

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

Scope

We have audited the special purpose financial statements of Canoeing Western Australia Inc. ("the Association") for the year ended 30 June 2014. The financial statements comprise the balance sheet at 30 June 2014, the income statement at that date, summary of significant accounting policies and other explanatory notes.

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 the accounting policies described in Note 1 to the financial statements. 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

Our responsibility is to express an opinion to the Members of the Association on the financial statements based on our audit. Our audit has been conducted in accordance with Australian Auditing Standards. Those 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 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.

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

Independence

In conducting our audit, we 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.

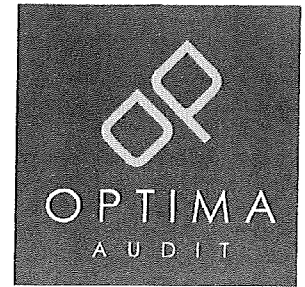
Qualified Audit Opinion

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be required had the limitation on our 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 2014 and of its performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Optima Audit Pty Ltd


**Michael Cooper - Director
Registered Company Auditor**

Dated at Perth this 22 day of September 2014.



registered
company auditor



Liability limited by a
scheme approved
under Professional
Standards Legislation

CANOEING WESTERN AUSTRALIA INC

FINANCIAL STATEMENTS FOR THE

YEAR ENDED 30 JUNE 2014

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 2014 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:



Richard Lowther - President



Rosalie Evans - Executive Officer

18th day of September 2014.

CANOEING WESTERN AUSTRALIA INC**BALANCE SHEET AS AT 30 JUNE 2014**

	Note	2014	2013
		\$	\$
ASSETS			
Current Assets			
Cash	2	154,139	142,049
Trade debtors		6,669	5,727
Sundry debtors and prepayments		4,331	6,100
Total Current Assets		<u>165,139</u>	<u>153,876</u>
Non-Current Assets			
Fixed assets	3	35,320	28,439
Total Non-Current Assets		<u>35,320</u>	<u>28,439</u>
Total Assets		<u>200,459</u>	<u>182,315</u>
LIABILITIES			
Current Liabilities			
Creditors and accruals		14,064	12,633
Australian Tax Office - BAS liability		6,517	11,295
Provision for annual leave		7,670	5,757
Total Current Liabilities		<u>28,251</u>	<u>29,685</u>
Total Liabilities		<u>28,251</u>	<u>29,685</u>
NET ASSETS		<u>172,208</u>	<u>152,630</u>
Equity			
Balance at end of the year	6	123,824	108,804
Funds of Disciplines	4	48,384	43,826
		<u>172,208</u>	<u>152,630</u>

The accompanying notes form part of these accounts.

CANOEING WESTERN AUSTRALIA INC

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	\$	\$
Income		
Grants		
- Department of Sport and Recreation	90,000	90,000
- Healthway	40,000	41,000
- NEDP	20,000	27,662
- Swan River Trust	-	5,000
- Other	14,200	-
	<u>164,200</u>	<u>163,662</u>
Fundraising	7,137	3,060
Membership fees, sponsorship and programs	152,218	147,744
Events and activities	70,013	82,611
Interest received	2,641	3,037
Sundry income	3,298	641
Sale of merchandise	3,399	-
	<u>238,706</u>	<u>237,093</u>
Total Income	<u>402,906</u>	<u>400,755</u>
Expenditure		
Audit fees	7,250	5,750
Bank charges	1,984	1,994
Bookkeeping charges	9,985	9,565
Computer expenses	260	2,219
Consultants and coaches	72,485	28,637
Depreciation	7,919	6,135
Equipment hire and repairs	5,129	3,812
Equipment under \$500	62	145
Events and activities	55,916	88,504
General operation expenses	5,433	4,920
Insurance	9,599	8,544
Legal fees	46	-
Marketing	3,765	4,105
Meeting expenses	2,126	3,880
Motor vehicle expenses	2,384	3,303
National affiliation fees	26,280	24,440
Printing, postage and stationery	4,528	6,524
Rent and variables	5,922	5,657
Salaries, wages and superannuation	134,950	198,633
Staff recruitment and training	1,451	2,306
Telephone	3,630	3,343
Travel and accommodation	13,374	11,084
Venue hire and cleaning	8,850	4,040
	<u>383,328</u>	<u>427,540</u>
Net allocation (from)/to disciplines	4,558	(8,230)
Total Expenses	<u>387,886</u>	<u>419,310</u>
Surplus/(Deficit) for the year	<u>15,020</u>	<u>(18,555)</u>

(Note 6)

The accompanying notes form part of these accounts.

CANOEING WESTERN AUSTRALIA INC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

1. Statement of Significant Accounting Policies

This financial report is a special purpose financial report prepared for use by the Board of Directors, who has 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. 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. Grants, interest received and membership fees are recognized upon receipt.
- c) Goods and Services Tax (GST) - The Association is registered for GST. Revenues, expenses and assets are recognised net of the amount of GST. GST is reported quarterly on the cash basis of accounting.
- d) Comparative figures - when required, comparative figures have been adjusted to conform to changes in presentation for the current financial year.
- e) 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.
- f) Funds for Disciplines are funds raised by the various disciplines over a number of years and are allocated to them for their own future use. They are shown as reserves in equity.

2. Cash

	2014	2013
	\$	\$
Cash at bank	153,997	142,036
Cash on hand	142	13
	<u>154,139</u>	<u>142,049</u>

Of the cash balances of \$154,139, monies amounting to \$48,384 (2013 - \$43,826) are restricted to the sole use of the various disciplines of the Association - see Note 6.

CANOEING WESTERN AUSTRALIA INC**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014 (continued)****3. Fixed Assets**

	2014	2013
	\$	\$
Plant and Equipment – at cost	54,000	39,198
Less: Accumulated depreciation	<u>(23,505)</u>	<u>(16,475)</u>
	<u>30,495</u>	<u>22,723</u>
Motor Vehicle – at cost	8,909	8,909
Less: Accumulated depreciation	<u>(4,084)</u>	<u>(3,193)</u>
	<u>4,825</u>	<u>5,716</u>
Net book value at 30 June 2014	<u><u>35,320</u></u>	<u><u>28,439</u></u>

4. Funds of Disciplines

During the year, the Association changed its accounting policy showing the Funds of Disciplines as part of Equity. The net effect to the 2013 comparative from this change in accounting policy was to increase both Net Assets and Equity by \$43,826.

	2014	2013
	\$	\$
- Marathon	16,541	11,963
- Wildwater	6,187	5,187
- Sprint	8,529	6,426
- TID Sprint	-	760
- Paddling	-	2,889
- Sundry	-	7,185
- Slalom	17,127	9,416
	<u>48,384</u>	<u>43,826</u>

5. Equipment Loan

Equipment has been provided on loan to the Association by Mainpeak (12 Corsica crafts) and Finn Kayaks (25 Finnatics) for an indefinite period. As the assets are not the property of the Association, they have not accounted for the assets or the accompanying liability in the financial statements.

6. Equity

	2014	2013
	\$	\$
Balance at beginning of the year	108,804	127,359
Surplus/(deficit) for the year	15,020	(18,555)
	<u>123,824</u>	<u>108,804</u>