



LANCE BARNES
DIRECTOR
2013 - 2014

Surf Life Saving Sydney Northern Beaches Inc. & Controlled Entity

ABN 31 416 737 307

Financial Reports

For the year ended 31 March, 2014

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Surf Life Saving Sydney Northern Beaches Inc. & Controlled Entity
ABN 31 416 737 307

Committee's Report
For the year ended 31 March 2014

Your committee members submit the financial accounts of the Surf Life Saving Sydney Northern Beaches Inc. & Controlled Entity for the financial year ended 31 March 2014.

Members of SLSSNB Executive Committee are:

Branch President	David Murray (North Curl Curl)
Deputy President	Douglas Menzies (Newport)
Director of Administration & Finance	Lance Barnes (Newport)
Director of Rescue Services	Geoff Raper (North Palm Beach)
Director of Education & Assessment	Shannon Job (North Steyne)
Director of Surf Sports	Michael Kirkby (Freshwater)
Director of Marketing & Sponsorship	Rob Berry (Whale Beach)
Director of Youth & Membership Development	Tracey Hare-Boyd (North Steyne)
Chief Executive Officer	Steven McInnes

Principal Activities

The principal activities of the Association during the financial year were to provide, maintain and promote a safe beach and aquatic environment and be a valued surf lifesaving service to the community of Sydney Northern Beaches.

Significant Changes

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

Operating Result

The surplus/(deficit) from ordinary activities amounted to:

Year ended	Year ended
31 March 2014	31 March 2013
\$	\$
47,012	(13,433)

Surf Life Saving Sydney Northern Beaches Inc. finished the year with a small operating surplus of \$47,012 a significant improvement over the prior year. My thanks to the sponsorship committee who have worked diligently to reduce the anticipated sponsorship shortfall by obtaining extra sponsorships and grants where available. I would also express our thanks to the continuing support of the sponsors and local businesses who enable us to continue to provide a high level of beach safety. In addition I would thank the Directors of the Executive for managing the expenses in their portfolios effectively.

Surf Life Saving Sydney Northern Beaches Inc. & Controlled Entity
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For the year ended 31 March 2014

During this year we have made focussed Capital Investment in upgrading our Warringah Surf Rescue building and providing new equipment to support our core areas of Rescue Services and Surf Sports.

SLSSNB Enterprises Pty Ltd, a private company fully owned by SLSSNB which provides surf awareness and surf safety training for schools and other income generating activities continues to make a significant contribution to the Branch. The increased uptake of the school programs this year has been very positive and augurs well for future years providing we can resource correctly. The results of SLSSNB Enterprises are consolidated into our financial statements presented in this report .

Our cash at bank position is lower at the end of this year as we have applied our excess cash to the mortgage offset and reduced our liability to \$35,174 at year-end. Applying our excess cash to this account allows us to minimise our interest expense.

Looking Forward

This coming year, as it was last year, our major challenge is to continue to maintain the level of sponsorship necessary to ensure the Branch remains financially healthy and able to provide its member clubs a continuing high level of service in all key areas.

We have already been advised that Coca Cola Amatil will not be renewing their sponsorship ending in June and Ausgrid will also be leaving us in December. We are sad to see these companies go and we thank them for all their support over the years they have been with us. We are lucky to have a number of great sponsors who are continuing to support us and discussions are underway with other potential sponsors to replace those we are losing. We are confident that the Northern Beaches Surf Life Saving brand has many positives to offer potential sponsors and we hope to have replacements in place before the new season commences.

We have developed a plan to increase the level of income provided to the Branch via SLSSNB Enterprises, building on an excellent result this year. In the coming year we will be establishing and implementing updated resource schedule to provide the platform for the surf school programs to grow by 25% in the next two years.

Lance Barnes – Director Finance & Administration

Post Balance Date Events

There were no matters or circumstances that have arisen since the end of the financial year which have or may significantly affect the operations of the association future financial years.

Future Developments

The Association will continue to pursue its principal activities as stated. The committee members do not anticipate any changes in the operations of the association which will affect the results in subsequent years.

