

AUDIT REPORT

To the members of Society of Auctioneers & Appraisers (S.A.) Inc.

SCOPE

I have audited the Financial Statements of Society of Auctioneers & Appraisers (S.A.) Inc. for the year ended 30th June 2014 consisting of Statement of Income and Expenditure, Balance Sheet and accompanying notes. The Board of the Club is responsible for the preparation and presentation of the Financial Statements and the information they contain. I have performed an audit of these Financial Statements in order to express an opinion on them to the members of the Club.

My audit has been planned and performed in accordance with Australian Accounting Standards to provide a reasonable level of assurances as to whether the Financial Statements are free of material misstatement. My 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 whether, in all material respects, the Financial Statements are presented fairly and are in accordance with statutory requirements so as to present a view of the Club which is consistent with my understanding of its operations.

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

AUDIT OPINION

In my opinion, the Financial Statements of Society of Auctioneers & Appraisers (S.A.) Inc. are properly drawn up:-

- (a) So as to give a true and fair view of the state of affairs of the Club as at 30th June, 2014 and of the results of the Club's transactions for the year ended on that date and
- (b) In accordance with the provisions of the Associations Incorporation Act.



PETER R. SAINT
CHARTERED ACCOUNTANT
SMSF Auditor No: 100051303

Dated Kent Town this 29th Day of July 2014.

Society of Auctioneers & Appraisers (SA) Inc.

**Annual Report
for the Year Ended 30 June 2014**

<u>Contents</u>	<i>Page</i>
Statement of Financial Performance	1
Statement of Financial Position	2
Notes to the Accounts	3
Statement of Committee	7
Schedule of Fixed Assets	8

Society of Auctioneers & Appraisers (SA) Inc.
Statement of Financial Performance
For the Year ended 30 June 2014

	2014 \$	2013 \$
INCOME		
Documentation Sales		
Event & Training Income	29,925	29,422
Golden Gavel Nomination Fees	36,637	45,780
Membership Fees	6,341	4,500
Clerical Services	102,862	107,929
Interest Received	24,360	21,673
Sponsorships	4,744	4,368
Sundry Income	47,000	62,955
Gross Profit from Product Sales	78	144
	1,215	1,430
	<u>253,162</u>	<u>278,201</u>
EXPENDITURE		
Audit and Accountancy Fees		
Advertising	1,500	1,400
Bad Debts Written Off	1,229	4,305
Bank Charges	9,735	-
Computer Software & Support	1,514	1,840
Depreciation - Office Equipment	867	-
Donations	184	358
Doubtful Debts	340	1,189
Entertainment Expenses	(9,735)	9,735
Functions & Meetings	1,195	582
Golden Gavel - Trustee Fees, Prizes and Trophies	32,974	65,854
Insurance	7,167	6,791
Legal Costs	2,706	2,505
Permits, Licences & Fees	1,819	-
Postage & Courier	101	-
Printing & Stationery	1,776	3,117
Rent	7,427	14,361
Security Costs	17,042	17,209
Secretarial, Management Fees & Car expenses	541	-
Trainer Expenses	69,327	65,144
Superannuation Contributions - Employees	11,144	12,031
Telephone, Fax & Web Page hosting	5,127	4,732
Travelling Expenses	10,227	8,891
Wages	4,363	2,070
	<u>57,205</u>	<u>52,635</u>
	<u>235,775</u>	<u>274,749</u>
SURPLUS FOR YEAR	<u>17,387</u>	<u>3,452</u>

*The accompanying notes form part of these financial statements.
These financial statements have not been subject to audit or review and should be read in conjunction with the attached Compilation Report.*

Society of Auctioneers & Appraisers (SA) Inc.
Statement of Financial Position
As at 30 June 2014

	Note	2014 \$	2013 \$
CURRENT ASSETS			
Cash			
Receivables	2	205,474	185,730
Inventories	3	19,081	32,005
Other	4	10,254	9,614
TOTAL CURRENT ASSETS		<u>2,163</u>	<u>-</u>
		236,972	227,349
NON-CURRENT ASSETS			
Property, Plant and Equipment	5	-	184
TOTAL NON-CURRENT ASSETS		<u>-</u>	<u>184</u>
TOTAL ASSETS		<u>236,972</u>	<u>227,533</u>
CURRENT LIABILITIES			
Payables			
Deferred Income	6	10,056	7,170
Current tax liabilities	7	56,413	66,277
TOTAL CURRENT LIABILITIES		<u>983</u>	<u>1,953</u>
TOTAL LIABILITIES		<u>67,452</u>	<u>75,400</u>
NET ASSETS		<u>67,452</u>	<u>75,400</u>
		<u>169,520</u>	<u>152,133</u>
EQUITY			
Retained profits			
TOTAL EQUITY	8	<u>169,520</u>	<u>152,133</u>
		<u>169,520</u>	<u>152,133</u>

*The accompanying notes form part of these financial statements.
These financial statements have not been subject to audit or review and should be read in conjunction with the attached Compilation Report.*

Society of Auctioneers & Appraisers (SA) Inc.
Notes to the Financial Statements
For the Year ended 30th June 2014

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report has been prepared for use by the members of the association and is a special purpose financial report. It has been prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act of South Australia. The committee have determined that the association is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the following Australian Accounting Standards;

AAS 5 Materiality

AAS 8 Events Occurring After Reporting Date

No other applicable Accounting Standards, Urgent Issues Group Consensus Views or other authoritative pronouncements of the Australian Accounting Standards Board have been applied. The report is also prepared on an accruals basis and is based on historic costs and except where stated does not take into account changing money values or current valuations of non-current assets.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this report for Society of Auctioneers & Appraisers (SA) Inc. ;

(a) 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. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(b) Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled.

