

**SOUTHS RUGBY UNION CLUB INCORPORATED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**SOUTHS RUGBY UNION CLUB INCORPORATED  
STATEMENT BY MEMBERS OF THE COMMITTEE  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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

In the opinion of the committee this financial report:

1. Presents fairly the financial position of Souths Rugby Union Club Incorporated as at 30 September 2021 and its performance for the year ended on that date.
2. At the date of this statement there are reasonable grounds to believe that the entity 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

  
.....  
Treasurer

Dated this 3<sup>rd</sup> day of November 2021.

**SOUTHS RUGBY UNION CLUB INCORPORATED  
STATEMENT OF INCOME AND EXPENDITURE  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	<b>2021</b>	<b>2020</b>
<b>INCOME</b>		
Beer Wine & Spirits Sales	231,440	98,337
Softdrink & Confectionary Sales	47,293	28,879
Food Sales	35,515	15,002
Merchandise Sales	38,102	29,101
Events/Functions Sales	29,326	4,480
	<hr/>	<hr/>
	381,676	175,800
 <b>Less Cost of Goods Sold</b>		
Opening Stock	30,961	32,525
Purchases - Beer Wine & Spirits	96,745	37,020
Purchases - Confectionary/drinks	26,966	13,361
Purchases - Merchandise	42,067	33,080
Purchases - Events/Functions	17,990	396
Direct Costs & Consumables	4,392	5,506
Direct Wages	66,157	24,672
Superannuation	4,297	3,585
Purchases - Food	21,036	8,224
Closing Stock	(28,662)	(30,961)
	<hr/>	<hr/>
	281,948	127,407
	<hr/>	<hr/>
<b>Gross Profit</b>	99,727	48,393
	<hr/>	<hr/>

**SOUTHS RUGBY UNION CLUB  
INCORPORATED**

**AUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2021**



**SOUTHS RUGBY UNION CLUB INCORPORATED  
STATEMENT OF INCOME AND EXPENDITURE  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

<b>INCOME</b>	<b>2021</b>	<b>2020</b>
Gross Profit	99,727	48,393
Interest Received	5,120	9,336
Sundry Income	16,079	83,467
Government Grants	20,306	65,800
Membership Subscription Fees	129,017	132,833
Sponsorships & Fundraising	171,918	74,794
	<hr/>	<hr/>
	442,167	414,624
<b>EXPENDITURE</b>		
Accounting Audit & Legal Fees	6,846	5,005
Advertising	6,818	3,724
Bank Charges	5,500	3,076
Cleaning & Pest Control	9,654	6,956
Coaching Fees	60,400	18,800
Electricity & Gas	21,463	17,867
Fees & Licenses	4,212	5,733
General Expenses	405	1,522
Hospitality	3,278	203
Insurance - General	12,432	11,881
Interest	613	566
Jerseys & Uniforms	51,453	46,501
Laundry Services	2,907	-
Medical & Strapping Supplies	10,892	6,657
Medics & Physio Fees	30,692	16,229
Levies - ARU/QRU/BJRU	6,712	-
Printing Postage & Stationary	2,205	2,441
Recruitment & Retention	15,245	12,565
Repairs - Fields/grounds	24,322	13,728
Repairs - Building/fixtures	2,957	3,939
Superannuation	5,920	5,955
Telephone	903	3,260
Training & Equipment	5,711	6,972
Trophies & Presentations	21,363	4,015
Wages	61,500	122,293
Workcover	1,642	1,949
Water Charges	22,390	27,547
	<hr/>	<hr/>
	398,434	349,385
	<hr/>	<hr/>
<b>Operating Profit</b>	43,733	65,239
<b>Non Operating Costs</b>		
Depreciation	40,979	39,353
	<hr/>	<hr/>
	40,979	39,353
	<hr/>	<hr/>
<b>Net Profit</b>	2,754	25,886
	<hr/>	<hr/>

