

Couta Boat Association Incorporated

FINANCIAL REPORT

FOR THE YEAR ENDED MARCH 31, 2017

Couta Boat Association Incorporated

COMMITTEE'S REPORT

Your committee members submit the financial report of the Couta Boat Association Incorporated for the financial year ended 31 March 2017.

Committee Members

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

James Mighell President
Colin Mitchell
Rod Martin
Bill Davis Treasurer
Tim Phillips
Wayne Parr
Peter Sydes Vice President
Russell Watson
Rob Tucker

Principal Activities

The principal activities of the association during the financial year were preserve the heritage and the promotion of the sailing of Australia's unique Couta Boats and to provide social facilities to members of the association.

Significant changes

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

Operating Result

The profit for the year amounted to \$28

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

James Mighell

Bill Davis

Dated this th day of August 2017

Couta Boat Association Incorporated

BALANCE SHEET

As At March 31, 2017

	<u>NOTE</u>	<u>2017</u>	<u>2016</u>
		<u>\$</u>	<u>\$</u>
Current Assets			
Cash and cash equivalents	2	66,708	60,770
Trade and other receivables	3	-	145
Inventories	4	1,665	4,071
Total Current Assets		<u>68,373</u>	<u>64,986</u>
Total Non Current Assets		<u>-</u>	<u>-</u>
Total Assets		<u>68,373</u>	<u>64,986</u>
Current Liabilities			
Trade and other payables	5	2,310	-
Total Current Liabilities		<u>2,310</u>	<u>-</u>
Total Non Current Liabilities		<u>2,310</u>	<u>-</u>
Total Liabilities		<u>2,310</u>	<u>-</u>
Net Assets		<u>66,063</u>	<u>64,986</u>
Equity			
Retained Profits		66,429	64,986
Current Year's Earnings		217	1,443
Total Equity		<u>66,646</u>	<u>66,429</u>

Unaudited

THE ACCOMPANYING NOTES FORM PART OF THESE ACCOUNTS

Couta Boat Association Incorporated

INCOME STATEMENT

For The Year Ended March 31, 2017

	<u>NOTE</u>	<u>2017</u>	<u>2016</u>
		\$	\$
Income			
Non-trading income			
Subscriptions		14,760	15,010
Interest Received		1,592	1,820
Miscellaneous Income		-	-
Total Non-trading Income		<u>16,352</u>	<u>16,830</u>
Trading income			
Stock write down CBA T-shirts		-	-
Gross Profit on sales of CBA Wine		-	-
Total Income		<u><u>16,352</u></u>	<u><u>16,830</u></u>
Less Expenditure			
Affiliation Fees			70
Class Measurer Expenses		750	725
Bank Charges		563	455
Function Expenses inc AGM			3,824
AWBF Function Hobart (2017 Wooden Boat Festival)		2,999	-
Portsea Cup BBQ			1,550
Photography - Portsea Cup and major events		2,084	1,050
Sponsorship - Queenscliff WBF & CBA NSW		1,173	3,500
Gifts & Trophies		210	622
Flags		1,338	
Miscellaneous expenses		606	166
Registrations		1,323	399
Printing & Stationery		3,576	2,707
Postage and Post Box Rental		513	319
Wine Stock written off		1,000	
Web Site			
Yachting Australia		-	-
CBA Web site rebuilding and hosting		-	-
Total Expenditure		<u>16,135</u>	<u>15,387</u>
Profit for the Year from Operations		<u><u>217</u></u>	<u><u>1,443</u></u>

Unaudited

THE ACCOMPANYING NOTES FORM PART OF THESE ACCOUNTS

Couta Boat Association Incorporated

STATEMENT OF RECOGNISED INCOME AND EXPENSE

For The Year Ended March 31, 2017

	<u>NOTE</u>	<u>Retained Earnings</u>	<u>Retained Earnings</u>
		<u>2017</u>	<u>2016</u>
		\$	\$
Balance at 1 April 2016		66,429	64,986
Profit / Loss attributable to members		1,443	1,443
Balance at 31 March 2017		<u>67,872</u>	<u>66,429</u>

Unaudited

THE ACCOMPANYING NOTES FORM PART OF THESE ACCOUNTS

Couta Boat Association Incorporated
NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended March 31, 2017

This financial report covers the Couta Boat Association Incorporated as an individual entity. Couta Boat Association Incorporated is an associated incorporated in Victoria under the *Associations Incorporations Act 1981*.

1 STATEMENT OF ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and the *Associations Incorporation Act 1981*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report 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 this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accrual basis and is based on historical costs, modified, where applicable by the measurement of fair value of selected non-current assets, financial assets and financial liabilities.

a. Income tax

No provision for income tax has been raised, as the entity is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

b. Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on the basis of weighted average costs.

c. Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the association commits itself to either purchase or sell the asset (ie. Trade date accounting)

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.

Classification and subsequent measurement

Finance instruments are subsequently measured at either or fair value, amortised cost using the effective interest rate method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- the amount in which the financial assets or financial liability is measured at initial recognition;
- less principal repayments;
- plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
- less any reduction for impairment.

Couta Boat Association Incorporated
NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended March 31, 2017

1 STATEMENT OF ACCOUNTING POLICIES (CONT.)

c. Financial Instruments continued

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The company does not designate any interest as being subject to the requirements of accounting standards specifically applicable to financial instruments.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

(ii) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

d. 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.

e. 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.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

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

Revenue from the provision of membership subscriptions is recognised on a straight-line basis over the financial year.

f. Goods and Services Tax

The Association has cancelled its GST Registration and accordingly expenses and assets are recognised inclusive of the applicable GST. There is no GST on the Revenue.

