

**CANOEING WESTERN AUSTRALIA INC**

**FINANCIAL STATEMENTS FOR THE**

**YEAR ENDED 30 JUNE 2011**

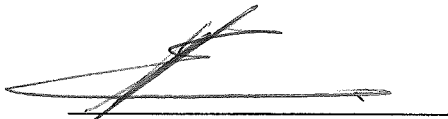
## CANOEING WESTERN AUSTRALIA INC

### STATEMENT BY BOARD OF DIRECTORS

The Board of Directors has determined that Canoeing Western Australia Inc. ("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 Board of Directors, the financial report:

1. presents a true and fair view of the financial position of the Association as at 30 June 2011 and of its performance for the year ended on that date, and
2. at the date of this statement, there are reasonable grounds to believe that the Canoeing Western Australia Inc will be able to pay its debts as and when they fall due.

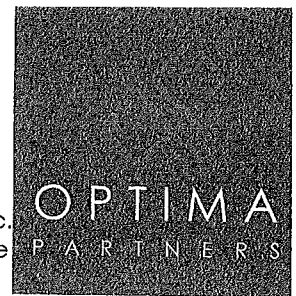
This statement is made in accordance with a resolution of the Board of Directors and is signed for and on their behalf by:

  
\_\_\_\_\_  
**President – Rosalie Evans**

16<sup>th</sup> day of September 2011

  
\_\_\_\_\_  
**Executive Officer – Sarah Aulin**

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF  
CANOEING WESTERN AUSTRALIA INC.**



**Scope**

I have audited the special purpose financial statements of Canoeing Western Australia Inc. ("the Association") for the year ended 30 June 2011. The financial statements comprise the balance sheet at 30 June 2011, the income statement at that date, summary of significant accounting policies and other explanatory notes.

accountants &  
business advisors

**Board of Directors' Responsibility for the Financial Report**

The Board of Directors of the Association is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards. The responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies and making estimates that are reasonable in the circumstances.

**Auditor's Responsibility**

My responsibility is to express an opinion to the Members of the Association on the financial statements based on my audit. My audit has been conducted in accordance with Australian Auditing Standards. Those 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 statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement of the risks of material misstatement of the financial statements, 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 statements 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 Directors, as well as evaluating the overall presentation of the financial statements.

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

**Independence**

In conducting my audit, I followed applicable independence requirements of Australian professional ethical pronouncements.

**Qualification**

The Association receives some of its income in the form of cash. It is not practical for the Association to establish accounting control over these sources of income prior to receiving the income. As a result, it is not possible for our audit examination to include procedures to extend beyond the amounts recorded in the accounting records of the Association.

**Qualified Audit Opinion**

In my opinion, except for the effects of such adjustments, if any, as might have been determined to be required had the limitation on my audit procedures referred to in the qualification paragraph not existed, the financial statements present fairly in all material respects the financial position of the Association as at 30 June 2011 and of its performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the Associations Incorporation Act 1987 (WA).

A handwritten signature in black ink, appearing to read "John Michael O'Brien".

**John Michael O'Brien**  
Registered Company Auditor  
Optima Financial Group Pty Ltd

Dated at Perth this 19th day of September 2011.



Liability limited by a  
scheme approved  
under Professional  
Standards Legislation

t (08) 6267 2200 f (08) 6267 2299 e reception@optimapartners.com.au post locked bag 5000, osborne park wa 6917  
offices suite 1, 134 main street, osborne park wa 6017 & 1st floor, 72 marine terrace, fremantle wa 6160 abn 69 117 527 894

optima financial group pty ltd abn 69 117 527 894

CANOEING WESTERN AUSTRALIA INC

BALANCE SHEET AS AT 30 JUNE 2011

|                                       | Note | 2011<br>\$     | 2010<br>\$     |
|---------------------------------------|------|----------------|----------------|
| <b>Accumulated funds</b>              |      |                |                |
| Balance at beginning of the year      |      | 125,157        | 122,426        |
| Surplus/(deficit) for the year        |      | (12,940)       | 2,731          |
| Balance at end of the year            |      | <u>112,217</u> | <u>125,157</u> |
| <b>Represented by:</b>                |      |                |                |
| Current Assets                        |      |                |                |
| Cash                                  | 2    | 183,427        | 255,370        |
| Trade debtors                         |      | 36,730         | 20,919         |
| Sundry debtors and prepayments        |      | 3,838          | 1,976          |
| Total Current Assets                  |      | <u>223,995</u> | <u>278,265</u> |
| Non-Current Assets                    |      |                |                |
| Fixed assets                          | 1,3  | 28,049         | 28,074         |
| Total Non-Current Assets              |      | <u>28,049</u>  | <u>28,074</u>  |
| <b>Total Assets</b>                   |      | <u>252,044</u> | <u>306,339</u> |
| Current Liabilities                   |      |                |                |
| Creditors and accruals                |      | 29,002         | 12,688         |
| Future commitments                    | 6    | 7,185          | 7,185          |
| Future commitments - disciplines      | 6    | 23,581         | 30,907         |
| Provision for Whitewater Park Project | 7    | 31,527         | 108,962        |
| Grant monies carried forward          |      | 32,272         | -              |
| Australian Tax Office - BAS liability | 4    | 13,270         | 14,806         |
| Provision for annual leave            | 5    | 2,990          | 6,634          |
| Total Current Liabilities             |      | <u>139,827</u> | <u>181,182</u> |
| <b>Total Liabilities</b>              |      | <u>139,827</u> | <u>181,182</u> |
| <b>Net Assets</b>                     |      | <u>112,217</u> | <u>125,157</u> |