**SOUTHS RUGBY UNION CLUB INCORPORATED  
BALANCE SHEET AS AT 30 SEPTEMBER 2021**

	NOTE	2021	2020
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents		362,010	538,198
Inventories		28,662	30,961
Trade and Other Receivables	4	29,484	16,430
		<hr/>	<hr/>
<b>Total Current Assets</b>		420,157	585,589
<b>NON CURRENT ASSETS</b>			
Property, Plant and Equipment	5	981,254	802,761
Investments	6	-	20,915
Trade and Other Receivables	4	1,000	1,000
		<hr/>	<hr/>
<b>Total Non Current Assets</b>		982,254	824,676
		<hr/>	<hr/>
<b>Total Assets</b>		1,402,411	1,410,265
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	7	59,815	70,423
		<hr/>	<hr/>
<b>Total Current Liabilities</b>		59,815	70,423
		<hr/>	<hr/>
<b>Total Liabilities</b>		59,815	70,423
		<hr/>	<hr/>
<b>Net Assets</b>		1,342,596	1,339,842
<b>CLUB FUNDS</b>			
Accumulated Club Funds	8	1,342,596	1,339,842
		<hr/>	<hr/>
<b>TOTAL CLUB FUNDS</b>		1,342,596	1,339,842
		<hr/>	<hr/>

# **SOUTHS RUGBY UNION CLUB INCORPORATED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 30 SEPTEMBER 2021**

#### **1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements for the association's Constitution and Associations Incorporation Act (Queensland). The committee has determined that the association is not a reporting entity.

These financial statements have been prepared on an accrual basis and is based on historical costs and do not take into account changing money values nor, except where stated, current valuation of non-current assets. Except where stated, accounting policies have been consistently applied.

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

#### **Property, Plant and Equipment**

Items are measured on the cost basis. Each class of property plant and equipment under \$1,000 is expensed.

Any carrying amount of property, plant and equipment is reviewed annually by the committee to ensure it is not in excess of the recoverable amount of these assets. The recoverable amount is assessed on the basis of expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in members' equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement.

#### **Depreciation**

The depreciable amount of all fixed assets, excluding freehold land, is depreciated on a diminishing value basis over the useful lives to the economic entity commencing from the time the asset is held ready for use.

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

<i>Class of Fixed Asset</i>	<i>Depreciation Rate</i>
Plant and Equipment	15% diminishing value
Ground Equipment	10% diminishing value
Furniture & Fittings	20% diminishing value
Buildings & Leasehold Improvements	2.5% diminishing value

#### **Impairment of Assets**

At each reporting date, the entity 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,

#### **Inventories**

Inventories are measured at the lower of cost and net realizable value. Costs are assigned on a first-in first-out basis and include direct materials only,

# **SOUTHS RUGBY UNION CLUB INCORPORATED**

## **NOTES TO FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 30 SEPTEMBER 2021**

#### **Leases**

All leases are charged as expenses in the periods in which they are incurred.

#### **Cash and Cash Equivalents**

Cash and cash equivalents includes 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 short-term borrowings in current liabilities on the balance sheet.

#### **Income Tax**

The committee has formed the opinion that association is exempt from payment of income tax under the provisions of the Income Tax Assessment Act. Consequently, tax effect accounting is not applicable and no provision has been made for income tax.

#### **Employee Benefits**

No provision is made for the entity's liability for employee benefits arising from services rendered by employees to balance date.

#### **Mortgages**

There are no mortgages, charges or securities of any description affecting any of the property of the association during the financial year.

#### **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. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised when it is received. Dividend revenue is recognised when it has been received.

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

#### **Prior Year Figures**

Unless otherwise stated, the accounting policies adopted are consistent with those of the previous financial year. In respect to the year ended 30 September 2016 comparative figures, these are for illustration purposes only. They represent a consolidation of the two predecessor Junior and Senior clubs.

#### **Related parties**

##### **Interest in Contracts**

During the year Souths Rugby Union Club Incorporated appointed Lakehouse Accounting as the association's auditor.

