

**GRACE PARK LAWN TENNIS CLUB**

**A.B.N. 66 284 535 140**

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
31ST JULY 2007**

**GRACE PARK LAWN TENNIS CLUB**  
**STATEMENT OF FINANCIAL PERFORMANCE**  
**FOR THE YEAR ENDED 31ST JULY 2007**

	Note	2007 \$	2006 \$
<b>CLASSIFICATION OF EXPENSES BY NATURE</b>			
Revenues from ordinary activities	2	275,116	267,237
Raw materials and consumables used		(97,424)	(101,963)
Employee benefits expense		(4,034)	(4,698)
Depreciation and amortisation expenses	3	(13,623)	(13,837)
Borrowing costs expense	3	(6,504)	(7,572)
Other expenses from ordinary activities		(108,618)	(117,632)
		<hr/>	<hr/>
<b>Profit from ordinary activities before income tax expense</b>	3	44,913	21,535
Income tax expense relating to ordinary activities		-	-
		<hr/>	<hr/>
<b>Net profit from ordinary activities after income tax attributable to the members of the association</b>	4	44,913	21,535
Net increase (decrease) in asset revaluation reserve		-	-
		<hr/>	<hr/>
<b>Total changes in equity of the association</b>		44,913	21,535
		<hr/>	<hr/>

The accompanying notes form part of these financial statements.

This report is to be read in conjunction with the attached compilation report.

**GRACE PARK LAWN TENNIS CLUB**

**STATEMENT OF FINANCIAL POSITION  
AS AT 31ST JULY 2007**

	Note	2007 \$	2006 \$
<b>CURRENT ASSETS</b>			
Cash assets	5	29,035	25,417
Receivables	6	419	1,106
Inventories	7	4,414	3,951
Other assets	8	1,201	1,201
<b>TOTAL CURRENT ASSETS</b>		<u>35,069</u>	<u>31,675</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	543,632	519,722
<b>TOTAL NON-CURRENT ASSETS</b>		<u>543,632</u>	<u>519,722</u>
<b>TOTAL ASSETS</b>		<u>578,701</u>	<u>551,397</u>
<b>CURRENT LIABILITIES</b>			
Payables	10	22,091	10,102
Other	11	11,734	23,576
<b>TOTAL CURRENT LIABILITIES</b>		<u>33,825</u>	<u>33,678</u>
<b>NON-CURRENT LIABILITIES</b>			
Interest bearing liabilities	12	61,206	78,962
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>61,206</u>	<u>78,962</u>
<b>TOTAL LIABILITIES</b>		<u>95,031</u>	<u>112,640</u>
<b>NET ASSETS</b>		<u>483,670</u>	<u>438,757</u>
<b>EQUITY</b>			
Contributed equity		-	-
Retained profits	4	483,670	438,757
<b>TOTAL EQUITY</b>		<u>483,670</u>	<u>438,757</u>

The accompanying notes form part of these financial statements.

This report is to be read in conjunction with the attached compilation report.

**GRACE PARK LAWN TENNIS CLUB**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31ST JULY 2007**

	<b>2007</b>	<b>2006</b>
	<b>\$</b>	<b>\$</b>
<b>Notes to the Statement of Cash Flows</b>		
<b>Reconciliation of Cash</b>		
Cash at the end of financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:		
Petty Cash Imprest	200	200
NAB Cheque Account	28,682	21,688
Day Book Clearing Account	153	3,529
	29,035	25,417
	29,035	25,417
<b>Reconciliation of Net Cash provided by</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from Customers		263,252
Interest		459
Payments to Suppliers and Employees		(204,804)
		58,907
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment		(37,533)
		21,374
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayments of borrowings		(17,756)
		3,618
Cash at beginning of year		25,417
Cash at 31st of July 2007		29,035

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**GRACE PARK LAWN TENNIS CLUB**  
**A.B.N. 66 284 535 140**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST JULY 2007**

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**1 Statement of Significant Accounting Policies**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Associations Incorporations Act .

The financial report covers as an individual entity. is an association incorporated in under the Association Incorporation Act 1984.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the Association in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

**Inventories**

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a specific identification basis and include direct costs and appropriate overheads, if any.

**Property, Plant and Equipment**

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation

**Plant and equipment**

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by the Association to ensure it is not in excess of the recoverable amount of those assets. The recoverable amount is assessed on the basis of expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST JULY 2007**

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**Depreciation**

The depreciable amount of fixed assets are depreciated on a diminishing value basis over their estimated useful lives to the entity commencing from the time the asset is held ready for use. Properties held for investment purposes are not subject to a depreciation charge.

**Employee Benefits**

Contributions are made by the association to an employee superannuation fund and are charged as expenses when incurred.

**Cash**

For the purposes of the statement of cash flows, cash includes cash on hand, at banks and on deposit.

