



Melbourne Vicentre Swimming Club Inc.

Reg no. A0001158X

Financial Statements

For the Year Ended 30 June 2017

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Director's Report

The directors submit the financial report of Melbourne Vicentre Swimming Club Inc. for the financial year ended 30 June 2017.

1. General information

Information on directors

The names of each person who has been a director during the year and to the date of this report are:

Andrew Horton, Chairman

John McDonough, Director

Andrew Vidler, Director

Melissa Santosirto, Director Appointed April 2017

Nicole Dixon, Director Appointed May 2017

Paul Roger, Director Appointed March 2017

Resigned September 2017

Damien Arnold, Director Resigned March 2017

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activities

Melbourne Vicentre Swimming Club is a designated Swimming Australia Podium Performance Centre and its principal activities during the financial year were to provide swimming coaching from beginner to elite levels and administrative services to athletes.

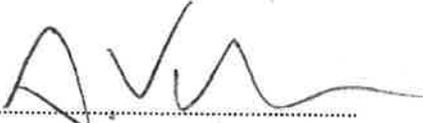
No significant changes in the nature of the Company's activity occurred during the financial year.

Operating result

The loss for the 12-month period amounted to \$55,246 (2016: Loss \$74,910).

Signed in accordance with a resolution of the members of the Board:

Director: 

Director: 

Dated this 15th day of November 2017

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2017

	2017	2016
Income		
Membership and Squad income	616,371	654,013
Learn to Swim income	501,661	507,148
Swimming Australia Funding	101,320	121,204
Fundraising	90,785	107,244
Merchandise	20,791	7,755
Other	67,083	121,459
Investment income	3,423	10,244
Cost of sales and uniforms	<u>(27,411)</u>	<u>(6,925)</u>
Net income	1,374,023	1,522,142
Expenditure		
Salaries and Wages	997,532	1,072,282
Pool hire	199,698	193,749
Coaching and staff development	23,600	33,543
Swimmer developoment	142,645	222,978
Compliance	5,845	7,700
Depreciation	9,156	8,752
Doubtful debts	96	414
Bank fees	14,325	14,579
Accounting and legal	6,105	7,572
Administration and other	<u>30,267</u>	<u>35,482</u>
Total expenditure	<u>1,429,269</u>	<u>1,597,052</u>
Loss for the year	<u>(55,246)</u>	<u>(74,910)</u>

Statement of Financial Position

As at 30 June 2017

	Notes	2017 \$	2016 \$
Assets			
Current			
Cash and cash equivalents	3	127,828	61,036
Other financial assets		-	264,189
Trade and other receivables	4	31,642	9,411
Inventory		29,498	46,243
Prepayments		10,933	8,813
Total current assets		199,901	389,692
Non-current assets			
Property, plant and equipment	5	8,244	15,564
Total non-current assets		8,244	15,564
Total assets		208,145	405,256
Liabilities			
Current liabilities			
Trade and other payables		77,725	142,573
Income received in advance	6	11,044	39,840
Accrued liabilities		11,319	6,600
Employee benefits	7	102,370	113,766
Other liabilities		-	44,919
Total current liabilities		202,458	347,699
Non-current liabilities			
Employee benefits	7	4,959	1,583
Total non-current liabilities		4,959	1,583
Total liabilities		207,417	349,282
Net assets		728	55,974
Equity			
Equity- reserves		55,974	130,885
Loss for the period		(55,246)	(74,910)
Total equity		728	55,974

Statement of Cash Flows

For the Year Ended 30 June 2017

	2017	2016
Note	\$	\$
Cash flows from Operating Activities		
Receipts from customers (inclusive GST)	1,346,984	1,637,402
Payments to suppliers and employees (inclusive GST)	(1,545,968)	(1,733,371)
Interest received	3,423	10,306
Interest expense	-	-
Net cash/ (used in) operating activities	<u>(195,561)</u>	<u>(85,663)</u>
Cash flows from investing activities		
Withdrawal from term deposits	264,189	85,811
Purchase of property, plant and equipment	(1,835)	(13,028)
Net cash from/ (used in) operating activities	<u>262,354</u>	<u>72,783</u>
Net increase (decrease)in cash and cash equivalents held	66,793	(12,880)
Cash and cash equivalents at beginning of year	61,035	73,915
Cash and cash equivalents at end of financial year	<u>3</u> <u>127,828</u>	<u>61,035</u>

Notes to the Financial Statements

For the Year Ended 30 June 2017

The financial report covers Melbourne Vicentre Swimming Club Inc as an individual entity. Melbourne Vicentre Swimming Club Inc. is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Melbourne Vicentre Swimming Club Inc. is Australian dollars.

The financial report was authorised for issue by the Directors on 7th November 2017.

Comparatives are consistent with prior years, unless otherwise stated.

Amounts in the financial statements have been rounded to the nearest dollar.

1 Basis of Preparation

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Reform Act 2012. The Board has determined that the association is not a reporting entity.

The financial statements have been prepared on an accruals basis and are based on historical costs and does not take into account changing money values except where specifically stated.

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

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised on a cash basis.

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

(b) Income Tax

The Company is exempt from income tax under Division 50-5 of the *Income Tax Assessment Act 1997*, as amended, it is exempt from paying income tax.

(c) 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. For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash in hand, bank deposits and term deposits with terms of up to three months.

(d) 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. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

(e) 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 of losses.