(c) Fixed Assets

Office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all fixed assets are depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

(d) Trade and Other Receivables

Trade receivables are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

At the end of each reporting period, the carrying amount of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in income statement.

These notes should be read in conjunction with the attached Compilation Report.

Society of Auctioneers & Appraisers (SA) Inc.
Notes to the Financial Statements
For the Year ended 30th June 2014

- (e) **Inventories**
Inventories are measured at the lower of cost and net realisable value.
- (f) **Revenue and Other Income**
Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.
All revenue is stated net of the amount of goods and services tax (GST).
- (g) **Trade and Other Payables**
Trade payables are recognised at their transaction price. Trade payables are obligations on the basis of normal credit terms.
- (h) **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). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

These notes should be read in conjunction with the attached Compilation Report.

Society of Auctioneers & Appraisers (SA) Inc.
Notes to the Financial Statements
For the Year ended 30th June 2014

	2014	2013
	\$	\$
2. Cash and Cash Equivalents		
Deposits with Savings Banks	76,997	-
Cash at Bank - Adelaide Bank	18,226	4,152
Cash at Bank - CMA Adelaide Bank	-	131,242
Cash at Bank - BankSA	6,248	25,261
Cash at Bank - Access Saver BSA	<u>104,003</u>	<u>25,075</u>
	<u>205,474</u>	<u>185,730</u>
Reconciliation of Cash		
Cash and Cash Equivalents	<u>205,474</u>	<u>185,730</u>
	<u>205,474</u>	<u>185,730</u>
3. Trade and Other Receivables		
Current		
Trade Debtors	19,081	41,740
Less Provision for Doubtful Debts	-	(9,735)
	<u>19,081</u>	<u>32,005</u>
Total Trade and Other Receivables	<u>19,081</u>	<u>32,005</u>
4. Inventories		
Current		
Stock on Hand	<u>10,254</u>	<u>9,614</u>
	<u>10,254</u>	<u>9,614</u>
5. PROPERTY, PLANT & EQUIPMENT		
Plant & Equipment		
Office Equipment	2,495	2,495
Less Accumulated Depreciation & Impairment	<u>2,495</u>	<u>2,311</u>
	<u>-</u>	<u>184</u>

These notes should be read in conjunction with the attached Compilation Report.

Society of Auctioneers & Appraisers (SA) Inc.
Notes to the Financial Statements
For the Year ended 30th June 2014

	2014	2013
	\$	\$
6. Trade and Other Payables		
Current		
Accrued Wages & Super	5,001	4,250
Trade Creditors	870	27
PAYG Withholding	2,633	2,135
Super Payable	1,552	758
Provision for GST	983	1,953
	11,039	9,123
Total Trade and Other Payables	11,039	9,123
7. DEFERRED INCOME		
Current		
Sponsorship Received in Advance	6,500	14,000
Subscriptions Received In Advance	49,913	52,277
	56,413	66,277
8. Retained Earnings		
Retained Earnings at the Beginning of the Financial Year	152,133	148,681
Add		
Net profit attributable to members of the company	17,387	3,452
Less		
Retained Earnings at the End of the Financial Year	169,520	152,133

These notes should be read in conjunction with the attached Compilation Report.

**Society of Auctioneers & Appraisers (SA) Inc.
Statement by Members of the Committee**

The committee members have determined that the association is not a reporting entity. The committee members have determined that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The accompanying financial statements and notes of the company as at 30th June 2014

- a) present fairly the association's financial position as at 30th June 2014 and its performance for the year ended on that date in accordance with the accounting policies as described in Note 1 of the financial statements.
- b) comply with the Australian Standards as detailed in Note 1 of the financial statements.
- c) there are reasonable grounds to believe that the association will be able to meet its debts as and when they become payable.

This statement is made in accordance with a resolution of the committee.

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Garry Topp

Dated

Society of Auctioneers & Appraisers (SA) Inc.
Depreciation Schedule
For the Year Ended 30 June 2014

Asset	Private Use	Cost Price	Cost Limit	Opening W.D.V 01/07/2013	Additions Disposals	Gain/Loss on Disposal	Capital Gains	--- Depreciation --- Rate \$	Accum Deprec 30/06/2014	Closing W.D.V 30/06/2014
PLANT & EQUIPMENT										
Laser Printer		708						25.0% PC	0	0
Printer		1,787		184				20.0% PC	184	708
Sub-total		2,495		184					184	1,787
Total		2,495		184					184	2,495
										0