

MANLY RUGBY FOOTBALL CLUB INCORPORATED
ABN 34 770 577 974

FINANCIAL REPORT
FOR THE YEAR ENDED
30 SEPTEMBER 2013

**Liability limited by a scheme approved under
Professional Standards Legislation**

MANLY RUGBY FOOTBALL CLUB INCORPORATED
ABN 34 770 577 974

COMMITTEE'S REPORT

Your committee members submit the financial report of the MANLY RUGBY FOOTBALL CLUB INCORPORATED for the financial year ended 30 September 2013.

Committee Members

The names of committee members throughout the year and at the date of this report are:

David Begg
Leif Olsen
Mark McKenzie
Heath Kiely
Russ Lewis
Chris Wood
Anthony Bergelin
Peter Alley
Rod Dew
Brian Beer
Matt McGoldrick

Principal Activities

The principal activities of the association during the financial year were to manage and promote the sport of Rugby Union Football in the Manly region.

Significant Changes

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

Operating Result

The profit after providing for income tax amounted to \$138,603.21.

Signed in accordance with a resolution of the Members of the Committee.

.....
Director

Dated this 8th day of November 2013

MANLY RUGBY FOOTBALL CLUB INCORPORATED
ABN 34 770 577 974

INCOME STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2013

	Note	This Year \$	Last Year \$
INCOME			
Sponsorship & Donations		397,527.29	373,132.74
Grants		81,936.36	85,337.09
Match Day Income		173,229.88	131,282.61
Functions Income		113,668.95	83,538.14
Gain on Write Back of Loan		-	55,000.00
Prize Money		8,500.00	-
		774,862.48	728,290.58
OTHER INCOME			
Membership Subscriptions		71,216.40	49,221.65
Interest Received		142.28	11.10
		71,358.68	49,232.75
		846,221.16	777,523.33

The accompanying notes form part of these financial statements.

MANLY RUGBY FOOTBALL CLUB INCORPORATED
ABN 34 770 577 974

INCOME STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2013

	Note	This Year \$	Last Year \$
EXPENDITURE			
Accountancy Fees		13,687.36	7,586.36
Administration & Office Costs		30,100.88	41,797.86
Advertising & Marketing		7,435.94	11,036.86
Academy Expenses		3,060.00	-
Bad Debts Written Off		16,000.00	27,828.17
Bank & Credit Card Charges		2,987.39	3,484.85
Coaching & Player Costs		329,761.78	261,536.08
Depreciation		1,366.00	10,450.83
First Aid and Strapping		18,841.48	13,052.00
General Expenses		7,995.48	2,527.55
Gym		6,363.64	7,000.00
Gear & Uniforms		37,450.05	36,785.52
Hire of Plant & Equipment		7,780.54	6,344.84
Insurance		12,990.91	14,340.30
Interest Expenses		2,112.40	(16,962.84)
Injured Players Expenses		2,250.91	236.59
Laundry & Dry Cleaning		4,238.74	3,993.67
Motor Vehicle Expenses		-	4,203.12
Printing Stationery & Postage		1,060.86	1,434.50
Purchases - Merchandise Functions etc		139,173.11	96,154.77
Rent		27,158.87	10,835.45
Repairs & Maintenance		200.00	539.09
Security Costs		3,825.00	7,152.00
Rugby Foundation		2,250.00	-
Subscriptions		5,500.00	(286.37)
Superannuation Contributions		-	(1,125.00)
Telephone & Internet		2,776.50	4,455.90
Travelling Expenses		21,250.11	9,158.91
		<u>707,617.95</u>	<u>563,561.01</u>
Profit before income tax		<u>138,603.21</u>	<u>213,962.32</u>
Profit for the year		<u>138,603.21</u>	<u>213,962.32</u>
Retained earnings (Accumulated losses) at the beginning of the financial year		<u>35,491.33</u>	<u>(178,470.99)</u>
Retained earnings at the end of the financial year		<u>174,094.54</u>	<u>35,491.33</u>

The accompanying notes form part of these financial statements.

MANLY RUGBY FOOTBALL CLUB INCORPORATED
ABN 34 770 577 974

BALANCE SHEET
AS AT 30 SEPTEMBER 2013

	Note	This Year \$	Last Year \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	114,537.79	13,547.92
Accounts receivable and other debtors	3	91,970.00	82,807.67
TOTAL CURRENT ASSETS		<u>206,507.79</u>	<u>96,355.59</u>
NON-CURRENT ASSETS			
Property, plant and equipment	4	2,316.50	292.50
TOTAL NON-CURRENT ASSETS		<u>2,316.50</u>	<u>292.50</u>
TOTAL ASSETS		<u>208,824.29</u>	<u>96,648.09</u>
LIABILITIES			
CURRENT LIABILITIES			
Sundry Creditors		907.30	-
Trade Creditors		18,031.65	19,430.79
GST Control Account		15,516.10	7,999.94
TOTAL CURRENT LIABILITIES		<u>34,455.05</u>	<u>27,430.73</u>
NON-CURRENT LIABILITIES			
Australian Taxation Office		274.70	33,726.03
TOTAL NON-CURRENT LIABILITIES		<u>274.70</u>	<u>33,726.03</u>
TOTAL LIABILITIES		<u>34,729.75</u>	<u>61,156.76</u>
NET ASSETS		<u>174,094.54</u>	<u>35,491.33</u>
MEMBERS' FUNDS			
Retained earnings	5	174,094.54	35,491.33
TOTAL MEMBERS' FUNDS		<u>174,094.54</u>	<u>35,491.33</u>

The accompanying notes form part of these financial statements.