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

(f) Provisions

Provision 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 the outflow can be reliably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(g) Good and services tax (GST)

Revenue, 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).

Receivables and payable 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 statement of financial position. In prior year the amount recoverable from (asset) or payable to the ATO (liability) was reported separately.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(h) Current and non-current classification

Assets and liabilities are presented in the Statement of Financial Position based on current and non-current classification.

An asset is classified as current when it is either expected to be realised or intended to be sold or consumed in a normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when it is either expected to be settled in a normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

(i) Going concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the association incurred a loss of \$55,246 and had net cash outflows from operating activities of \$195,561 for the year ended 30 June 2017.

As at that date the association had net current liabilities of \$2,557 and net non-current assets of \$3,285.

The Directors believe that it is reasonably foreseeable that the association will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report. The Board will keep expenditure under close review and look towards further income opportunities and potential structural changes to ensure that the club maintains a positive cash position.

3 Cash and Cash Equivalents

	2017	2016
	\$	\$
Cheque accounts	6,655	55,338
Online savings accounts	119,886	298
Other cash and cash equivalents	1,287	5,399
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Total cash and cash equivalents	127,828	61,036
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4 Trade and Other Receivables

Trade receivables	31,642	10,971
Provision for impairment	-	(1,560)
	<hr/>	<hr/>
Total current trade and other receivables	31,642	9,411
	<hr/> <hr/>	<hr/> <hr/>

5 Property, plant and equipment

Office equipment

At cost	33,325	31,488
Accumulated depreciation	(28,310)	(23,336)
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Total office equipment	5,015	8,153

Gym equipment

At cost	32,777	32,777
Accumulated depreciation	(29,549)	(25,366)
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Total office equipment	3,229	7,411

Total property, plant and equipment	8,244	15,564
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6 Income received in advance

The amount recognised as a liability in the Statement of financial position will be recognised as income when the services have been provided.

Income received in advance	11,044	39,840
Total income received in advance	11,044	39,840
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7 Employee Benefits

	2017	2016
	\$	\$
Current		
Annual leave provision	42,248	52,403
Long service leave provision	60,122	61,363
Total current provision	<u>102,370</u>	<u>113,766</u>
Non-current		
Long service leave provision	4,959	1,583
Total non-current provision	<u>4,959</u>	<u>1,583</u>

8 Cash Flow Information

Reconciliation of Cash flow from Operations with profit / (loss) after income tax

Loss for the year	(55,246)	(74,910)
Non cash flows in loss for the year		
Depreciation	9,156	8,752
Doubtful debts	(1,560)	-
Changes in assets and liabilities (Increase)/ decrease in trade and other receivables	(20,671)	(6,806)
(Increase)/ decrease in inventories	16,745	(26,925)
(Increase)/ decrease in prepayments	(2,121)	12,817
Increase/ (decrease) in trade and other payables	(64,848)	(24,783)
Increase/ (decrease) in employee entitlements	(8,020)	(14,028)
Increase/ (decrease) in income received in advance	(28,796)	(11,299)
Increase/ (decrease) in other liabilities	(40,200)	51,519
Net cash used in operating activities	<u>(195,561)</u>	<u>(85,663)</u>

9 Contingencies

In the opinion of the directors, the Company did not have any contingencies at 30 June 2017
(30 June 16: Nil)

10 Related Parties

During the year the Company did not enter into any related party transactions.

11 Commitments

	2017	2016
	\$	\$
Lease commitments- operating Committed at the reporting date but not recognised as liabilities, payables:		
Within one year	55,875	114,017
One to five years	-	55,875
	<hr/>	<hr/>
Total commitments	55,875	169,892

Operating lease commitments include contracted amounts for pool hires under operating leases expiring within one to two years (with, in some cases, options to extend). On renewal, the terms of the leases are renegotiated.

12 Events after the end of the Reporting Period

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

Directors' Declaration

The directors of the Association declare that:

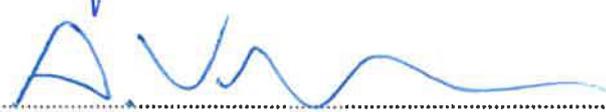
1. The financial statements and notes, as set out on pages 5-11, are in accordance with the *Associations Incorporation Reform Act 2012* and give a true and fair view of the financial position as at 30 June 2017 and of the performance for the year ended on that date of the Association.
2. In the directors' opinion, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director



Director



Dated this^{13th}..... day of NOVEMBER 2017

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MELBOURNE VICENTRE SWIMMING CLUB INC.

Opinion

We have audited the financial report of Melbourne Vicentre Swimming Club Inc (the association), which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the and the members' assertion statement.

In our opinion, the accompanying financial report presents fairly, in all material respects the financial position of the association as at 30 June 2017, and its performance and cash flows for the year then ended in accordance with the financial reporting requirements of the *Associations Incorporation Reform Act 2012*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the association in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report, which indicates that the entity incurred a net loss of \$55,246 and the net cash used in operating activities is \$195,562 during the year ended 30 June 2017. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the association to meet the requirements of the *Associations Incorporation Reform Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the applicable legislation and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

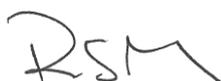
In preparing the financial report, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.



RSM AUSTRALIA PTY LTD



KRISTIE DUNDON
Partner

13 November 2017
Melbourne, Victoria