Environmental Issues

The Association operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

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For the year ended 31 March 2014

Indemnifying Officers or Auditor

No indemnities have been given or insurance premiums paid during or since the end of the financial year, for any person who is an officer or auditor of the Association.


Legal Proceedings

No person has applied for leave of Court to bring proceedings on behalf of the Association or intervene in any proceedings to which the Association is a party for the purpose of taking responsibility on behalf of the Association for all or any part of those proceedings.

Auditor's Independence Declaration

The auditor's independent declaration for the year ended 31 March 2014 has been received and can be found on page 67.

Signed in accordance with a resolution of the Members of the Committee on :



President



Director of Finance and Administration

Date: 4 July, 2014

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE MEMBERS OF THE COMMITTEE OF SURF LIFE SAVING SYDNEY
NORTHERN BEACHES INC. & CONTROLLED ENTITY**


To the Members of the Committee of Surf Life Saving Sydney Northern Beaches Inc. & Controlled entity

In accordance with the requirements of section 307C of the *Corporations Act 2011*, as lead auditor for the audit of Surf Life Saving Sydney Northern Beaches Inc. & Controlled entity for the year ended 31 March 2014, I declare that, to the best of my knowledge and belief, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of the code of professional conduct in relation to independence in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board..

Name of Firm: W & D Financial Services
Chartered Accountants

Name of Partner:


Peter Power

Address: Level 1, 521 Pittwater Road, Brookvale NSW 2100

Dated this day of 4 July 2014

Surf Life Saving Sydney Northern Beaches Inc. & Controlled Entity
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Statement of Financial Performance
For the year ended 31 March 2014

	Note	2014 \$	2013 \$
Revenues from ordinary activities	2	1,403,599	1,275,038
Expenses classified by functional activity			
Education		(44,619)	(52,036)
Fundraising expense		(13,766)	(6,616)
Support		(1,081,509)	(1,039,705)
Surf Rescue		(89,469)	(53,903)
Surf Sports		(118,850)	(133,073)
Youth Membership & Development		(8,374)	(3,138)
Net surplus/(deficit) from ordinary activities	3	47,012	(13,433)

Surf Life Saving Sydney Northern Beaches Inc. & Controlled Entity
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Statement of Financial Position
As At 31 March 2014

	Note	2014 \$	2013 \$
CURRENT ASSETS			
Cash assets	4	39,057	127,715
Receivables	5	125,287	386,565
Other	6	9,171	25,098
TOTAL CURRENT ASSETS		173,515	539,378
NON-CURRENT ASSETS			
Property, plant and equipment	7	1,041,354	1,019,159
Others	7	1,030	1,030
TOTAL NON-CURRENT ASSETS		1,042,384	1,020,189
TOTAL ASSETS		1,215,899	1,559,567
CURRENT LIABILITIES			
Payables	8	53,043	129,879
Current tax liabilities	9	8,412	51,970
Provisions	10	42,024	33,953
Finance liabilities	12	0	11,591
Others	11	106,239	123,000
TOTAL CURRENT LIABILITIES		209,718	350,393
NON-CURRENT LIABILITIES			
Finance liabilities	13	35,174	269,279
TOTAL NON-CURRENT LIABILITIES		35,174	269,279
TOTAL LIABILITIES		244,892	619,672
NET ASSETS		971,007	939,895
ACCUMULATED FUNDS			
Accumulated funds at the end of the financial year	14	971,007	939,895
TOTAL ACCUMULATED FUNDS		971,007	939,895

The statement of financial position are to be read in conjunction with the notes to the financial statements.

