

SWIMMING NORTHERN TERRITORY INCORPORATED
(ABN: 89 213 114 885)

FINANCIAL STATEMENTS
AT 30 JUNE 2015

David G Martin
Chartered Accountant

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SWIMMING NORTHERN TERRITORY INCORPORATED**

Report on the Financial Report

I have audited the attached financial report, being a general purpose financial report, of Swimming Northern Territory Incorporated for the year ended 30 June 2015 as attached.

Committee Members' Responsibility for the Financial Report

The committee of the Association is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Associations Act (NT)*. This responsibility 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. I conducted an 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 other disclosures in the financial report. The procedures selected depend on the auditor's judgement, 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.

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

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Independence

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

Auditor's opinion

In my opinion,

The financial report of Swimming Northern Territory Incorporated is in accordance with the *Associations Act (NT)* including:

- (a) giving a true and fair view of the Association's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Associations Act (NT)*.

A handwritten signature in blue ink, appearing to read "David Martin".

Darwin
19 October 2015

DG Martin FCA

SWIMMING NORTHERN TERRITORY INCORPORATED

STATEMENT BY MEMBERS OF THE COMMITTEE

FOR THE YEAR ENDED 30 JUNE 2015

The Committee have determined that these general purpose financial statements should be prepared in accordance with the accounting policies outlined in Note 1 to the accounts.

In the opinion of the Committee:

(a) the accompanying financial statements as set out on pages 1 to 15 attached, being general purpose financial statements, are drawn up so as to present fairly the state of affairs of the Association as at 30 June 2015 and the results of its operations for the year ended on that date;

(b) the financial statements of the Association have been properly prepared and are in accordance with the books of account of the Association; and

(c) there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

The Committee confirms as follows:

(a) The names of each committee member of the Association during the relevant financial year were -

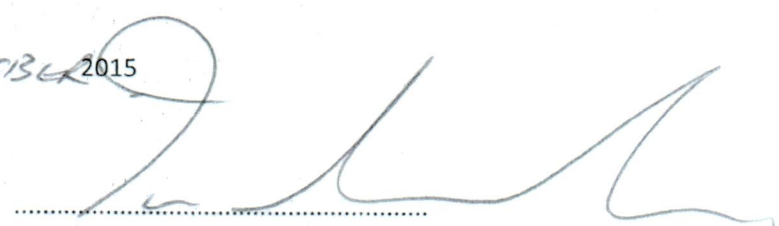
Kia Naylor, Shane Cross, John McRoberts, Barbara Radecki, Amanda Bagley, Joel Wecker, Charles Staples, Nadia Romeo, Karen Messenger, Jenny Culgan and Michelle Oliphant.

(b) The principal activities of the Association during the relevant financial year were the planning and oversight of amateur swimming training and competition in the Northern Territory.

(c) The net deficit for the year was \$84,359. (2014 – a deficit of \$51,815).

Signed at Darwin this 19 day of October 2015


.....
President


.....
Secretary

SWIMMING NORTHERN TERRITORY INCORPORATED

Schedule 1

DETAILED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015

	<u>2015</u>	<u>2014</u>
<u>INCOME</u>		
Affiliation Fees	8,000	7,986
Coaching and Swim Camp Fees	0	655
Competition entry fees	26,628	22,351
DCITA - Indigenous Sport Grant	80,000	116,338
Equipment Levy	2,435	3,211
Insurance Oncharged	9,952	7,051
Interest	4,320	5,201
Nationals Participants Reimb	2,673	6,849
NT Government Grants	136,000	136,000
NT Government Indigenous sport funding	241	11,909
NT Institute of Sport funding	20,000	5,000
Other event income	5,704	4,782
Other funding & grants	0	14,054
Registration Fees	23,395	19,964
Retail Sales	4,165	6,223
SAL - Go Club Funding	0	4,000
SAL - Telstra Athlete Development	0	20,000
SAL Funding	20,000	20,911
SAL Funding NT Institute of Sport	13,750	18,750
SAL Flipper	0	7,000
Sponsorships	19,451	24,527
Sundry income	2,182	175
Swimming Australia Participation funding	28,000	25,000
	<hr/>	<hr/>
Total income	406,896	487,937

To be read in conjunction with the accompanying notes and Auditor's report.

