

THE ROYAL LIFE SAVING SOCIETY WESTERN AUSTRALIA INC

ABN 28 083 676 266

FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2017

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THE ROYAL LIFE SAVING SOCIETY WESTERN AUSTRALIA INC

THE REPORT OF THE DIRECTORS

The Directors present the financial report of The Royal Life Saving Society Western Australia Inc (RLSSWA) for the year ended 30th June, 2017.

DIRECTORS

The name of directors in office any time during or since the end of the financial year:

Mr Ross Peters (1998–Present)

Ross has over 25 years experience within the Western Australian Government's Sport and Recreation portfolio, in various roles including Aquatics Management, Venue Management and Contract Management of major sporting and entertainment venues. During this he has amassed considerable experience in major commercial facilities and stadium operations, extensive project management skills and discernibly relevant policy and governance knowledge and experience. Ross graduated from the Venue Managers Association Asia and Pacific (VMA), Public Venue Management School in November 2000, received Gold Level recognition in the Sirius Professional Achievement Programme for professional venue managers in October 2007 and was recognised as VMA Accredited Venue Manager in 2013. Ross has been President of RLSSWA since 2005 and was awarded Life Membership in 2009.

Mr Colin Hassell (1999–Present)

Colin has worked in both the UK and Australia for over 50 years and is highly respected within the aquatics industry. He has a specific interest in activities for people with disabilities and has done considerable work to reduce toddler drowning. Colin was awarded Life Membership in 2014.

Mr Jeff Fondacaro (2006–Present)

Jeff has worked in the aquatics industry since 1976. He moved to WA in 1988 and has worked at numerous aquatic centres during this time. He is currently employed at the Beatty Park Leisure Centre as the Assistant Manager Aquatics and Operation Services. Jeff works closely with the Aquatic Industry through his involvement with the Leisure Institute of WA of which he has been a member since 1990.

Mr David Cummins (2007– Present)

Spanning over 40 years involvement in the aquatics industry David has served as President of Masters Swimming WA from 1987-1992. In addition has been a member of Masters Swimming Australia's Board for 20 years over two terms. Served as Chairman of the 1999 Pan Pacific Masters Swimming Championships and has also chaired many State, National and Masters Games Championships and held many club positions with both The Cottesloe Crabs Winter Swimming Club Inc and Claremont Masters Swimming Club Inc. Was an instigator of the annual open water Swim Thru Rottneest in 1976 and has been the event co-ordinator ever since.

Acknowledgements that David has received, in 1989, Life Membership to the Winter Swimming Association of Australia. In 1990, Life Membership to the Cottesloe Crabs Winter Swimming Club Inc. In 1993, Life Membership to Claremont Masters Swimming Club Inc, WA Citizen of the Year – Sport and Life Membership to Masters Swimming WA. In 1996, 21st Masters Swimming Australia Anniversary Service Award. In 2000, Australian Sports Medal. In 2003, Australian Centenary Medal. In 2005, Masters Swimming Australia 10 Years Continuous Service Award and in 2007 Life Membership to Masters Swimming Australia.

Mr Mark Gubanyi (October 2014–Present)

Mark has been an ambassador for the Keep Watch program since 1999. He has been dedicated and instrumental in educating parents of young children to think about ways in which they can reduce the risk of drowning in and around their home.

Mr James Sheridan (October 2015 – Present)

James is currently a Branch Manager at Jardine Lloyd Thompson Pty Ltd. James has specific skills in relation to governance, risk management, leadership and organisational culture as well as a general background in aquatic recreation and aquatic facility management.

Mrs Carol Harper (October 2015 – Present)

Carol was the Manager at Pool Spa Outdoor and Pool Spa Outdoor Expo. Carol has extensive knowledge and networks in relation to outdoor living in WA and was a co-owner/manager of Exclusive Pools for ten years which builds individually designed swimming pools and was a winner of over 50 industry awards.

