

# CANNING AGRICULTURAL, HORTICULTURAL & RECREATIONAL SOCIETY INC.



Albany Highway, (Corner Station Street)  
Cannington

**Financial Report**  
for the year ended  
31<sup>st</sup> December 2016

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# Canning Agricultural, Horticultural and Recreational Society Inc.

## Financial Report for the Year Ended 31 December 2016

### COMMITTEE'S REPORT

Your committee members submit the financial report of the Canning Agricultural, Horticultural and Recreational Society Inc. for the financial year ended 31 December 2016.

#### Committee Members

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

Vacant	President
Ray Porter	Vice President
Colin Dawkins	
Victoria Jones	
Geoff Moor	
Max Jamieson	
Leonard Robinson	
Maxine Wylie	
Kevin Morris	
Evan Jamieson	

#### Principal Activities

The principal activities of the association during the financial year were to:

- Provide premises and buildings for use by members, community groups and the general public to conduct cultural, commercial and social activities.
- Provide WAGRA with leased premises for the conduct of greyhound racing.
- Provide the Commonwealth of Australia leased premises for use by the Air Training Corp.
- The conduct of the annual Canning Show and other Community Events.

#### Significant Changes

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

#### Operating Result

The net trading surplus amounted to \$765,419 and after write off of Racing Track and Associated Buildings  
Net Deficit (\$3,004,031)

Signed

.....  
Executive Officer, CAHRS

.....  
Vice President, CAHRS

Dated this        day of                    2017

## INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 \$	2015 \$
Revenue	2	1,658,227	1,148,615
Canning Show	3	(136,084)	(131,315)
Events and Functions	3	(35,056)	(16,815)
Buildings and Grounds	3	(254,399)	(290,250)
Administration	3	(467,269)	(545,470)
		<hr/>	<hr/>
Net Result		765,419	164,765
		<hr/>	<hr/>
Changes on Revaluation of Non-Current Assets	10	(3,769,450)	0
Total Deficit		(3,004,031)	164,765
		<hr/>	<hr/>

**BALANCE SHEET AS AT 31 DECEMBER 2016**

	<b>Note</b>	<b>2016</b>	<b>2015</b>
		<b>\$</b>	<b>\$</b>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	7	2,688,151	4,550,841
Trade and other receivables	8	47,816	54,094
<b>TOTAL CURRENT ASSETS</b>		<b>2,735,967</b>	<b>4,604,935</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	10	34,594,969	35,816,106
<b>TOTAL NON-CURRENT ASSETS</b>		<b>34,594,969</b>	<b>35,816,106</b>
<b>TOTAL ASSETS</b>		<b>37,330,936</b>	<b>40,421,041</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	312,979	270,887
Provisions	9	24,096	24,445
<b>TOTAL CURRENT LIABILITIES</b>		<b>337,075</b>	<b>295,332</b>
<b>NON-CURRENT LIABILITIES</b>			
Trade and other Payables	11	1,071,325	1,208,325
Provisions	9	12,858	3,675
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,084,183</b>	<b>1,212,000</b>
<b>TOTAL LIABILITIES</b>		<b>1,421,258</b>	<b>1,507,332</b>
<b>NET ASSETS</b>		<b>35,909,678</b>	<b>38,913,709</b>
<b>EQUITY</b>			
Retained Earnings		6,933,079	6,167,660
Reserves	12	28,976,599	32,746,049
<b>TOTAL EQUITY</b>		<b>35,909,678</b>	<b>38,913,709</b>

The accompanying notes form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	Retained Earnings \$	Assets Revaluation Reserve \$	Total \$
<b>Balance at 1 January 2016</b>		<b>6,167,660</b>	<b>32,746,049</b>	<b>38,913,709</b>
Surplus attributable to members		765,419	0	765,419
Revaluation of Fixed Assets	10	0	(3,769,450)	(3,769,450)
 <b>Balance at 31 December 2016</b>		<b>6,933,079</b>	<b>28,976,599</b>	<b>35,909,678</b>

The accompanying notes form part of these financial statements.

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	2016 \$	2015 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		1,567,169	1,029,122
Payments to suppliers and employees		(824,893)	(677,735)
Interest paid		0	0
Interest received		97,336	138,990
		<hr/>	<hr/>
Net cash provided by operating activities	17	839,612	490,377
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds of Disposal of Plant and Equipment		0	35,000
Purchase of Property, plant and equipment		(2,702,302)	(150,642)
Net cash used in investing activities		(2,702,302)	(115,642)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net cash provided by (used in) financing activities		0	0
Net increase in cash held		(1,862,690)	374,735
Cash at beginning of year		4,550,841	4,176,106
Cash at end of year	7	2,688,151	4,550,841

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Australian Accounting Interpretations, and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporation Act WA.