SWIMMING NORTHERN TERRITORY INCORPORATED

Schedule 1/2

DETAILED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015

<u>EXPENDITURE</u>	<u>2015</u>	<u>2014</u>
Accounting Services	4,573	2,302
Advertising and Promotion	7,242	7,350
Audit Fees	4,480	3,500
Bank Charges	491	642
Capitation & Affiliation - SAL	1,000	1,042
Competition Entry Fees	3,746	1,049
Consumables/stock purchases	4,547	4,728
Contractors	18,297	23,149
Course Fees	601	691
Depreciation	10,842	14,785
Doubtful debts	12,400	0
Employee Superannuation	20,684	23,143
Equipment - Pool	4,192	4,221
Equipment Hire	8,975	10,195
Equipment Repair & Maintenance	1,412	354
Food & Beverages	6,599	17,205
Honorarium to Volunteers	2,084	1,990
Insurance	11,718	14,839
Km Reimbursement	8,555	13,725
Masters Development	17,550	19,500
Medals & Trophies	4,515	5,346
Other event awards	1,487	2,337
Other event costs	3,948	3,006
Pool Hire	7,545	8,935
Postage & Freight	461	618
Printing & Stationary	3,032	1,874
Staff Training	552	413
Staff Amenities	144	767
Sundry expenses	17,241	21,372
Telephone, fax & internet	4,878	4,178
Travel Costs	53,962	72,097
Unexpended grant repaid	14,206	0
Uniforms & Bathers etc	11,570	7,304
Wages	217,726	250,191
Assets funded by grants written back	0	(3,096)
Total Expenses	<u>491,255</u>	<u>539,752</u>
Excess of (expenditure over income)/income over expenditure	<u>(84,359)</u>	<u>(51,815)</u>

To be read in conjunction with the accompanying notes and auditor's report.

SWIMMING NORTHERN TERRITORY INCORPORATED

Schedule 2

STATEMENT OF FINANCIAL POSITION
AT 30 JUNE 2015

	Note	<u>2015</u> \$	<u>2014</u> \$
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	2A	67,836	148,413
Trade and Other Receivables	2B	<u>37,805</u>	<u>19,011</u>
TOTAL CURRENT ASSETS		<u>105,641</u>	<u>167,424</u>
NON-CURRENT ASSETS			
Property, Plant and Equipment	3	<u>59,720</u>	<u>69,309</u>
TOTAL NON-CURRENT ASSETS		<u>59,720</u>	<u>69,309</u>
<u>TOTAL ASSETS</u>		<u>165,361</u>	<u>236,733</u>
CURRENT LIABILITIES			
Trade and Other Payables	4A	29,406	11,610
Current Tax Liabilities	4B	<u>(1,399)</u>	<u>3,410</u>
TOTAL CURRENT LIABILITIES		<u>28,007</u>	<u>15,020</u>
<u>TOTAL LIABILITIES</u>		<u>28,007</u>	<u>15,020</u>
NET ASSETS		<u>137,354</u>	<u>221,713</u>
EQUITY			
Retained earnings at beginning of year		221,713	273,528
Excess of (expenditure over income)/ income over expenditure for the year		<u>(84,359)</u>	<u>(51,815)</u>
<u>TOTAL EQUITY</u>		<u>137,354</u>	<u>221,713</u>

To be read in conjunction with the accompanying notes and auditor's report.