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Statement of Cash Flows
As At 31 March 2014

	Note	2014 \$	2013 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from operating activities		1,462,153	973,388
Payments to suppliers and employees		(1,158,940)	(1,080,277)
Interest received		257	331
Borrowing costs		(11,708)	(7,771)
Net cash inflow from operating activities	16	291,762	(114,329)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(111,494)	(79,093)
Proceeds from disposal of plant & equipment		20,276	15,000
Net cash inflow / (outflow) from investing activities		(91,217)	(64,093)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		455,814	408,001
Repayment of borrowings		(745,018)	(147,627)
Net cash inflow / (outflow) financing activities		(289,204)	260,374
Net increase (decrease) in cash held		(88,659)	81,952
Cash at beginning of financial year		127,716	45,764
Cash at end of financial year	15	39,057	127,716

The statement of cash flows are to be read in conjunction with the notes to the financial statements.

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Statement of Recognised Income and Expense
For the year ended 31 March 2014

	Note	2014 \$	2013 \$
<hr/>			
Accumulated funds at the beginning of the year		939,895	953,328
Operating surplus/(deficit)		47,012	(13,433)
Prior year adjustment		(15,900)	-
Accumulated funds at the end of the year		971,007	939,895

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Notes to the Financial Statements
For the year ended 31 March 2014

Note 1: Statement of Significant Accounting Policies

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporations Act (NSW) and the NSW Charitable Fundraising Act and Regulations.

The financial report covers Surf Life Saving Sydney Northern Beaches Inc. & Controlled Entity. Surf Life Saving Sydney Northern Beaches Inc. is an association incorporated in (NSW) under the Association Incorporations Act 2009.

The Controlled Entity is incorporated under the Corporation Act 2001.

The financial report of Surf Life Saving Sydney Northern Beaches Inc. and the Controlled Entity complies with all Australian equivalents to International Financial Reporting Standards (IFRS) in their entirety

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(A) Basis of Preparation

Surf Life Saving Sydney Northern Beaches Inc. & Controlled Entity has prepared financial statements in accordance with the Australian equivalents to International Financial Reporting Standards (IFRS) from the 1 July 2005.

The accounting policies set out below have been consistently applied to all years presented. The entities have however elected to adopt exemptions available under AASB 1 relating to AASB 132: Financial Instruments: Disclosure and Presentation, and AASB 139: Financial Instruments: Recognition and Measurement. Refer the Notes for further details.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Basis of Consolidation

Subsidiary is entity controlled by the association. Control exists when the association has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from the activities. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The financial statements of the subsidiary are included in the consolidated financial report from the date that control commences until the date that control ceases.

Intra-group balances and any unrealised gains and losses or income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

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Notes to the Financial Statements
For the year ended 31 March 2014

(B) Accounting Policies

Taxes

- Income Tax:** Under the New Tax System, the Association was endorsed on 1 July 2000 by the ATO as an income tax exempt charity.
- Fringe Benefits Tax:** The Association, as a public benevolent institution, was exempt from fringe benefits tax under Section 57A, Fringe Benefits Tax Assessment Act 1986. Grossed up value of specified fringe benefits to individual employees has been included on each employee's Statement of Earnings as required by law. From 1 April 2001 this exemption ceased for certain fringe benefits paid to employees in excess of \$30,000 grossed up value for each employee.
- Capital Gains Tax:** The Association, as a public benevolent institution, is exempt from capital gains tax under Section 50-5, Income Tax Assessment Act 1997.

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 losses.

a) Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalue amount of the asset.

b) Plant and equipment

Plant and equipment is measured on the cost basis less depreciation and impairment losses.

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

The cost of fixed assets constructed within Surf Life Saving Sydney Northern Beaches Inc. & Controlled Entity includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

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Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalue carrying amount of the asset charged to the income statement and depreciation based on the assets original cost is transferred from the revaluation reserve to retained earnings.

c) Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to Surf Life Saving Sydney Northern Beaches Inc. & Controlled Entity commencing 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 rates used for each class of depreciable asset are:

Class of Asset	Depreciation Rate %
Buildings	2.5%
Plant and equipment	13 – 23%
Other furniture and equipment	10 – 40%
Motor vehicles	18%
Other	20%

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalue assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to Surf Life Saving Sydney Northern Beaches Inc. & Controlled Entity are classified as finance leases.

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Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual value. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that Surf Life Saving Sydney Northern Beaches Inc. & Controlled Entity will obtain ownership of the asset or over the term of the lease.