The accompanying notes form part of these accounts.

## CANOEING WESTERN AUSTRALIA INC

## INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2011

|                                          | 2011                  | 2010                  |
|------------------------------------------|-----------------------|-----------------------|
|                                          | \$                    | \$                    |
| <b>Income</b>                            |                       |                       |
| <b>Funding</b>                           |                       |                       |
| Department of Sport and Recreation Grant | 60,000                | 60,000                |
| White Water Park Grant                   | 77,434                | 41,038                |
| Other grants                             | 68,517                | 77,264                |
| <b>Total Funding</b>                     | <u>205,951</u>        | <u>178,302</u>        |
| <b>General Income</b>                    | <b>70,056</b>         | <b>63,701</b>         |
| <b>Disciplines</b>                       | <b>54,165</b>         | <b>52,524</b>         |
| <b>Operation Income</b>                  |                       |                       |
| - Paddle Academy                         | 81,475                | 66,621                |
| - Events                                 | 29,435                | 25,204                |
| - Skills awards                          | 9,751                 | 5,959                 |
| - Other                                  | -                     | 136                   |
| <b>Total Operation Income</b>            | <u>120,661</u>        | <u>97,920</u>         |
| <b>Total Income</b>                      | <u><u>450,833</u></u> | <u><u>392,447</u></u> |
| <b>Expenditure</b>                       |                       |                       |
| <b>Administration Expenses</b>           |                       |                       |
| Audit fees                               | 3,735                 | 4,500                 |
| Administration overheads                 | -                     | 293                   |
| Advertising                              | 1,050                 | 387                   |
| Bank charges and fees                    | 1,113                 | 333                   |
| Bookkeeping charges                      | 2,505                 | 3,060                 |
| Depreciation                             | 5,677                 | 4,231                 |
| Electricity                              | 789                   | 665                   |
| Meeting expenses                         | 1,599                 | -                     |
| Printing, postage and stationery         | 3,099                 | 4,016                 |
| Rent                                     | 4,570                 | 4,423                 |
| Telephone, internet and computer costs   | 6,992                 | 4,729                 |
| Insurance                                | 5,827                 | 4,460                 |
| Memberships/affiliation fees             | 21,509                | 26,397                |
| Equipment under \$500                    | -                     | 119                   |
| Sundry                                   | 145                   | 1,105                 |
| <b>Total Administration Expenses</b>     | <u>58,610</u>         | <u>58,718</u>         |
| <b>Employment Expenses</b>               |                       |                       |
| Wages                                    | 109,429               | 116,606               |
| Leave accrual                            | (2,857)               | 162                   |
| Superannuation                           | 11,055                | 12,042                |
| Travel expenses                          | 4,300                 | 7,422                 |
| Staff training                           | 290                   | 634                   |
| Other expenses                           | 501                   | 66                    |
| <b>Total Employment Expenses</b>         | <u>122,718</u>        | <u>136,932</u>        |

The accompanying notes form part of these accounts.

CANOEING WESTERN AUSTRALIA INC

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2011 (continued)