The financial report covers The Canning Agricultural, Horticultural and Recreational Society Inc. As an individual entity. The Canning Agricultural, Horticultural and Recreational Society Inc. As an association incorporated in Western Australia under the *Associations Incorporation Act 1987*.

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.

#### Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

#### Accounting Policies

##### a. Income Tax

The Canning Agricultural, Horticultural and Recreational Society Inc. Is not for profit Association and is not subject to Income Tax.

##### b. Inventories

Inventories are valued using a current cost method and the balance day value of stock on hand is shown as a current asset in the balance sheet.

##### c. Property, Plant and Equipment

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

#### Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The cost of fixed assets constructed within the association includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the association and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

#### Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, is depreciated on a diminishing balance basis over their useful lives to the commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Furniture and Office Equipment	15%
Minor Plant and Equipment	14.29%
Plant and Equipment	10%
Building Improvements	2.50%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation relating to that asset are transferred to retained earnings.

#### d. **Leases**

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the association are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amount equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the association will obtain ownership of the asset or ownership over the term of the lease.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

#### e. **Financial Instruments**

##### **Recognition**

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.

##### **Financial assets at fair value through profit and loss**

A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

##### **Available-for-sale financial assets**

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

##### **Financial liabilities**

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

##### **Impairment**

At each reporting date, the association assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

#### f. **Impairment of Assets**

At each reporting date, the association reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

#### g. **Employee Benefits**

Provision is made for the association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

#### h. **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.

#### i. **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.

Dividend revenue is recognised when the right to receive a dividend has been established.

All revenue is stated net of the amount of goods and services tax (GST).

#### j. **Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in income in the period in which they are incurred.

#### 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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

#### l. **Comparative Figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

#### **Critical Accounting Estimates and Judgements**

The committee members evaluate estimates and judgement incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the association.

##### *Key Estimates — Impairment*

The association assesses impairment at each reporting date by evaluating conditions specific to the association that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

NOTE 2: REVENUE

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>Revenue</b>		
Rental Income	1,227,126	878,213
Canning Show	120,052	109,530
Other	311,049	160,872
	<hr/>	<hr/>
	1,658,227	1,148,615

NOTE 3: PROFIT

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>a. Expenses</b>		
Canning Show	136,084	131,315
Events and Functions	35,056	16,815
Buildings and Grounds	254,399	290,250
Administration	467,269	545,470
	<hr/>	<hr/>
	892,808	983,850

		<b>2016</b>	<b>2015</b>
		<b>\$</b>	<b>\$</b>
<b>b. Significant Revenue and Expenses</b>			
Proceeds Sale of Sand	↑	60,000	0
Interest Received	↓	97,336	146,585
Lease Rental Income – Bunnings	↑	784,457	133,280
Lease Rental Income – WAGRA	↓	217,875	556,132
Canning Show Gate Admissions	↓	36,231	44,623
Rental Income Halls	↑	212,434	176,801
Canning Show Expenses	↑	(136,084)	(131,315)
Employee Costs	↑	(259,087)	(247,120)
Professional and Legal Fees	↓	(5,125)	(29,603)
Buildings and Ground Maintenance	↑	(93,085)	(70,280)
Depreciation	↓	(153,989)	(219,970)
Loss on Disposal of Asset	↓	0	(161,236)
Contribution – Landscaping	↑	120,000	0

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

NOTE 4: INCOME TAX EXPENSE

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Not Applicable as Canning Agricultural, Horticultural and Recreational Society Inc is Not For Profit Association	0	0

NOTE 5: KEY MANAGEMENT PERSONNEL

	<b>Short-term Benefit</b>	<b>Post Employment Benefit</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>2016</b>			
Total remuneration	250,253	8,834	259,087
<b>2015</b>			
Total remuneration	237,453	9,667	247,120

NOTE 6: AUDITORS' REMUNERATION

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Remuneration of the auditor of the association for:		
— auditing or reviewing the financial report	4,750	4,750