Couta Boat Association Incorporated
NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended March 31, 2017

	<u>2017</u>	<u>2016</u>
2 CASH AND CASH EQUIVALENTS		
NAB Bank Accounts	7,784	6,366
NAB Term Deposit	58,924	57,398
	\$ <u>66,708</u>	\$ <u>63,764</u>
 3 TRADE AND OTHER RECEIVABLES		
Subscriptions receivable	-	-
Less Provision for Doubtful Debts	-	-
Other receivable	-	-
	\$ <u>-</u>	\$ <u>-</u>
 4 INVENTORIES		
Merchandise stock on hand	1,665	2,665
Wine Stock \$1665	\$ <u>1,665</u>	\$ <u>2,665</u>
 5 TRADE AND OTHER PAYABLES		
Creditors	1,726	-
	\$ <u>1,726</u>	\$ <u>-</u>

Couta Boat Association Incorporated

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended March 31, 2017

6 STATEMENT OF CASH FLOWS

Reconciliation of Cash

For the purpose of the Statement of Cash Flows, cash included cash on hand, in banks and investments in money markets net of outstanding bank overdrafts, Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the statement of financial positions as follows:

	<u>2017</u>	<u>2016</u>
Cash at bank and on deposit	\$ <u><u>\$66,708</u></u>	\$ <u><u>\$63,765</u></u>

7 RELATED PARTIES

- (a) Councillors of the Couta Boat Association Incorporated who held office at **any** time during the financial year were:

Colin Mitchell
Tim Phillips
Wayne Parr
Bill Davis
Peter Sydes
James Mighell
Russell Watson
Rob Tucker
Rod Martin

- (b) No amount of remuneration was directly received or due and receivable by any Councillor.

8 CONTINGENT LIABILITIES

At 31 March 2017, the association had no contingent liabilities

Couta Boat Association Incorporated
NOTES TO FINANCIAL STATEMENTS

9 EVENTS AFTER BALANCE SHEET DATE

No events have occurred since 31 March 2017 which would significantly affect the operations of the association.

10 FINANCIAL INSTRUMENTS

The association's financial instruments consist mainly of deposits with banks, accounts receivable and accounts payable.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	2017	2016
	<u>\$</u>	<u>\$</u>
Financial Assets		
Cash and cash equivalents	66,708	63,765
Trade receivables	-	-
	<u>66,708</u>	<u>63,765</u>
Financial Liabilities		
Trade and other payables	-	-
	<u>-</u>	<u>-</u>

Financial Risk Management Policies

The association's treasurer is responsible for, among other issues, monitoring and managing financial risk exposures of the association. The treasurer monitors the association's transactions and reviews the effectiveness of controls relating to credit risk, financial risk and interest rate risk. Discussions on monitoring and managing financial risk exposures are held on a regular basis. The treasurer's overall risk management strategy seeks to ensure that the association meets its financial targets, whilst minimising potential adverse effects of cash flow shortfalls.

Specific Financial Risk Exposures and Management

The main risks the association is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

a. Interest rate risk

The association is not exposed to any significant interest rate risk since cash balances are maintained at variable rates. As such, no sensitivity analysis has been performed.

b. Credit rate risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the association.

Credit risk is managed through maintaining procedures ensuring, to the extent possible, that members and counterparties to transactions are of sound credit worthiness. Subscriptions are expected to be paid prior to the commencement of the subscription period. All subscriptions are past due.

Couta Boat Association Incorporated
NOTES TO FINANCIAL STATEMENTS
For The Year Ended March 31, 2017

10 FINANCIAL INSTRUMENTS (CONT.)

b. Credit rate risk continued

Risk is also minimised by investing surplus funds in financial institutions that maintain a high credit rating or in entities that the committee has otherwise cleared as being financially secure.

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at balance date is equivalent to the carrying value and classification of those financial assets (net of any provision) as presented in the balance sheet.

There is no collateral held by the association securing trade and other receivables.

The association has no significant concentration of credit risk with any single counterparty or group of counterparties.

Trade and other receivables that are neither past due nor impaired are considered to be of high credit quality.

c. Liquidity risk

Liquidity risk arises from the possibility that the association might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The association manages this risk through the following mechanism:

- only investing surplus cash with major financial institutions; and
- proactively monitoring the recovery of unpaid subscriptions.

d. Foreign exchange risk

The association is not exposed to fluctuations in foreign currencies.

e. Price risk

The association is not exposed to fluctuations in commodity prices.

Net fair values

The net fair values of the Association's financial assets and liabilities are not expected to be significantly different from each class of asset and liability as recognised in the statement of financial position as at March 31, 2016.

Couta Boat Association Incorporated

NOTES TO FINANCIAL STATEMENTS

For The Year Ended March 31, 2017

10 ASSOCIATION DETAILS

The registered office and principal place of business of the association is:

Couta Boat Association
3154 Point Nepean Road
Sorrento Vic 3943

Couta Boat Association Incorporated

STATEMENT BY MEMBERS OF THE COMMITTEE

In the opinion of the committee the financial report as set out on pages 2 to 11:

1. Presents a true and fair view of the financial position of the Couta Boat Association Incorporated as at 31 March 2016 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that the Couta Boat Association 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:
JAMES MIGHELL

Vice President:
PETER SYDES

Dated this day of 2017