PRINCIPAL ACTIVITIES

During the course of the year the principal activities of RLSSWA were to empower the community to be safe when in, on or around water and to lead efforts to reduce the impact of drowning. Principal activities include:

- Organisation of courses and programs designed to increase understanding of key water safety issues and skill in swimming, lifesaving, rescue, first aid and resuscitation.
- The development and publication of research, educational and instructional materials in the form of papers, books, brochures and electronic mediums.
- Promotional and public awareness programs, campaigns and advocacy designed to increase knowledge and understanding of key drowning prevention issues.

SIGNIFICANT CHANGES

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

OPERATING RESULT

The surplus after providing for income tax for the 2017 financial year amounted to \$231,065.

AFTER BALANCE DATE EVENTS

No matter or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the entity, the results of those operations or the state of affairs of the entity in future financial years.

MEETINGS

During the financial year 10 meetings of directors were held. Attendance by each director was as follows:

Name	Board of Directors meetings	
	Number of meetings eligible to attend	Number of meetings attended
Ross Peters	10	9
Colin Hassell	10	10
Jeff Fondacaro	10	6
David Cummins	10	8
Mark Gubanyi	10	7
James Sheridan	10	8
Carol Harper	10	9

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the year ended 30 June 2017 has been received and can be found on page 28 of the financial report.

Signed on the 28th September, 2017 in accordance with a resolution of the Board by:

Director
COLIN HASSELL



Director
DAVID CUMMINS



THE ROYAL LIFE SAVING SOCIETY WESTERN AUSTRALIA INC

DECLARATION BY THE DIRECTORS

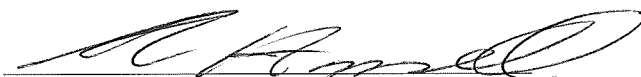
The Directors have determined that The Royal Life Saving Society Western Australia Inc (RLSSWA) is not a reporting entity, and that this special purpose report should be read in accordance with the accounting policies outlined in Note 1 to the accounts.

In the opinion of the Board of Directors the accompanying financial statements:

1. (a) The financial statements and notes are in accordance with Part 5 of The Associations Incorporation Act 2015; and
 - (b) The accompanying Income and Expenditure Statement gives a true and fair view of the surplus or deficit of RLSSWA for the financial year; and
 - (c) The accompanying Statement of Financial Position gives a true and fair view of the state of affairs of RLSSWA at the end of the financial year.
2. At the date of the statement, there are reasonable grounds to believe that RLSSWA will be able to pay its debts as and when they become due and payable.

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

Director
COLIN HASSELL



Director
DAVID CUMMINS



Dated 28th September, 2017

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF THE ROYAL LIFE SAVING SOCIETY WESTERN AUSTRALIA INC**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2107 there have been no contraventions of:

- i. Any applicable code of professional conduct in relation to the audit

Name of firm: N DEL POPOLO
Name of partner: N DEL POPOLO
Date: 1st July, 2017
Address: 9 CARRINGTON STREET
NORTH PERTH WA 6006

Auditor



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
THE ROYAL LIFE SAVING SOCIETY WESTERN AUSTRALIA INC**

NICK DEL POPOLO
CHARTERED ACCOUNTANT
9 CARRINGTON STREET
NORTH PERTH WA 6006
Ph: 0419 922 776

28th September, 2017

TO THE MEMBERS
THE ROYAL LIFE SAVING SOCIETY WESTERN AUSTRALIA INC

We have audited the financial statements of The Royal Life Saving Society Western Australia Inc (the Society) for the year ended 30 June 2017, pages 28-36.

The Society's Directors are responsible for the preparation of the financial statements. We have conducted an independent audit of these financial statements in order to express an opinion on them to the members of the Society. The Directors responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether in all materials respects the financial statements are presented fairly in accordance with Australian Accounting Standards so as to present a view of the Society which is consistent with our understanding of it's financial position and the results of it's operations.

The financial statements include fundraising receipts. It has not been practicable to determine whether pledged monies from external fundraising activities have been received and banked to the Society's accounts.

The Audit opinion expressed in this report has been formed on the above basis.

Independence

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

Audit Opinion

In our opinion, the financial statements present fairly the financial position of The Royal Life Saving Society Western Australia Inc (the Society) as at 30 June 2017 and the results of its operations for the year ended 30 June 2017 in accordance with applicable Accounting Standards to the extent described in Note 1.