**Revenue**

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

**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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the assets or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST JULY 2007**

	2007	2006
	\$	\$
<b>2 Revenue</b>		
<b>Operating activities</b>		
Sale of goods	142,704	129,015
Dividends	984	996
Interest	459	87
Rendering of services	119,496	127,339
Other revenue	11,473	9,800
	<u>275,116</u>	<u>267,237</u>

**3 Profit from Ordinary Activities**

Profit from ordinary activities before  
income tax expense has been  
determined after:

**Expenses:**

Cost of sales	97,424	101,963
Depreciation of property, plant and equipment	13,623	13,837

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST JULY 2007**

	<b>2007</b>	<b>2006</b>
	<b>\$</b>	<b>\$</b>
<b>4 Retained Profits</b>		
Retained profits (accumulated losses) at the beginning of the financial year	438,757	417,222
Net profit attributable to members of the association	44,913	21,535
Retrospective adjustment(s) upon introduction of accounting standard(s):		
	<hr/>	<hr/>
Retained profits(accumulated losses) at the end of the financial year	483,670	438,757
	<hr/>	<hr/>
<b>5 Cash Assets</b>		
Petty Cash Imprest	200	200
NAB Cheque Account	28,682	21,688
Day Book Clearing Account	153	3,529
	<hr/>	<hr/>
	29,035	25,417
	<hr/>	<hr/>
<b>6 Receivables</b>		
<b>CURRENT</b>		
Trade Debtors	419	119
Sundry Debtors	-	987
	<hr/>	<hr/>
	419	1,106
	<hr/>	<hr/>
<b>7 Inventories</b>		
<b>CURRENT</b>		
Stock on Hand	4,414	3,951
	<hr/>	<hr/>
<b>8 Other Assets</b>		
<b>CURRENT</b>		
Other Assets	1,201	1,201
	<hr/>	<hr/>

These notes are to be read in conjunction with the attached compilation report.

**GRACE PARK LAWN TENNIS CLUB**  
**A.B.N. 66 284 535 140**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST JULY 2007**

	<b>2007</b>	<b>2006</b>
	<b>\$</b>	<b>\$</b>
<b>9 Property, Plant and Equipment</b>		
<b>Land and Buildings</b>		
Freehold & Leasehold at Cost	155,571	155,571
	<u>155,571</u>	<u>155,571</u>
Property Improvements	257,101	257,101
	<u>257,101</u>	<u>257,101</u>
<b>Total Land and Buildings</b>	<u>412,672</u>	<u>412,672</u>
Plant & Equipment at Cost	140,580	103,047
Less: Accumulated Depreciation	44,660	34,947
	<u>95,920</u>	<u>68,100</u>
Tennis Courts & Fences at Cost	59,025	59,025
Less: Accumulated Depreciation	23,985	20,075
	<u>35,040</u>	<u>38,950</u>
<b>Total Plant and Equipment</b>	<u>130,960</u>	<u>107,050</u>
<b>Total Property, Plant and Equipment</b>	<u>543,632</u>	<u>519,722</u>
<b>10 Payables</b>		
CURRENT		
Trade Creditors	7,275	7,149
Other Creditor	13,200	-
GST Payable	1,616	2,953
	<u>1,616</u>	<u>2,953</u>
	<u>22,091</u>	<u>10,102</u>

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**GRACE PARK LAWN TENNIS CLUB**  
**A.B.N. 66 284 535 140**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST JULY 2007**

	2007	2006
	\$	\$
<b>11 Other Liabilities</b>		
CURRENT		
PAYG Withholding Payable	2,711	2,911
Superannuation Payable	1,804	943
Bar Voucher Liability	618	1,163
Subscriptions in Advance	6,601	18,559
	<u>11,734</u>	<u>23,576</u>
<b>12 BORROWINGS</b>		
NON-CURRENT		
Building Bank Loan	61,181	78,937
Long Term Liabilities	25	25
	<u>61,206</u>	<u>78,962</u>

These notes are to be read in conjunction with the attached compilation report.

**GRACE PARK LAWN TENNIS CLUB**

**DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT  
FOR THE YEAR ENDED 31ST JULY 2007**

	2007	2006
	\$	\$
Bar & Function Sales	122,445	119,823
<b>LESS: COST OF GOODS SOLD</b>		
Bar Opening Stock	3,470	11,246
Bar Purchases	52,947	46,326
Bar Licence Fees	151	131
Bar Catering Costs	182	864
Bar Function Costs	600	364
Bar Wages	39,663	38,109
	<hr/>	<hr/>
Bar Closing Stock	97,013	97,040
	3,989	3,470
	<hr/>	<hr/>
	93,024	93,570
	<hr/>	<hr/>
<b>GROSS PROFIT FROM TRADING</b>	29,421	26,253
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**GRACE PARK LAWN TENNIS CLUB**

**DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT  
FOR THE YEAR ENDED 31ST JULY 2007**

	<b>2007</b>	<b>2006</b>
	<b>\$</b>	<b>\$</b>
Sales - Tennis/Squash Goods	7,182	9,192
<b>LESS: COST OF GOODS SOLD</b>		
Opening Stock - Tennis/Squash Goods	481	392
Purchases - Tennis/Squash Goods	4,344	8,482
	<u>4,825</u>	<u>8,874</u>
Closing Stock - Tennis/Squash Goods	425	481
	<u>4,400</u>	<u>8,393</u>
<b>GROSS PROFIT FROM TRADING</b>	<u>2,782</u>	<u>799</u>