##### **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.



**SOUTHS RUGBY UNION CLUB INCORPORATED  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

<b>( 4 ) Trade and Other Receivables</b>	<b>2021</b>	<b>2020</b>
<i>CURRENT</i>		
Trade Receivables	14,425	5,027
Prepaid Expenses	15,059	11,403
	<hr/>	<hr/>
	29,484	16,430
<i>NON CURRENT</i>		
Advance - Sths Rugby Foundation	1,000	1,000
	<hr/>	<hr/>
	1,000	1,000
	<hr/>	<hr/>
<b>Total Trade and Other Receivables</b>	<b>30,484</b>	<b>17,430</b>
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<b>( 5 ) Property, Plant and Equipment</b>	<b>2021</b>	<b>2020</b>
Leasehold Improvements at Cost	806,260	622,988
Deduct Prov'n for Depreciation	(47,265)	(35,522)
	<hr/>	<hr/>
	758,995	587,466
Ground Facilities at Cost	304,905	304,905
Less Prov'n for Depreciation	(191,319)	(178,696)
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	113,586	126,209
Plant and Equipment at Cost	204,321	198,085
Deduct Prov'n for Depreciation	(141,101)	(130,087)
	<hr/>	<hr/>
	63,220	67,998
Furniture & Fittings at Cost	52,750	47,335
Deduct Prov'n for Depreciation	(45,060)	(44,489)
	<hr/>	<hr/>
	7,690	2,846
Rugby Equipment at Cost	118,201	93,652
Accumulated Depreciation	(80,439)	(75,411)
	<hr/>	<hr/>
	37,762	18,241
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<b>Total Property, Plant and Equipment</b>	<b>981,254</b>	<b>802,761</b>
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**SOUTHS RUGBY UNION CLUB INCORPORATED  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

<b>( 6 ) Investments</b>	<b>2021</b>	<b>2020</b>
Work in Progress - Capital Works	-	20,915
<b>Total Investments</b>	<b>-</b>	<b>20,915</b>
<b>( 7 ) Trade and Other Payables</b>	<b>2021</b>	<b>2020</b>
<i>CURRENT</i>		
Accounts Payable	33,960	16,379
GST Payable	5,639	4,174
Payroll Creditors	9,309	11,127
Provision - Coogee Tour	10,906	38,744
<b>Total Trade and Other Payables</b>	<b>59,815</b>	<b>70,423</b>
<b>( 8 ) Accumulated Club Funds</b>	<b>2021</b>	<b>2020</b>
Net Profit after income tax	2,754	25,886
Retained Profits at the beginning	1,339,842	1,313,956
<b>Total club Funds</b>	<b>1,342,596</b>	<b>1,339,842</b>

## AUDITORS REPORT

To the Members

### SOUTHS RUGBY UNION CLUB INCORPORATED

#### **The Special purpose financial report**

We have audited the attached special purpose financial report of Souths Rugby Union Club Incorporated for the year ended 30 September 2021, comprising of Balance Sheet, Statement of Receipts and Payments, Notes To The Financial Report, and Statement by Members of the Committee.

#### *Committee's Responsibility for the Financial Report*

The Committee is responsible for the preparation and true and fair presentation of the financial report and have determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are consistent with the financial reporting requirements of the Associations Incorporations Act 1981 Queensland and are appropriate to meet the needs of the members. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

The special purpose financial report has been prepared for distribution to the members for the purpose of fulfilling the Committee's financial reporting requirements under the Associations Incorporation Act 1981 Queensland. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates, to any person other than the members, or of any purpose other than that for which it was prepared.

#### *Auditor's Responsibility*

We conducted an independent audit in order to express an opinion to the members of the Association. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the accounting policies described in Note 1, so as present a view which is consistent with our understanding of the association's financial position, and of its performance as represented by the results of its operations. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia. No opinion is expressed as to whether the accounting policies used and described in Note 1, are appropriate for the needs of the members.

We formed our audit opinion on the basis of these procedures, which included:

- Examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- Assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the committee members.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

#### *Independence*

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

## **Audit Report Qualification**

### *Basis for Qualified Opinion*

It is not practical for Souths Rugby Union Club Incorporated to maintain an effective system of internal control over donations and fundraising activities until their initial entry in the bank account. Accordingly, my audit in relation to receipts was limited to amounts deposited into the entity's bank account.

As from 01 October 2016 the Senior and Junior Rugby Union Clubs amalgamated and formed Souths Rugby Union Club Incorporated. As we have not conducted an audit over the Senior Club, we do not express an audit opinion upon the comparative figures contained in these financial accounts.

### **Qualified Audit Opinion**

In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial report of Souths Rugby Union Club Incorporated presents fairly the assets and liabilities at 30 September 2021 and the income and expenditure of the entity for the year then ended in accordance with the basis of accounting described in Note 1 to the financial statements.



.....  
Noel Benson MIPA  
Lakehouse Accounting  
05 November 2021