In addition;

- a. The financial statements satisfy the requirements of Part 5 of The Associations Incorporation Act 2015;
- b. We have been given all information, explanations and assistance necessary for the conduct of the audit;
- c. The Society has kept financial records sufficient to enable financial statements to be prepared and audited;
- d. The Society has kept other records as required by Part 5 of The Associations Incorporation Act 2015.

Emphasis of Matter – Basis of accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. As a result, the financial report may not be suitable for another purpose. Our audit opinion is not modified in respect of this matter.



**NICK DEL POPOLO
CHARTERED ACCOUNTANT
REGISTERED COMPANY AUDITOR**

THE ROYAL LIFE SAVING SOCIETY WESTERN AUSTRALIA INC
ABN 28 083 676 266

INCOME & EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30th JUNE, 2017

	2017	2016
INCOME		
Sales	462,947	583,564
Programs & Operations	8,995,714	8,605,893
Donations	373,939	267,803
Investment Income	53,659	65,873
Sponsorship / Grants (Note 9)	2,079,974	1,517,349
TOTAL INCOME	<u>\$11,966,233</u>	<u>\$11,040,482</u>
 EXPENDITURE		
Cost of Sales	237,660	429,450
Programs & Operations	10,538,835	9,048,454
Depreciation	380,730	231,619
Employee Costs	295,702	304,967
Provisions	9,051	96,016
Administration Costs	273,190	845,773
TOTAL EXPENDITURE	<u>\$11,735,168</u>	<u>\$10,956,279</u>
 Net Surplus / (Deficit) before tax	<u>231,065</u>	<u>84,203</u>
less Income Tax expense / (credit)	-	-
 NET SURPLUS / (DEFICIT) AFTER TAX	<u>\$ 231,065</u>	<u>\$ 84,203</u>
 APPROPRIATIONS		
TRANSFER TO ACCUMULATED FUNDS	231,065	643,042
TRANSFER TO ASSET REVALUATION RESERVE	-	(558,839)
 NET SURPLUS / (DEFICIT) AFTER TAX	<u>\$ 231,065</u>	<u>\$ 84,203</u>

The accompanying notes form part of this financial report

THE ROYAL LIFE SAVING SOCIETY WESTERN AUSTRALIA INC
ABN 28 083 676 266

STATEMENT OF FINANCIAL POSITION
AS AT 30th JUNE, 2017

	Note	2017	2016
CURRENT ASSETS			
Cash	2	2,394,137	2,322,507
Receivables	3 & 5	1,519,968	1,431,105
Inventories	4	205,331	177,700
TOTAL CURRENT ASSETS		<u>\$ 4,119,436</u>	<u>\$ 3,931,312</u>
 NON CURRENT ASSETS			
Property Plant & Equipment	6	2,049,981	2,154,987
TOTAL NON CURRENT ASSETS		<u>\$ 2,049,981</u>	<u>\$ 2,154,987</u>
 TOTAL ASSETS		 <u>\$ 6,169,417</u>	 <u>\$ 6,086,299</u>
 CURRENT LIABILITIES			
Creditors & Borrowings	7	1,323,348	1,460,406
Provisions	8	729,630	740,519
TOTAL CURRENT LIABILITIES		<u>\$ 2,052,978</u>	<u>\$ 2,200,925</u>
 TOTAL LIABILITIES		 <u>\$ 2,052,978</u>	 <u>\$ 2,200,925</u>
 NET ASSETS		 <u>\$ 4,116,439</u>	 <u>\$ 3,885,374</u>
 RETAINED FUNDS			
Accumulated Funds		3,547,420	2,904,378
Surplus / (Deficit) for the year		231,065	643,042
Asset Revaluation Reserve	10	337,954	337,954
TOTAL FUNDS		<u>\$ 4,116,439</u>	<u>\$ 3,885,374</u>