Lease payments under operating leases, where substantially all the risks and benefits remain with the leaser, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight - line basis over the life of the lease term.

Financial Instruments

a) Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

b) Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB139: Recognition and Measurement of Financial Instruments. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in fair value of these assets are included in the income statement in the period in which they arise.

c) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are stated at amortised cost using the effective interest rate method.

d) Held-to-maturity investments

These investments have fixed maturities, and it is the company's intention to hold these investments to maturity. Any held-to-maturity investments are stated at amortised cost using the effective interest rate method.

e) Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

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f) Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

g) Derivative Instruments

Derivative instruments are measured at fair value. Gains and losses arising from changes in fair value are taken to the income statement unless they are designated as hedges.

h) Fair Value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

i) Impairment

At each reporting date, the committee members assess whether there is objective evidence that financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a first-in first-out basis and include direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenses.

Impairment of Assets

At each reporting date, the committee members review the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the assets fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs.

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Employee Benefits

Provision is made for the liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year have been measured at the amount expected to be paid when the liability is settled, plus related on-costs. Employee entitlements payable later than one year have been measured at the present value of the estimated future cash out flows to be made for those entitlements.

Provisions

Provision are recognised when Surf Life Saving Sydney Northern Beaches Inc. & Controlled Entity has a legal or constructive obligation, as a result of past events, for which it is probable that the outflow of economic benefit will result and that the outflow can be measured reliably.

Cash and Cash Equivalents

Cash and Cash Equivalents includes cash on hand, deposits held at call with banks or financial institutions, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short term borrowings in current liabilities on the balance sheet.

Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking in to account the interest rates applicable to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established. Dividends received from associates and joint venture entities are accounted for in accordance with the equity method of accounting.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use of sale.

All other borrowing costs are recognised in income in the period in which they are incurred.

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. In these circumstances, the GST is recognised as part of the cost of

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Notes to the Financial Statements
For the year ended 31 March 2014

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.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Disposal of Surplus

Annual Surplus: Rule 39 of the Association's constitution prohibits the distribution of any surplus to Members. All income must be applied solely towards the promotion of the objects of the Association.

Surplus on Liquidation: As required by the Charitable Fundraising Act 1991, the Income Tax Assessment Act 1997 and Tax Ruling TR 2000/12 and Rule 54 of the constitution, any assets remaining upon the winding up of the Association must be applied to the objects or purposes for which they were raised.

Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform to changes in presentation for the current financial year.

a) Critical accounting estimates and judgments

The Committee members evaluate estimates and judgments incorporated into the financial report 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 internally.

Key estimates - Impairment

The committee members assess impairment at each reporting date by evaluating conditions specific to the group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

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Notes to the Financial Statements
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Note 2: Revenue

Operating activities

Major - Sponsorship	502,884		502,884	499,792
Grants	65,283		65,283	70,362
CDSE Funding	9,460		9,460	5,000
Surf Sports	136,468		136,468	135,033
Fundraising	0	13,734	13,734	0
Fees for services	677,208		677,208	559,052
Minor – Donations	1,320		1,320	6,492
Interest received	257		257	331
	1,392,880	13,734	1,406,614	1,276,062

Non-operating activities

Profit/(Loss) on disposal of motor vehicles	(3,015)		(3,015)	(1,023)
	1,389,866	-	1,403,599	1,275,039

Note 3: Surplus from ordinary activities

Operating surplus/(deficit) from ordinary activities has been determined after

Depreciation of non-current assets

Buildings	10,250		10,250	10,250
Motor vehicles	12,633		12,633	11,349
Office equipment	20,767		20,767	30,816
Plant & equipment	18,919		18,919	11,087
Remuneration of auditors	3,500		3,500	5,885

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Notes to the Financial Statements
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Note 4: Cash Assets

Current

Cash at bank and on hand	39,057	39,057	127,716
	39,057	39,057	127,716

Note 5: Receivables

Current

Accounts receivables	52,936	52,936	386,565
Other receivables	72,351	72,351	-
	125,287	125,287	386,565