MANLY RUGBY FOOTBALL CLUB INCORPORATED
ABN 34 770 577 974

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2013

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. 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 stated otherwise, have been adopted in the preparation of this financial report.

Property, Plant and Equipment (PPE)

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Depreciation

The depreciation method and useful life used for items of property, plant and equipment (excluding freehold land) reflects the pattern in which their future economic benefits are expected to be consumed by the association. Depreciation commences 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 method and useful life of assets is reviewed annually to ensure they are still appropriate.

Impairment of Assets

At the end of each reporting period, the association assesses whether there is any indication that an asset may be impaired. The assessment will consider both external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of that asset, being the higher of the asset's fair value less costs to sell and its value-in-use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is immediately recognised in profit or loss.

MANLY RUGBY FOOTBALL CLUB INCORPORATED
ABN 34 770 577 974

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2013

Accounts Receivable and Other Receivables

Accounts receivable are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

At the end of each reporting period, the carrying amount of accounts receivable and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in income and expenditure statement.

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 bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

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 rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

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

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

Accounts Payable and Other Payables

Accounts payable and other payables represent the liabilities at the end of the reporting period for goods and services received by the association that remain unpaid.

Accounts payable are recognised at their transaction price. Accounts payable are obligations on the basis of normal credit terms.

MANLY RUGBY FOOTBALL CLUB INCORPORATED
ABN 34 770 577 974

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2013

	This Year \$	Last Year \$
2 Cash and Cash Equivalents		
Cash on Hand	1,000.00	500.00
Deposits	3,600.00	11,450.00
Cash at Bank	23.66	23.66
Bartercard	512.83	512.83
Westpac 1573	109,215.02	875.15
St George	9.36	9.36
Westpac - 2087	176.92	176.92
	<u>114,537.79</u>	<u>13,547.92</u>
3 Accounts Receivable and Other Debtors		
Current		
Trade Debtors	<u>91,970.00</u>	<u>82,807.67</u>
4 Property, Plant and Equipment		
Plant & Equipment	-	54,501.00
Less: Accumulated Depreciation	<u>-</u>	<u>(54,501.00)</u>
	-	-
Motor Vehicles	-	5,545.45
Less: Accumulated Depreciation	<u>-</u>	<u>(5,545.45)</u>
	-	-
Office Furniture & Equipment	2,845.45	10,193.00
Less: Accumulated Depreciation	<u>(948.00)</u>	<u>(10,193.00)</u>
	1,897.45	-
Ground Hospitality Equipment	1,129.55	585.00
Less: Accumulated Depreciation	<u>(710.50)</u>	<u>(292.50)</u>
	419.05	292.50
Total Plant and Equipment	<u>2,316.50</u>	<u>292.50</u>
Total Property, Plant and Equipment	<u>2,316.50</u>	<u>292.50</u>

MANLY RUGBY FOOTBALL CLUB INCORPORATED
ABN 34 770 577 974

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2013

	This Year \$	Last Year \$
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5 Retained Earnings		
Retained earnings (Accumulated losses) at the beginning of the financial year	35,491.33	(178,470.99)
Net profit attributable to the association	138,603.21	213,962.32
Retained earnings at the end of the financial year	<u>174,094.54</u>	<u>35,491.33</u>

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MANLY RUGBY FOOTBALL CLUB INCORPORATED
ABN 34 770 577 974**

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of MANLY RUGBY FOOTBALL CLUB INCORPORATED, which comprises the balance sheet as at 30 September 2013, income statement for the year then ended, a summary of significant accounting policies, other explanatory notes and statement by members of the Committee's.

Committee's Responsibility for the Financial Report

The Committee of the club is responsible for the preparation and fair presentation of the financial report and has determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the financial reporting requirements of the Club's constitution and are appropriate to meet the needs of the members. The Committee's responsibility includes designing, implementing 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial report based on our 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. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we 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 auditors' 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 auditors consider 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 director, as well as evaluating the overall presentation of the financial report.

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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MANLY RUGBY FOOTBALL CLUB INCORPORATED
ABN 34 770 577 974 (Continued)**

The financial report has been prepared for distribution to members for the purpose of fulfilling the Committee's financial reporting under the Club's constitution. We 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.

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

Qualifications

Receipts from sponsorships, grants, gate takings, donations, trading and other fund raising activities are a significant source of revenue for the club. Our audit procedures with respect to revenue from these sources had to be restricted to the amounts recorded in the financial statements. As a result, we are unable to express an opinion as to whether revenue from these sources is complete. It is not always practicable for the club to establish accounting control over all sources of income and expenditure and accordingly it is not possible for our audit to include procedures to confirm the completeness of such income and expenditure recorded in the accounting records of the club.

Qualified Audit Opinion

In our opinion, except for the effects on the financial report of such adjustments, if any, as might have been required had the limitations referred to in the qualifications paragraph not existed, the Financial Report presents fairly, in all material respects, the financial position of the Manly Rugby Football Club Incorporated as at 30 September 2013 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, and the NSW Associations Incorporation Regulation 2010.



William John Walker – Registered Company Auditor

Dated this 8th day of November 2013

MANLY RUGBY FOOTBALL CLUB INCORPORATED
ABN 34 770 577 974

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 statements as set out on pages 1 to 8:

1. Presents a true and fair view of the financial position of MANLY RUGBY FOOTBALL CLUB INCORPORATED as at 30 September 2013 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that MANLY RUGBY FOOTBALL CLUB 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:

President: _____

Treasurer: _____

Dated this 8th day of November 2013