The accompanying notes form part of this financial report

THE ROYAL LIFE SAVING SOCIETY WESTERN AUSTRALIA INC
ABN 28 083 676 266

STATEMENT OF CASH FLOWS
AS AT 30TH JUNE, 2017

	Note	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from sales, donations and raffles		9,829,619
Sponsorship and Grants		2,653,085
Payments to suppliers and employees		(12,126,522)
Interest received		40,115
Net cash from operating activities	11	<u>\$ 396,297</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for plant and equipment		(324,666)
Net cash used in investing activities		<u>\$ (324,666)</u>
Net increase in cash held		71,631
Cash on hand at the beginning of the financial year		2,322,506
Cash on hand at the end of the financial year	3	<u><u>\$ 2,394,137</u></u>

The accompanying notes form part of this financial report

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial reports are special purpose financial reports prepared for the members in order to satisfy the accounts preparation requirements of the *Associations Incorporations Act 2015* and the Royal Life Saving Society Western Australia Inc (RLSSWA) constitutional reporting requirements. The Directors' have determined that RLSSWA is not a reporting entity.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this report.

Reporting Basis and Conventions

The financial reports have been prepared on an accruals basis. They are based on historic costs and do not take into account changing money values, or, except where specifically stated, current valuations of non current assets.

(a) Income Tax

RLSSWA is exempt from income tax under the definition in S11-5 and S50-5 of the *Income Tax Assessment Act 1997* as amended. Consequently "tax effect accounting" is not taken into account in the preparation of the financial report. RLSSWA has been endorsed by the Australian Taxation Office as an Income Tax Exempt Charity (ITEC), Public Benevolent Institution (PBI) and Deductible Gift Recipient (DGR).

(b) Revenue Recognition

Grants/Government Funding and Sponsorship Income

Government contributions and sponsorship income is recognised as income as the funds are being expended on the relevant projects. RLSSWA does not recognise Government contributions as income when they are received or receivable in accordance with AASB 1004, but rather, continues to match the income with related expenses as and when they are incurred. As a special purpose reporting entity RLSSWA is able to choose this option.

Interest Income

Interest income is recognised as it accrues.

Trading and Fundraising Income

Revenue under this category is recognised as it is received or accrued.

(c) Income Received in Advance

Income Received in Advance is carried forward to the extent that it is to be earned in a future period and does not relate to expenditure which has already been brought to account.

(d) Receivables

Receivables to be settled within 30-60 days are carried at amounts due. The collectability of debts is assessed at balance date and specific provision is made for any doubtful accounts.

(e) Non Current Assets

The carrying amounts of all Non Current Assets are reviewed to determine whether they are in excess of their recoverable amount at balance date. If the carrying amount of a Non Current Asset exceeds the recoverable amount, the asset is written down to the lower amount.

(f) Cash and Cash Equivalents

Cash and Cash Equivalents include cash on hand and deposits held at call with banks at normal commercial rates, policies and terms regularly adopted by businesses in Australia.

(g) Depreciation of Property, Plant and Equipment

Depreciation, where applicable, has been charged in the accounts on property, plant and equipment, and motor vehicles, so as to write off each asset over the estimated useful life of the asset concerned. Either the diminishing value or prime cost method is used, as considered appropriate.

(h) Amortisation of Building

Leasehold buildings are measured on the fair value basis, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arms length transaction. An independent valuation was performed on the 31 December, 2015.

(i) Employee Benefits

RLSSWA provides for its Long Service Leave liability in respect of all employees with service in excess of five years. As RLSSWA is not legally bound to provide for long service leave until the employees' service exceeds ten years (subject to ill health etc.), RLSSWA's policy is to phase in its provision for Long Service Leave during the five to ten year period of service.

Annual leave has been provided for in the financial report on the basis of employee's accumulated net entitlements at year end.

(j) Accounts Payable

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed.

(k) 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 (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense of the item.

Receivables and Payables in the Statement of Financial Position are stated with the amount of the GST included.

The net amount of GST recoverable from, or payable to, the ATO, is included as a Current Asset or Current Liability in the Statement of Financial Position.