SWIMMING NORTHERN TERRITORY INCORPORATED

Schedule 3

STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE 2015

	<u>Accumulated Results</u>		<u>Total Equity</u>	
	<u>2015</u> \$	<u>2014</u> \$	<u>2015</u> \$	<u>2014</u> \$
Opening balance	221,713	273,528	221,713	273,528
Adjustment for errors	0	0	0	0
Adjustment for changes in accounting policies	0	0	0	0
Adjusted opening balance	221,713	273,528	221,713	273,528
Surplus/(Deficit) for the period	(84,359)	(51,815)	(84,359)	(51,815)
Transfers between equity components	0	0	0	0
Closing balance	<u>137,354</u>	<u>221,713</u>	<u>137,354</u>	<u>221,713</u>

The above statement should be read in conjunction with the accompanying notes

SWIMMING NORTHERN TERRITORY INCORPORATED

Schedule 4

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2015

	Note	<u>2015</u> \$	<u>2014</u> \$
OPERATING ACTIVITIES			
Cash Received			
Internally generated funds		171,861	256,973
Grants received		216,241	262,624
Payments to suppliers and employees		<u>(467,426)</u>	<u>(535,716)</u>
		<u>(79,324)</u>	<u>(16,119)</u>
Cash flows from investing activities			
(Acquisition) / Disposal of assets		<u>(1,253)</u>	<u>(3,096)</u>
Net Increase / (Decrease) in cash held		(80,577)	(19,215)
Add: Opening balance brought forward		<u>148,413</u>	<u>167,628</u>
Total cash at the end of reporting period	5	<u><u>67,836</u></u>	<u><u>148,413</u></u>

To be read in conjunction with the accompanying notes and auditor's report.

SWIMMING NORTHERN TERRITORY INCORPORATED

Schedule 5

SCHEDULE OF COMMITMENTS AND CONTINGENCIES
AS AT 30 JUNE 2015

	Note	<u>2015</u> \$	<u>2014</u> \$
BY TYPE			
Capital Commitments			
Plant and Equipment		0	0
Total Other Commitments		<u>0</u>	<u>0</u>
Net Commitments By Type		<u><u>0</u></u>	<u><u>0</u></u>
 BY MATURITY			
One Year Less		0	0
From One To Five Years		0	0
Over Five Years		<u>0</u>	<u>0</u>
Net Commitment By Maturity		<u><u>0</u></u>	<u><u>0</u></u>

NB: Commitments are GST inclusive where relevant

There are no known contingencies at 30 June 2015. (2014 - \$Nil).

The above schedule should be read in conjunction with the accompanying notes

SWIMMING NORTHERN TERRITORY INCORPORATED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Schedule 6

These financial statements cover Swimming Northern Territory Incorporated as an individual entity. Swimming Northern Territory Incorporated is an association incorporated in the Northern Territory under the *Associations Act 2003*.

Note 1: Statement of Significant Accounting Policies

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with applicable Australian Accounting Standards, Australian Accounting Interpretations and the *Associations Act*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the management or at fair value of selected non-current assets, the financial assets and financial liabilities.

Accounting policies

a. Revenue

Grant revenue is recognised in the income statement when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

Donations and bequests are recognised as revenue when received.

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

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

SWIMMING NORTHERN TERRITORY INCORPORATED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Schedule 6/2

b. Property, plant & equipment

Asset Recognition Threshold

Purchases of property, plant and equipment are recognised initially at cost in the statement of financial position except for purchases costing less than \$500, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

Revaluations

Fair values for each class of asset are determined as shown below:

<i>Asset class</i>	<i>Fair Value measured at</i>
Buildings	Depreciated replacement cost
Infrastructure, plant and equipment	Depreciated replacement cost

Following initial recognition at cost, property, plant and equipment are carried at fair value less accumulated depreciation and accumulated impairment losses.

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the Association using the straight line method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	<u>2015</u>	<u>2014</u>
Buildings	40 years	40 years
Plant and equipment	5 years	5 years

Impairment

All assets were assessed for impairment at 30 June 2015. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows and the asset would be replaced if the Association were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

SWIMMING NORTHERN TERRITORY INCORPORATED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Schedule 6/3

c. Gains and losses

Sale of assets

Revenue from the disposal of non-current assets is recognised when control of the asset has passed to the buyer.