Note 6: Other Assets

Current

Inventories	3,453	3,453	14,845
Prepayment	5,718	5,718	10,253
	9,171	9,171	25,098

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Notes to the Financial Statements
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Note 7: Property, Plant and Equipment

Plant and equipment – at cost	210,143	210,143	132,867
Less: Accumulated Depreciation	(82,357)	(82,357)	(63,438)
	<u>127,786</u>	<u>127,786</u>	<u>69,429</u>
Office Furniture & Equipment – at cost	172,181	172,181	168,423
Less: Accumulated Depreciation	(114,258)	(114,258)	(93,490)
	<u>57,923</u>	<u>57,923</u>	<u>74,933</u>
Motor Vehicles – at cost	103,991	103,991	90,791
Less: Accumulated Depreciation	(38,690)	(38,690)	(26,056)
	<u>65,301</u>	<u>65,301</u>	<u>64,735</u>
Other Assets – at cost	31,560	31,560	31,560
Less: Accumulated Depreciation	(28,430)	(28,430)	(18,962)
	<u>3,130</u>	<u>3,130</u>	<u>12,598</u>
Buildings – at cost	827,765	827,765	827,765
Less: Accumulated Depreciation	(40,551)	(40,551)	(30,301)
	<u>787,214</u>	<u>787,214</u>	<u>797,464</u>
Total	<u>1,041,354</u>	<u>1,041,354</u>	<u>1,019,159</u>
Formation expenses	1,030	1,030	1,030
	<u>1,030</u>	<u>1,030</u>	<u>1,030</u>

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Notes to the Financial Statements
For the year ended 31 March 2013

Note 8: Payables

Unsecured:

Accounts payables	36,363	36,363	111,421
Other payables	16,674	16,674	18,458
	53,037	53,037	129,879

Note 9: Tax Liabilities

Current

GST payable	1,889	1,889	43,562
Amount withheld from salary and wages	6,523	6,523	8,408
	8,412	8,412	51,970

Note 10: Provisions

Current

Employee entitlements	42,024	42,024	33,953
	42,024	42,024	33,953

There were 6 employees at the end of the year.

Provision for Employee Entitlements

A provision has been recognised for employee entitlements relating to annual, personal/carer and long service leave for employees. In calculating the present value and future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been included in Note: Statement of Significant Accounting Policies.

Note 11: Others

Current

Deferred revenue	106,239	106,239	123,000
	106,239	106,239	123,000

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Notes to the Financial Statements
For the year ended 31 March 2013

Note 12: Finance Liabilities

Current

Finance lease	-	-	11,591
	<u>-</u>	<u>-</u>	<u>11,591</u>

Note 13: Finance Liabilities

Non-Current

Mortgage	35,174	35,174	269,279
	<u>35,174</u>	<u>35,174</u>	<u>269,279</u>

The finance facility of \$450,000 with Westpac was originally taken out to purchase 9/1 Vuko Place, Warriewood. It is a principal and interest revolving facility. During the year, the facility has been paid down and redraws regularly to meet ongoing cash flow requirement.

Note 14: Accumulated Funds

Accumulated funds at the beginning of the year	939,895	939,895	953,328
Operating surplus/(deficit)	47,012	47,012	(13,433)
Prior year adjustment	(15,900)	(15,900)	-
Accumulated funds at the end of the year	<u>971,007</u>	<u>971,007</u>	<u>939,895</u>

Note 15: Reconciliation of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Westpac Cheque Account	39,057	39,057	115,760
Westpac Investment Account	0	0	11,955
	<u>39,057</u>	<u>39,057</u>	<u>127,716</u>

Surf Life Saving Sydney Northern Beaches Inc. & Controlled Entity
ABN 31 416 737 307

Notes to the Financial Statements
For the year ended 31 March 2013

Note 16: Reconciliation of Net Cash Provided By/Used In Operating Activities to Operating Surplus