(l) Contingent Liabilities and Contingent Assets

Contingent Liabilities and Assets are not recognised in the Statement of Financial Position but are discussed in the relevant schedules and notes. They may arise from uncertainty as to the existence of a liability or asset, or represent an existing liability or asset in respect of which settlement is not probable or the amount cannot be reliably measured. Remote contingencies are part of this disclosure. Where settlement becomes probable, a liability or asset is recognised. A liability or asset is recognised when its existence is confirmed by a future event, settlement becomes probable (virtually certain for assets) or reliable measurement becomes possible.

m) Trophies

RLSSWA holds numerous trophies which have been purchased or donated. All are of a perpetual nature. The value of the trophies is indeterminable due to their nature therefore, have not been included on the RLSSWA Statement of Financial Position.

	2017	2016
NOTE 2. <u>CASH</u>		
Petty cash	800	800
Cash at bank - Head Office	2,209,208	2,119,231
Cash at bank - Program	-	-
Cash at bank - Fundraising	-	-
Cash at bank - Bonus Account	-	-
Cash at bank - CBA	184,129	202,476
	<u>\$2,394,137</u>	<u>\$ 2,322,507</u>

The amounts held in the Fundraising accounts are exclusively applicable to raffles not yet finalised.

NOTE 3. RECEIVABLES

CURRENT

Trade Debtors	1,367,678	1,059,437
Provision for doubtful debts	(23,834)	(26,395)
Security Deposit	53,216	53,328

\$ 1,397,060 \$ 1,086,370

NOTE 4. INVENTORIES

Stock on Hand at Cost

\$ 205,331 \$ 177,700

NOTE 5. OTHER ASSETS

Prepayments and Other Debtors

\$ 122,908 \$ 344,735

2017 2016

NOTE 6. PROPERTY, PLANT AND EQUIPMENT

Building and Improvements (at independent valuation - 31 December 2015)	1,569,154	1,569,265
Less Provision for Depreciation	(106,114)	(6,796)
	1,463,040	1,562,469
Plant and Equipment at cost - Head Office	1,225,429	1,145,469
Less Provision for Depreciation	(638,488)	(552,951)
	586,941	592,518
	\$2,049,981	\$2,154,987

NOTE 7. CREDITORS AND BORROWINGS

CURRENT		
Income in advance	901,274	1,161,597
Creditors - Trade	128,991	141,738
Creditors - Other	293,083	157,071
	\$ 1,323,348	\$1,460,406

NOTE 8. PROVISIONS

CURRENT		
Annual Leave	262,799	256,431
Long Service Leave	364,664	361,982
Accrued Wages	102,167	122,106
	\$ 729,630	\$ 740,519

NOTE 9. SPONSORSHIP / GRANTS

Grants received for operations or capital works purposes are included as income

Department of Sport & Recreation	69,500	277,335
Health Department of WA	460,709	453,695
Leisure Institute of WA	36,364	18,182
Healthway	65,000	71,500
Office of Crime Prevention	35,000	35,000
BHP Billiton Minerals Pty Ltd	475,000	475,000
Western Power	-	60,000
Commercial Aquatics Australia	-	15,000
Royal Life Saving Society National	170,000	72,547
Office of Multi Cultural Interests	40,000	30,000
National Australia Bank Community Grant	-	9,090
Lotterywest	545,401	-
Shire of Collie	5,000	-
Department of the Prime Minister and Cabinet	1,000	-
Department of Racing, Gaming and Liquor	177,000	-
	\$2,079,974	\$1,517,349

Sponsorship/Grants received in advance are carried forward to the extent that it is to be applied in a future period and does not relate to expenditure which has already been brought to account.

2017 2016

NOTE 10. RETAINED FUNDS/ASSET REVALUATION RESERVE

Balance B/Fwd	337,954	896,793
Revaluation decrement NOTE 1(h)	-	(558,839)
	<u>\$ 337,954</u>	<u>\$ 337,954</u>

The asset revaluation reserve records revaluation of non current assets.

NOTE 11. CASH FLOW INFORMATION

Reconciliation of cash flows from operating activities with net current year surplus

Net current year surplus:	231,065
Non-cash flows in current year surplus	
- Depreciation and amortisation	380,730
Changes in assets and liabilities	
- Increase in accounts receivable and other debtors	(310,688)
- Decrease in grants received in advance	(211,383)
- Decrease in prepayments	221,827
- Increase in inventories on hand	(27,631)
- Increase in accounts payable and other payables	112,377
	<u>\$ 396,297</u>