Gains and losses from disposal of non-current assets are recognised when control of the asset has passed to the buyer.

There were several fully depreciated assets written off during the year as they were no longer being used by the Association.

d. Cash

Cash and cash equivalents include notes and coins held and any deposits in bank accounts with an original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value. Cash is recognised at its nominal amount.

e. Contingent Liabilities and Contingent Assets

Contingent Liabilities and Contingent Assets are not recognised in the statement of financial position but are reported in the relevant schedules and notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent Assets are disclosed when settlement is greater than remote.

f. Taxation

The Association is exempt from taxation except pay as you go tax relating to salaries and wages, fringe benefits tax, and the goods and services tax (GST).

Revenues, expenses and assets are recognised net of GST:

- except where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- except for receivables and payables.

g. Significant accounting judgements and estimates

In the process of applying the accounting policies listed in this note, the Association has made the following judgement that has the most significant impact on the amounts recorded in the financial statements:

- The fair value of property, plant and equipment has been taken to be the market value of similar assets.

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next accounting period.

SWIMMING NORTHERN TERRITORY INCORPORATED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Schedule 6/4

h. Economic Dependence

Swimming Northern Territory Incorporated is dependent on various grants from Government for the majority of its revenue. At the date of this report the management Committee has no reason to believe this funding will not continue.

i. Adoption of new and revised accounting standards

During the current year, the Association has adopted all of the new revised Australian Accounting Standards and interpretations applicable to its operations which became mandatory.

The adoption of these standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact of the adoption of these standards and interpretations has had on the financial statements of swimming Northern Territory Incorporated.

SWIMMING NORTHERN TERRITORY INCORPORATED

Schedule 6/5

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30th JUNE 2015

Note 2. CURRENT ASSETS	<u>2015</u>	<u>2014</u>
	\$	\$
<u>Note 2A: Cash and Cash Equivalents</u>		
Cash at bank	16,231	48,413
Term Deposit	<u>51,605</u>	<u>100,000</u>
Total Cash On Hand	<u>67,836</u>	<u>148,413</u>
<u>Note 2B: Trade and Other Receivables</u>		
Trade Debtors	50,205	19,011
Less Provision For Doubtful Debts	<u>(12,400)</u>	<u>0</u>
Total Trade and Other Receivables	<u>37,805</u>	<u>19,011</u>
Note 3. PROPERTY, PLANT AND EQUIPMENT		
Buildings	61,215	61,215
Less: Accumulated Depreciation	<u>(24,502)</u>	<u>(22,053)</u>
	<u>36,713</u>	<u>39,162</u>
Plant and Equipment	207,820	205,567
Less: Accumulated Depreciation	<u>(184,813)</u>	<u>(176,420)</u>
	<u>23,007</u>	<u>29,147</u>
Total Property, Plant and Equipment	<u>59,720</u>	<u>68,309</u>

There were no revaluation increments or decrements during the year. (2014 - \$Nil).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30th JUNE 2015

Note 3: Property Plant and Equipment (Continued)**Reconciliation of the opening and closing balances of property, plant and equipment**

<u>2014-2015</u>	<u>Buildings</u>	<u>Plant & Equipment</u>
As at 1st July 2014		
Gross Book Value	61,215	206,567
Accumulated Depreciation	<u>(22,053)</u>	<u>(176,420)</u>
Net Book Value 1 July 2014	<u>39,162</u>	<u>30,147</u>
Additions by Purchase	0	1,253
Depreciation Expense	(2,449)	(8,393)
Disposals	<u>0</u>	<u>0</u>
Net Book Value 30 June 2015	<u><u>36,713</u></u>	<u><u>23,007</u></u>
Net book value as at 30 June 2015 represented by:		
Gross Book Value	61,215	207,820
Accumulated Depreciation	<u>(24,502)</u>	<u>(184,813)</u>
	<u><u>36,713</u></u>	<u><u>23,007</u></u>
 <u>2013-2014</u>	 <u>Buildings</u>	 <u>Plant & Equipment</u>
As at 1st July 2013		
Gross Book Value	61,215	203,471
Accumulated Depreciation	<u>(19,604)</u>	<u>(164,084)</u>
Net Book Value 1 July 2013	<u>41,611</u>	<u>39,387</u>
Additions by Purchase	0	3,096
Depreciation Expense	(2,449)	(12,336)
Disposals	<u>0</u>	<u>0</u>
Net Book Value 30 June 2014	<u><u>39,162</u></u>	<u><u>30,147</u></u>
Net book value as at 30 June 2014 represented by:		
Gross Book Value	61,215	206,567
Accumulated Depreciation	<u>(22,053)</u>	<u>(176,420)</u>
	<u><u>39,162</u></u>	<u><u>30,147</u></u>