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**GRACE PARK LAWN TENNIS CLUB**  
**TRADING, PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 31ST JULY 2007**

	<b>2007</b>	<b>2006</b>
	<b>\$</b>	<b>\$</b>
Sales	129,627	129,015
<b>LESS: COST OF GOODS SOLD</b>		
Opening Stock	3,951	11,638
Purchases	57,291	54,808
Licence Fees	151	131
Catering Costs	182	864
Function Costs	600	364
Wages	39,663	38,109
	101,838	105,914
Closing Stock	4,414	3,951
	97,424	101,963
<b>GROSS PROFIT FROM TRADING</b>	<b>32,203</b>	<b>27,052</b>

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**GRACE PARK LAWN TENNIS CLUB**

**TRADING, PROFIT AND LOSS STATEMENT  
FOR THE YEAR ENDED 31ST JULY 2007**

	<b>2007</b>	<b>2006</b>
	<b>\$</b>	<b>\$</b>
<b>OTHER INCOME</b>		
Membership Application Fees	468	4,133
Membership Subscriptions	84,382	82,922
Tournament Fees	2,389	3,495
Hire of Facilities	27,983	23,021
Hire of Gym Facilities	15,364	11,364
Net Social Tennis Fees	1,987	2,404
Visitor Fees	1,107	613
Licence Fees	984	996
Interest Received	459	87
Rental of Flat	-	237
Sponsorships	6,622	5,273
ASF Grant	-	227
Room Hire	3,123	2,836
Other Revenue	621	614
	<hr/>	<hr/>
	145,489	138,222
	<hr/>	<hr/>
	177,692	165,274
<b>EXPENDITURE</b>		
Affiliation Fees	10,229	8,946
Auditor's Remuneration	-	600
Bank Charges	3,044	2,727
Cleaning - Contract	5,148	5,339
Depreciation	13,623	13,837
Fines	673	599
General Expenses	2,967	2,735
Hire - Tennis Courts	6,013	7,814
Insurance	5,034	4,779
Interest Paid	6,504	7,572
Internet Subscription	1,050	703
Kitchen Expenses	618	1,805
Legal Costs	-	350
Light & Power	13,385	14,102
Maintenance - Courts	8,807	12,169
Maintenance - Grounds	8,011	5,274
Maintenance & Repairs - General	6,336	6,787
Penant Fees	3,301	3,181
Postage	472	895
Printing & Stationery	2,470	2,321
Rates & Taxes	5,369	5,168
Rent	-	104
Staff Uniforms	690	-
State Grade Payments	14,720	12,431
State Grade Clothing	-	1,570
Superannuation Contributions	4,034	4,698
Teams & Junior Development	163	121
Telephone/Fax	1,323	2,043
Tournament Expenses	2,349	2,415
Wages - Administration	5,684	10,940
Waste Disposal	614	349

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**GRACE PARK LAWN TENNIS CLUB**  
**TRADING, PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 31ST JULY 2007**

	<b>2007</b>	<b>2006</b>
	<b>\$</b>	<b>\$</b>
Workers' Compensation	148	1,365
	<hr/>	<hr/>
	132,779	143,739
	<hr/>	<hr/>
<b>PROFIT (LOSS) FROM ORDINARY ACTIVITIES BEFORE INCOME TAX</b>	<b>\$44,913</b>	<b>\$21,535</b>
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## **Disclosure of Committee Member Interest**

A Terry Stone (President) related entity holds the contract for tennis coaching at the club.

Kevin Gill is a subcontractor of Terry Stone's entity that holds the coaching contract.

Sandra Stone is employed by the club in an administrative position.

## **INDEPENDENT AUDIT REPORT TO THE MEMBERS OF**

### **GRACE PARK LAWN TENNIS CLUB INCORPORATED**

#### ***SCOPE***

We have audited the financial statements of Grace Park Lawn Tennis Club Incorporated for the 12 month period ended 31 July 2007. The Grace Park Lawn Tennis Club Incorporated Committee are responsible for the preparation and presentation of the Financial Statements and the information it contains. We have conducted an independent audit of these Financial Statements in order to express an opinion on them to the Members of the Club.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the Grace Park Lawn Tennis Club is 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 material respects, the Financial Statements are presented fairly in accordance with Australian Accounting Standards and other mandatory professional requirements so as to present a view which is consistent with our understanding of the Club's financial positions and the results of its operations.

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

#### ***AUDIT OPINION***

In our opinion, the financial statements present fairly in accordance with the applicable Accounting Standards and other mandatory professional reporting requirements, the financial position of Grace Park Lawn Tennis Club Incorporated as at 31 July 2007 and the results of its operations for the 12 month period when ended.

Dated at Brighton on this 3rd day of December 2007.

JOHN M GRAHAM  
Partner

**H G & CO PTY LTD**