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

NOTE 7: CASH AND CASH EQUIVALENTS	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>Cash at bank and in hand</b>		
Cash on hand	512	400
Bankwest – Debit Mastercard	504	200
Bankwest – Term Deposits	2,229,860	4,287,362
Bankwest – Telenet Saver Account	10,112	9,967
Bankwest – Operating Account	447,163	252,912
<b>TOTAL</b>	<u>2,688,151</u>	<u>4,550,841</u>

NOTE 8: TRADE AND OTHER RECEIVABLES	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>CURRENT</b>		
Trade Debtors	15,463	24,882
Interest Received – Accrual	7,959	29,212
Pre-paid Expenses	24,394	0
	<u>47,816</u>	<u>54,094</u>

NOTE 9: PROVISIONS	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>CURRENT</b>		
Provision for Annual Leave	24,096	24,445
	<u>24,096</u>	<u>24,445</u>
<b>NON CURRENT</b>		
Provision for Long Service Leave	12,858	3,675
	<u>12,858</u>	<u>3,675</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

### NOTE 10: PROPERTY, PLANT AND EQUIPMENT

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Plant and Equipment: CAHRS (Valuation and Cost)	81,903	85,001
<b>Total Plant and Equipment</b>	<b>81,903</b>	<b>85,001</b>
Land: CAHRS (Fair Value)	9,486,000	9,486,000
WAGRA and Commercial Site (Lease Property) (Fair Value)	17,420,000	17,420,000
<b>Total Land</b>	<b>26,906,000</b>	<b>26,906,000</b>
Building and Improvements:		
Bunnings (Cost)	1,335,750	1,370,000
CAHRS (Fair Value and Cost)	6,271,316	2,961,171
WAGRA (Valuation and Cost)	0	4,493,934
<b>Total Buildings and Improvements</b>	<b>7,607,066</b>	<b>8,825,105</b>
<b>Total Property, Plant and Equipment</b>	<b>34,594,969</b>	<b>35,816,106</b>

The Society engaged the services of McGees Property to undertake a valuation of the property located at the corner of Liege Street, Albany Highway and Station Street, Cannington as at 31 December 2014 comprising of Building Improvements being the Cyril Vickery Air Training Corp Building, Dick Liddelow Community Facility and Administration Offices, Exhibition Hall, Mens Shed Building (former Rugby Changerooms and Administration Office), Fencing and Paving. The WAGRA Greyhound racing facilities were not revalued on the basis that during 2016 the track and building improvements were demolished. Land leased or utilised by the Society has all been revalued at the Market Value/Fair Value. Plant and Equipment has not been revalued.

#### **Movements in carrying amounts**

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

	<b>Land</b>	<b>Buildings and Improvements</b>	<b>Plant and Equipment</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance at the beginning of year	26,906,000	8,825,105	85,001	35,816,106
Additions	0	2,683,958	18,344	2,702,302
Plus/Minus Asset Revaluation	0	(3,866,128)	0	(3,866,128)
Disposals	0	0	0	0
Provision for depreciation written back	0	96,678	0	96,678
Depreciation expense	0	(132,547)	(21,442)	(153,989)
<b>Carrying amount at the end of year</b>	<b>26,906,000</b>	<b>7,607,066</b>	<b>81,903</b>	<b>34,594,969</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

NOTE 11: TRADE AND OTHER PAYABLES	<b>2016</b>	<b>2015</b>
CURRENT	<b>\$</b>	<b>\$</b>
Demolition Costs and Development Contributions (Refundable)	137,000	137,000
Deposit for Lease of Land (Refundable)	0	3,868
Creditors and Accrual	51,702	16,369
Prepaid Hall Hire Deposits	23,102	21,643
Income Received in Advance	83,273	71,413
PAYG Withholding Tax	3,572	3,428
Bond Money Refundable	8,400	6,900
Employee Entitlements – Superannuation	5,497	6,001
GST Payable	433	4,265
	<hr/>	<hr/>
	312,979	270,887
NON CURRENT		
Demolition Costs and Development Contributions (Refundable)	1,071,325	1,208,325
	<hr/>	<hr/>
	1,071,325	1,208,325
	<hr/>	<hr/>

NOTE 12: RESERVES	<b>2016</b>	<b>2015</b>
<b>Assets Revaluation Reserve</b>	<b>\$</b>	<b>\$</b>
The financial assets reserve records revaluations of non-current assets.		
Land	26,906,000	26,906,000
Buildings and Improvements	1,950,942	5,720,392
Plant and Equipment	119,657	119,657
	<hr/>	<hr/>
TOTAL	28,976,599	32,746,049