SWIMMING NORTHERN TERRITORY INCORPORATED

Schedule 6/7

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30th JUNE 2015

Note 4. CURRENT LIABILITIES

2015 **2014**
\$ \$

Note 4A: Trade And Other Payables

Trade Creditors	19,056	249
Payroll liabilities	10,350	10,895
	<u>29,406</u>	<u>11,144</u>

Note 4B: Current Tax Liabilities

GST Collected on sales	5,975	10,894
GST Paid on Purchases	(7,374)	(7,484)
	<u>(1,399)</u>	<u>3,410</u>

Note 5. Cash Flow Reconciliation

Reconciliation of cash and cash equivalents as per Balance Sheet to Statement of Cash Flows

Report cash and cash equivalents as per:		
Cash Flow Statement	67,836	148,413
Balance Sheet	<u>67,836</u>	<u>148,413</u>
Difference	<u>0</u>	<u>0</u>

Reconciliation of operating result to net cash from operating activities:

Operating Result	(84,359)	(51,815)
Depreciation	10,842	14,785
Movement in doubtful debt provision	12,400	0
(Increase) / Decrease in net receivables	(31,194)	31,660
Increase / (Decrease) in Creditors and borrowings	<u>12,987</u>	<u>(10,749)</u>
Net Cash From / (Used By) Operating Activities	<u>(79,324)</u>	<u>(16,119)</u>

SWIMMING NORTHERN TERRITORY INCORPORATED

Schedule 6/8

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30th JUNE 2015

Note 6. FINANCIAL INSTRUMENTS	<u>2015</u>	<u>2014</u>
	\$	\$
<u>Note 6A: Categories of Financial Instruments</u>		
Financial Assets		
Cash at Bank	67,836	148,413
Receivables for Goods and Services	<u>37,805</u>	<u>19,011</u>
Carrying amount of financial assets	<u>105,641</u>	<u>167,424</u>
Financial Liabilities		
Trade Creditors & other payables	<u>29,406</u>	<u>11,610</u>
Carrying Amount Of Financial Liabilities	<u>29,406</u>	<u>11,610</u>
<u>Note 6B: Net Income and Expense from financial assets</u>		
Cash at Bank	<u>4,320</u>	<u>5,201</u>
Net Gain from financial assets	<u>4,320</u>	<u>5,201</u>

Note 6C: Net income and expense from financial liabilities

There is neither income or expense from financial liabilities

Note 6D: Fair value of financial instruments

The carrying amount of all financial instruments is a reasonable approximation of fair value in both the current year and the prior year

Note 6E: Credit Risk

Swimming Northern Territory Incorporated is exposed to minimal credit risk as the majority of receivables are cash. The maximum exposure to credit risk is the risk that arises from potential default of debtors. The amount is covered by the provision for doubtful debt.

Note 6F: Liquidity Risk

Swimming Northern Territory Incorporated's financial liabilities are trade creditors. The exposure to liquidity risk is based on the notion that Swimming Northern Territory Incorporated will encounter difficulty in meeting its obligations associated with financial liabilities

Note 6G: Market Risk

Swimming Northern Territory Incorporated has no exposure to "currency risks" or "other price risks".