|                                       | 2011            | 2010           |
|---------------------------------------|-----------------|----------------|
|                                       | \$              | \$             |
| <b>Expenditure (continued)</b>        | <b>181,328</b>  | <b>195,650</b> |
| <b>Operating Expenses</b>             |                 |                |
| <b>Paddle Academy</b>                 |                 |                |
| Wages and on-costs                    | 55,272          | 20,454         |
| Other costs                           | 19,897          | 14,494         |
| <b>Total Paddle Academy</b>           | <b>75,169</b>   | <b>34,948</b>  |
| <b>Event Expenses</b>                 | <b>29,867</b>   | <b>17,310</b>  |
| <b>Skills Award Expenses</b>          | <b>8,838</b>    | <b>2,951</b>   |
| <b>TID Expenses</b>                   | <b>14,240</b>   | <b>10,291</b>  |
| <b>White Water Park</b>               | <b>78,804</b>   | <b>41,213</b>  |
| <b>Other Operating Expenses</b>       | <b>30,091</b>   | <b>16,253</b>  |
| <b>Total Operating Expenses</b>       | <b>237,009</b>  | <b>122,966</b> |
| <b>Disciplines</b>                    | <b>21,855</b>   | <b>39,920</b>  |
| <b>Other Expenses</b>                 |                 |                |
| Miscellaneous                         | -               | 273            |
| Allocation to disciplines             | 23,581          | 30,907         |
|                                       | <b>23,581</b>   | <b>31,180</b>  |
| <b>Total Expenditure</b>              | <b>463,773</b>  | <b>389,716</b> |
| <b>Surplus/(Deficit) for the year</b> | <b>(12,940)</b> | <b>2,731</b>   |

The accompanying notes form part of these accounts.

# CANOEING WESTERN AUSTRALIA INC

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

### 1. Statement of Significant Accounting Policies

This financial report is a special purpose financial report prepared for use by the Board of Directors, who have determined that the Association is not a reporting entity. No Accounting Standards, Urgent Issues Group Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been used in the preparation of this financial report.

The financial report is prepared on the accruals basis and is based on historical costs and does not take into account changing money values. The following material accounting policies, which are consistent with the previous period, unless otherwise stated, have been adopted in the preparation of this report:

- a) Depreciation - Fixed assets are depreciated on a straight line basis to write off the cost of each item of plant and equipment over its expected useful life. Estimates of remaining useful lives are made on a regular basis for all assets.
- b) Revenue - Revenue from the rendering of a service is recognised upon delivery of the service.
- c) Goods and Services Tax (GST) - The Association is registered for GST. Revenues, expenses and assets are recognised net of the amount of GST.

### 2. Cash

|              | 2011           | 2010           |
|--------------|----------------|----------------|
|              | \$             | \$             |
| Cash at bank | 183,384        | 255,295        |
| Cash on hand | 43             | 75             |
|              | <u>183,427</u> | <u>255,370</u> |

Of the cash balances of \$183,427, monies amounting to \$23,581 (2010 - \$30,907) are restricted to the sole use of the various disciplines of the Association – see note 6.

### 3. Fixed Assets

|                                       | 2011                 | 2010                 |
|---------------------------------------|----------------------|----------------------|
|                                       | \$                   | \$                   |
| Plant and Equipment                   |                      |                      |
| At cost                               | 37,939               | 32,287               |
| Less: Accumulated depreciation        | (17,387)             | (12,602)             |
|                                       | <u>20,552</u>        | <u>19,685</u>        |
| Motor Vehicle                         |                      |                      |
| At cost                               | 8,909                | 8,909                |
| Less: Accumulated depreciation        | (1,412)              | (520)                |
|                                       | <u>7,497</u>         | <u>8,389</u>         |
| <b>Net book value at 30 June 2011</b> | <u><u>28,049</u></u> | <u><u>28,074</u></u> |

## CANOEING WESTERN AUSTRALIA INC

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011 (continued)

#### 4. GST Liabilities

GST is reported quarterly on the cash basis of accounting.

#### 5. Provision for Annual Leave

Annual leave liabilities for employees are recognized and are measured as the amount unpaid at the reporting date at current pay rates in respect of employees' service up to that date.

#### 6. Future Commitments

These are funds raised by the various disciplines over a number of years and which were previously absorbed into the accumulated funds of the Association. They are now allocated to the various disciplines for their own future use:

|                                  | 2011          | 2010          |
|----------------------------------|---------------|---------------|
|                                  | \$            | \$            |
| Purchase of a timing machine     | 7,185         | 7,185         |
| Various Association disciplines: |               |               |
| - Marathon                       | 8,799         | 6,959         |
| - Wildwater                      | 4,252         | 1,497         |
| - Sprint                         | 193           | 8,015         |
| - TID Slalom Grant               | 3,502         | 7,517         |
| - Slalom                         | 6,835         | 6,919         |
|                                  | <u>23,581</u> | <u>30,907</u> |

#### 7. Provision for Whitewater Park Project

The Association has received a grant of \$150,000 to be used by 2011 for the planning and development of an artificial whitewater park in the Perth Metropolitan area. At 30 June 2011, the amount of unused funds carried forward amounted to \$31,527.

#### 8. Equipment Loan

Equipment has been provided on loan to the Association by Mainpeak and Finn Kayaks for an indefinite period - this includes, from Mainpeak, 12 Corsica craft, 12 kayak paddles, 20 personal floatation devices, 12 helmets and 12 spray decks; and from Finn Kayaks, 25 Finnatics, 25 Finn paddles, 8 Spray decks and 25 Finn life jackets.