NOTE 13: CAPITAL AND LEASING COMMITMENTS	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>a. Finance Lease Commitments</b>		
Canning Agricultural, Horticultural and Recreational Society Inc have no finance leases at 31 December 2016	0	0
<b>b. Operating Lease Commitments</b>		
Non-cancellable operating leases contracted for but not capitalised in the financial statements		
Payable — minimum lease payments		
— not later than 12 months	0	0
— between 12 months and 5 years	0	0
	<hr/>	<hr/>
	0	0

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

### NOTE 14: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Canning Agricultural, Horticultural and Recreational Society Inc. has not identified any contingent sums as at 31 December 2016.

### NOTE 15: EVENTS AFTER THE BALANCE SHEET DATE

NIL

### NOTE 16: RELATED PARTY TRANSACTIONS

The Canning Agricultural, Horticultural and Recreational Society Inc. entered into no related party transactions during the year ended 31 December 2016.

### NOTE 17: CASH FLOW INFORMATION

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>Reconciliation of Cash Flow from Operations</b>		
Change in Equity from operations	765,419	164,765
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in operations		
— Depreciation	153,989	219,970
— Net gain on disposal of property, plant and equipment	0	161,236
Changes in assets and liabilities		
— Change in trade and other debtors	6,278	19,497
— Change in other provisions	(8,834)	(9,667)
— Change in trade and other payables	(77,240)	(65,424)
	<u>839,612</u>	<u>490,377</u>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

### NOTE 18: FINANCIAL INSTRUMENTS

#### a. Financial Risk Management

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

##### Financial Risks

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

##### Liquidity Risk

The association manages liquidity risk by monitoring forecast cash flows.

##### Credit Risk

The maximum exposure to credit risk, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the business sheet and notes to the financial statements.

The association does not have any material credit risk exposure.

#### b. Interest Rate Risk

The association's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

The financial instruments at balance date:

	Carrying Value 2015 \$	Average Interest % 2015	Variable Interest Rate % 2015	Less than 1 year \$	1 to 5 years \$	5 to 10 years \$	Non Interest Bearing \$	Carrying Value 2016 \$	Fair Value 2016 \$
<b>Financial Assets</b>									
Cash	4,550,841	2.02%	1.1%	2,687,135	0	0	1,016	2,688,151	2,688,151
Trade Receivables-Current	<u>54,094</u>			<u>0</u>	<u>0</u>	<u>0</u>	<u>47,816</u>	<u>47,816</u>	<u>47,816</u>
-	<u>4,604,935</u>			<u>2,687,135</u>	<u>0</u>	<u>0</u>	<u>48,832</u>	<u>2,735,967</u>	<u>2,735,967</u>
<b>Financial Liabilities</b>									
Accounts Payable – Current	270,887			0	0	0	312,979	312,979	312,979
Employee entitlements-Current	<u>24,445</u>			<u>0</u>	<u>0</u>	<u>0</u>	<u>24,096</u>	<u>24,096</u>	<u>24,096</u>
	<u>295,332</u>			<u>0</u>	<u>0</u>	<u>0</u>	<u>337,075</u>	<u>337,075</u>	<u>337,075</u>

##### Fair Value

Fair value is determined as follows:

Cash – Receivables and Payables – are estimated to be equal to the carrying value which approximates net market value.

NOTE 19: REGISTERED OFFICE

The registered office of the  
Canning Agricultural, Horticultural  
and Recreational Society Inc.  
Albany Highway  
(Corner Station Street)  
Cannington, Western Australia

The principal places of business is:  
Canning Agricultural, Horticultural  
and Recreational Society Inc.  
Albany Highway  
(Corner Station Street)  
Cannington, Western Australia

NOTE 20: SEGMENT REPORTING

The association operates predominantly in one business and geographical segment being provision of premises and buildings for use by members and community groups, lease of premises to WAGRA for greyhound racing and the conduct of the Annual Canning Show and other expos and events.

