVALE RUGBY
UNION CLUB INC
ABN: 42 048 343 508**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2010**

	2010 \$	2009 \$
5 Inventories		
Current		
Stock on Hand	<u>729</u>	<u>401</u>
6 Other Financial Assets		
Current		
Prepayments	<u>718</u>	<u>673</u>
7 Trade and Other Payables		
Current		
Other Creditors	455	-
Trade Creditors	16,202	10,149
Input Tax Credits	(3,186)	(11,476)
GST Payable	2,771	14,095
GST Prior Period Adjustments	<u>12</u>	<u>(629)</u>
	<u>16,254</u>	<u>12,139</u>
8 Retained Earnings (Accumulated Losses)		
Accumulated losses at the beginning of the financial year	(1,636)	(2,794)
Net profit attributable to the association	<u>8,602</u>	<u>1,158</u>
Retained earnings (Accumulated losses) at the end of the financial year	<u>6,966</u>	<u>(1,636)</u>
9 Adjustment to Retained Earnings		
<p>The retained earning account was adjusted in the current year due to the committee deciding not to recognise the bank accounts of the netball club and cricket club.</p>		
Netball Club	-	(1,761)
Cricket Club	<u>-</u>	<u>(1,791)</u>
	<u>-</u>	<u>(3,552)</u>

**WARNERVALE RUGBY
UNION CLUB INC
ABN: 42 048 343 508**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2010**

	2010	2009
	\$	\$
<hr/>		
10 Cash Flow Information		
Reconciliation of Cash Flow from Operations with Profit after Income Tax		
Profit after income tax	8,602	1,158
Changes in assets and liabilities, net of the effects of purchase and disposals of subsidiaries		
(Increase) Decrease in current inventories	(328)	(401)
(Increase) Decrease in current receivables	(4,314)	-
(Increase) Decrease in prepayments	(45)	(673)
Increase (Decrease) in trade creditors	6,507	10,628
Increase (Decrease) in GST paid	(2,392)	-
	8,030	10,712