Operating surplus/(deficit)	31,113	31,113	(13,433)
Profit/(Loss) on sale of non-current assets	(3,015)	(3,015)	(1,023)
Depreciation	72,038	72,038	61,986
Prior year adjustment	15,900	15,900	-
Interest charged	11,708	11,708	7,771
Changes in assets and liabilities, net of the effects of purchase and disposals of subsidiaries			
(Increase)/decrease in receivables	261,278	261,278	(242,100)
(Increase)/decrease in other assets	15,927	15,927	(8,363)
Increase/(decrease) in payables	(76,839)	(76,839)	75,174
Increase/(decrease) in tax liabilities	(43,558)	(43,558)	(359)
Increase/(decrease) in provisions	8,071	8,071	(357)
Increase/(decrease) in other liabilities	(861)	(861)	6,375
Net cash provided by (used in) operating activities	291,762	291,762	(114,329)

Note 17: Interest Income

Cash management account	257	257	331
	257	257	331

Note 18: Insurance Cover

General	6,154	6,154	3,879
Workers Compensation	5,786	5,786	3,860
	11,940	11,940	7,739

Note 19: Remuneration to Employees

Staff are employed on individual management contracts, and under awards. Superannuation is paid in accordance with awards, management contracts or the superannuation guarantee legislation. Individual management contracts provide for salary sacrifice payments in accordance with the Fringe Benefits Tax Assessment Act 1986. The effect of the salary sacrifice payments is to make salary packages to staff more comparable to equivalent remuneration to staff employed in for-profit organisations.

Surf Life Saving Sydney Northern Beaches Inc. & Controlled Entity
ABN 31 416 737 307

Notes to the Financial Statements
For the year ended 31 March 2013

Note 20: Contingent Liabilities

There are no contingent liabilities that the committee members are aware of that will have material effects to the financial reports.

Note 21: Events Subsequent to Reporting Date

There are no events subsequent to reporting date that the committee members are aware of that will have material effects to the financial reports.

Surf Life Saving Sydney Northern Beaches Inc. & Controlled Entity
ABN 31 416 737 307

Declaration by Members of the Committee
For the year ended 31 March 2014

In the opinion of the Committee the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows, Statement of Recognised Income and Expenses and Notes to the Financial Statements:

1. Presents fairly the financial position of Surf Life Saving Sydney Northern Beaches Inc. & Controlled Entity as at 31 March 2014 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that the Association 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



Director of Finance and Administration

Date: 4 July, 2014

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SURF LIFE SAVING SYDNEY NORTHERN BEACHES INC. &
CONTROLLED ENTITY
A.B.N. 31 416 737 307

Auditors' Opinion

Qualification: Donations and Fund Raising Activities

It is not practical for Surf Life Saving Sydney Northern Beaches Inc. & Controlled Entity to maintain an effective system of internal control over donations and fund raising activities until their entry in the accounting records. Accordingly, my audit in relation to donations and fund raising was limited to amounts recorded.

Qualified Audit Opinion

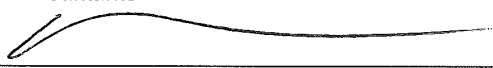
In my opinion, subject to the effects of such adjustments, if any, as might have been determined to be necessary had the limitation discussed in the qualification paragraph not existed, the financial report of Surf Life Saving Sydney Northern Beaches Inc. & Controlled Entity presents fairly in all material respects the financial position of Surf Life Saving Sydney Northern Beaches Inc. & Controlled Entity as at 31 March 2014 and of 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 Charitable Fundraising Act 1991, the NSW Associations Incorporation Act and the club's constitution.

Basis of Accounting

Without modifying my opinion, I draw attention to Note 1, which describes the basis of accounting. The financial report has been prepared to meet the above requirements. As a result, the financial report may not be suitable for another purpose.

Name of Firm: W&D Financial Services
Chartered Accountants

Name of Partner:


Peter Power

Qualification: Individual Auditor – 730
Member of the Institute of Chartered Accountants in Australia – 15380

Address: Suite 17, Pittwater Place, 10 Park Street, Mona Vale NSW 2103

Dated: 4 July 2014