NOTE 21: ECONOMIC DEPENDENCY

A portion of the revenue received by the Society is by way of grants and sponsorship from the State Government and associated agencies. The total revenue received from these sources is as follows:

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Catalyst Community Fund (Department of Culture and the Arts)	7,000	4,673
Lotterywest	20,000	10,000
Healthways	<u>36,500</u>	<u>13,500</u>
	<u>63,500</u>	<u>28,173</u>

**STATEMENT BY MEMBERS OF THE COMMITTEE**

In the opinion of the committee the financial report as set out on pages one to seventeen:

1. Presents a true and fair view of the financial position of Canning Agricultural, Horticultural and Recreational Society Inc. as at 31 December 2016 and its performance for the year ended on that date in accordance with Australian Accounting Standards.
2. At the date of this statement, there are reasonable grounds to believe that Canning Agricultural, Horticultural and Recreational Society Inc. will be able to pay its debts as and when they fall due.

This statement is signed for and on behalf of the Committee by:

President .....

Ray Porter – Vice President CAHRS

Dated this ..... day of .....

# DCA

## Dominic Carbone & Associates

### Public Accountants - Registered Tax Agents – Local Government Services

Suite 7 – 64 Canning Hwy

Victoria Park WA 6100

Postal Address: P.O. Box 626

Como WA 6952

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## INDEPENDENT AUDIT REPORT

To: MEMBERS OF CANNING AGRICULTURAL, HORTICULTURAL & RECREATIONAL SOCIETY INC.

### Scope

I have audited the accompanying financial report of the Canning Agricultural, Horticultural & Recreational Society Inc. (The Association) for the year ended 31 December 2016 being the Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows and Income and Expenditure Statement and accompanying notes 1 to 21. The committee of the Association are responsible for the preparation and presentation of the financial report and the information contained therein. I have conducted an independent audit of the financial report in order to express an opinion on it.

My audit has been conducted in accordance with Australian Auditing Standards to provide a reasonable level of assurance as to whether the financial report is free of material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, 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 report is presented fairly in accordance with the requirements of the applicable Australian Accounting Standards and the Associations Incorporations Act 1987 Western Australia so as to present a view of the Association which is consistent with my understanding of its financial position and the results of its operations.

### Basis for Qualified Auditors Opinion

In reviewing of cash income and expenditure.

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

### Audit Opinion

In my opinion, the accompanying financial report is drawn up in accordance with the books of the Association so as to:

- (a) Fairly present the financial position of the Association as at 31 December 2016 and the results of the operations, change in net equity and cash flows for the year then ended;
- (b) In accordance with applicable Australian accounting standards, and the Associations Incorporation Act 1987 Western Australia.



Dominic Carbone MIPA

7 February 2017

**CANNING AGRICULTURAL, HORTICULTURAL AND RECREATIONAL SOCIETY INC.**

**CERTIFICATE BY MEMBERS OF THE COMMITTEE**

On behalf of the Committee Members, I certify that:

- a. I am a Member of the Committee of Canning Agricultural, Horticultural & Recreational Society Inc.
- b. I attended the Annual General Meeting of the Society, held on .
- c. I am authorised by the attached resolution of the Committee to sign this certificate.
- d. This Annual Statement was submitted to the Members of the Society at it's Annual General Meeting.

Signed:.....

Ray Porter – Vice President CAHRS

Dated this.....day of.....2017.....

# DCA

## Dominic Carbone & Associates

### Public Accountants - Registered Tax Agents – Local Government Services

Suite 7 – 64 Canning Hwy  
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#### COMPILATION REPORT TO THE CANNING AGRICULTURAL, HORTICULTURAL & RECREATIONAL SOCIETY INC.

##### Scope

On the basis of the information provided by the Committee of Management of Canning Agricultural, Horticultural & Recreational Society Inc. I have compiled, the special purpose financial report of Canning Agricultural, Horticultural & Recreational Society Inc. for the period ended 31 December 2016 comprising the attached Income and Expenditure Statement.

The specific purpose for which the special purpose financial report has been prepared is to provide financial information to the Association.

The Committee of Management is solely responsible for the information contained in the special purpose financial report and has determined that the accounting policies used are consistent with the financial reporting requirements of the Association's Constitution.

My procedures use accounting expertise to collect, classify and summarise the financial information which the Committee of Management provided into a financial report.

To the extent permitted by law, and do not accept liability for any loss or damage which any person, other than the Association, may suffer arising from any negligence on my part.

Date: 7 February 2017

(Signed)



## INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2016

	2015	2016	2016
	Actual	Budget	Actual
	\$	\$	\$
<b>REVENUE</b>			
Rental Income			
Bunnings (Rental and Reimbursements)	133,280	751,718	784,457
Ground Lease – Telecommunication Facility	12,000	12,217	12,360
WA Greyhounds (Rental and Reimbursements)	556,132	214,760	217,875
Vickery Pavilion (Rental and Reimbursements)	52,889	55,355	57,341
Exhibition Hall	92,725	121,682	121,906
Liddelow Pavilion	<u>31,187</u>	<u>29,500</u>	<u>33,187</u>
	<u>878,213</u>	<u>1,185,232</u>	<u>1,227,126</u>
Canning Show			
Grant	13,500	15,000	43,500
Gate Admissions	44,623	44,000	36,231
Donations	1,276	0	508
Ground space	11,995	11,000	13,572
General entries	1,995	2,000	3,651
Sponsorship	<u>36,141</u>	<u>7,000</u>	<u>22,590</u>
	<u>109,530</u>	<u>79,000</u>	<u>120,052</u>
Other			
Proceeds Sale of Sand	0	0	60,000
Interest	146,585	86,644	97,336
Events and Workshops (Incl. Sponsorship & Grants)	6,877	21,190	25,741
Member subscriptions	4,150	4,350	4,032
Contribution – Landscaping Bunnings	0	0	120,000
Other	<u>3,260</u>	<u>4,076</u>	<u>3,940</u>
	<u>160,872</u>	<u>116,260</u>	<u>311,049</u>
<b>TOTAL</b>	<u><b>1,148,615</b></u>	<u><b>1,380,492</b></u>	<u><b>1,658,227</b></u>
<b>EXPENDITURE</b>			
Canning Show			
Advertising	14,209	18,000	17,063
Catering	1,352	1,000	648
Entertainment	24,602	32,000	37,642
Equipment hire	19,237	18,200	15,330
Gate donation	3,500	3,500	3,500
Presentation Evening	17,778	18,310	16,238
Prizes	12,207	13,400	12,800
Security	5,846	5,000	4,898
Signs	2,198	2,200	2,539
Wages	471	480	560
Other	<u>29,915</u>	<u>26,900</u>	<u>24,866</u>
	<u>131,315</u>	<u>138,990</u>	<u>136,084</u>
Events & Functions			
Other	<u>16,815</u>	<u>40,635</u>	<u>35,056</u>
	<u>16,815</u>	<u>40,635</u>	<u>35,056</u>

## INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2016

	2015	2016	2016
	Actual	Budget	Actual
	\$	\$	\$
<b>Buildings &amp; Grounds</b>			
Ground Maintenance	17,700	14,550	16,494
Halls & Office maintenance	23,868	38,200	37,130
Plant & Equipment Maintenance	4,556	2,800	3,243
Cleaning	24,156	23,200	36,218
Depreciation	219,970	35,600	153,989
Drainage Works Recoupable	<u>0</u>	<u>0</u>	<u>7,325</u>
	<u>290,250</u>	<u>114,350</u>	<u>254,399</u>
<b>Administration</b>			
Affiliation fees	216	220	210
Accountancy	840	0	0
Audit	4,750	5,000	4,750
Bank Charges	1,136	1,200	1,061
Bad Debts	0	4,376	4,376
Catering	1,489	1,500	424
Insurance	25,602	25,700	27,922
Office equipment	0	0	0
Photocopier Rental and Consumables	4,046	5,000	3,439
Postage (Incl. Box Rental)	1,075	1,760	1,319
Printing	656	500	0
Professional & Legal fees	29,603	31,340	5,125
Promotion & advertising	3,783	6,500	8,963
Rates & Taxes	42,137	45,000	76,636
I.T. Support and Licences	3,706	3,800	4,396
Staff payroll, Superannuation, Training			
Annual/LS Leave Accrual	247,120	257,263	259,087
Stationery	1,740	2,000	1,115
Sundry	542	500	300
Utilities	2,143	5,000	32,104
Electricity	10,116	30,000	32,734
Donations	150	0	0
Members Medallions	0	0	0
Telephone & Internet	2,839	4,000	3,308
Loss on Disposal of Asset	161,236	0	0
Web site	<u>545</u>	<u>2,000</u>	<u>0</u>
	<u>545,470</u>	<u>432,659</u>	<u>467,269</u>
<b>TOTAL PAYMENTS</b>	<u>983,850</u>	<u>726,634</u>	<u>892,808</u>
<b>NET OPERATING SURPLUS FOR THE YEAR</b>	<u>164,765</u>	<u>653,858</u>	<u>765,419</u>

(Before changes on Revaluation of Non-Current Assets)