

**BMW Motorcycle Club ACT Inc.  
Audited Financial Statement**

**Annual Report for the Year Ended 29 February 2016**



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### Committee Members

The following persons hold office as members of the Committee at the date of this report:

President	Garry Smee
Vice President	David Prest
Secretary	Martin Roberson
Treasurer	Robert Ellison

### Principal Activities

The objectives of the Club are to:

1. Promote motorcycle activities and social outings to advance friendship within the motorcycle community;
2. Promote, support and improve safe motorcycling skills of Club members;
3. Share information relating to BMW motorcycles amongst the members;
4. Form affiliations and relationships with other Clubs and Associations which have similar objectives; and
5. Ensure that all non-member income is used for the benefit of the Club members or the community.

### Results

	Year ended 29 February 2016	Year ended 28 February 2015
	\$	\$
Operating surplus / (deficit)/	\$ 994	\$ 1,631

### Significant Changes in the Nature of Activities

There have been no significant changes to the nature of the Association's activities during the year.

### Statement by Members of the Committee

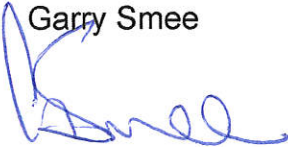
The Committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Committee, the financial report as set out on pages 9 to 15:

1. Presents a true and fair view of the financial position of the BMW Motorcycle Club ACT Incorporated (the Club) as at 29 February 2016 and its performance for the year ended on that date; and
2. At the date of this statement, there are reasonable grounds to believe that the Club 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:

Garry Smees



President

Canberra

Robert Ellison

Treasurer



HJK March 2016

## Independent Auditor's Report

To:  
The Members  
BMW Motorcycle Club ACT Incorporated

### Scope

I have audited the financial statements of the BMW Motorcycle Club ACT Incorporated for the year ended 29 February 2016 as set out on pages 9 to 15.

The Committee is responsible for the preparation and presentation of the financial statements and the information contained therein. I have conducted an independent audit of the financial statements in order to express an opinion on them to the members of the Club.

My audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material mis-statement. 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 as to whether, in all material respects, the financial statements are presented fairly in accordance with Australian accounting standards and other mandatory professional reporting requirements and statutory requirements 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 and its cash flows.

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

### Independence

In conducting the audit, I followed applicable independence requirements of Australian professional ethical pronouncements.

### Qualifications

The Club only records amounts received from activities when banked as it is not practical to establish control over such income prior to its initial entry. Audit procedures relating to this income was limited to ensuring that the amounts banked were properly recorded in the accounts. Accordingly, I do not express an opinion on whether all income has been banked and I cannot determine the effects of such adjustments, if any, as might have been determined to be necessary had this limitation not existed.

In accordance with the requirements of Section 75 of the *Associations Incorporations Act 1991*, I report that the audited financial statements for the year ended 29 February 2016, being the financial statements to which this report relates, will be presented to the Club's 2016 Annual General Meeting held on 3 April 2016.

### Qualified Audit Opinion

In my opinion, except for the effects, if any, on the financial report of the matters referred to in the preceding qualifications section,

1. the financial report presents fairly the financial position of the BMW Motorcycle Club ACT Incorporated. as at 29 February 2016 and the results of its operations and cash flows for the Year then ended in accordance with:
  - 1.1. applicable Accounting Standards and other mandatory professional reporting requirements;
  - 1.2. the matters required by subsection 72(2) of the *Associations Incorporation Act 1991* to be dealt with in the accounts; and
2. I have obtained all the information and explanations required;
3. proper accounting and other records have been kept by the Club as required by the *Associations Incorporation Act 1991*; and

Laraine Stephenson



Canberra

8<sup>th</sup> March 2016



**Statement of Financial Performance**

For the Year Ended 29 February 2016

	2016	2015
	\$	\$
<b>Receipts</b>		
Membership subscriptions and Badge sales	4,048	4,185
Kosciuszko Rally	1,614	1,412
BMW Rally	-	5,458
Christmas party & Christmas in Winter	2,208	1,295
Meetings surplus	138	117
Interest received	185	192
Other	0	107
	<b>8,193</b>	<b>12,766</b>
<b>Expenditure</b>		
Bank and government charges	31	72
BMW Clubs Australia National Motorrad Rally	-	3,497
Club affiliation BMW Clubs Australia	117	109
Christmas party and Christmas in Winter	2,214	1,287
Donations	500	1,450
Filing fees	-	108
First Aid Course Subsidy	-	331
General Expenses	984	1,549
German Autofest	45	55
Public Indemnity Insurance	714	590
Kosciusko Rally	1,282	894
P O Box and Postage	115	124
Rider training	200	200
Web page (Wild Apricot, and internet) and communications	997	870
	<b>7,199</b>	<b>11,136</b>
<b>SURPLUS/ (DEFICIT)/ FOR THE YEAR</b>	<b>994</b>	<b>1,630</b>

This Statement of Financial Performance is to be read in conjunction with the Notes to and forming part of these Financial Statements

### Statement of Financial Position

As at 29 February 2016

	Note	2016	2015
		\$	\$
Current Assets			
Cash	2(a)	12,420	11,426
		<u>12,420</u>	<u>11,426</u>
Total Assets		<u>12,420</u>	<u>11,426</u>
Current Liabilities			
Accounts payable		-	-
Total Liabilities		<u>-</u>	<u>-</u>
Net Assets		<u>12,420</u>	<u>11,426</u>
Members Funds			
Opening Balance		11,426	9,796
Surplus for year		<u>994</u>	<u>1,630</u>
Total Accumulated Funds		<u>12,420</u>	<u>11,426</u>

This Statement of Financial Position is to be read in conjunction with the Notes to and forming part of these Financial Statements

#### General Expenses

Catering and room hire prior year AGM	284	230
Club Banner other asset additions 2015	222	833
Club Badges & Transfers	84	-
Engraving club awards	63	-
Gift voucher for auditor	100	100
Spot Messenger fees	231	386
Total	984	1,549

## Statement of Cash Flows

Year ended 29 February 2016

	Note	\$	2,015	2014
			\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Membership subscriptions			4,048	4,185
Interest Received			185	192
Other Receipts			3,960	8,390
Payments			-7,199	-11,137
			<u>994</u>	<u>1,630</u>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES 2(b)</b>				
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of equipment			-	-
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Loans received			-	-
			<u>994</u>	<u>1,630</u>
<b>NET (DECREASE) INCREASE IN CASH HELD</b>				
ADD: OPENING BALANCE BROUGHT FORWARD			<u>11,426</u>	<u>9,796</u>
<b>CLOSING CASH CARRIED FORWARD</b>	<b>2(a)</b>		<u><b>12,420</b></u>	<u><b>11,426</b></u>

This Statement of Cash Flows is to be read in conjunction with the Notes to and forming part of these Financial Statements



## Notes to and Forming Part of the Financial Statements

Year Ended 29 February 2016

### Note 1 Summary of Significant Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the *Associations Incorporation Act 1991* of the Australian Capital Territory. The Committee has determined that the association is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the *Associations Incorporation Act 1991* of the Australian Capital Territory and applicable Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report covers the BMW Motorcycle Club ACT Incorporated as an individual entity. The BMW Motorcycle Club ACT Incorporated is an association incorporated in the Australian Capital Territory under the *Associations Incorporation Act 1991*.

The financial report has been prepared on a cash 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.

The principal accounting policies adopted by the Association are stated to assist general understanding of these financial statements.

#### Basis of Accounting

The accounts have been prepared on the basis of historical cost, and except where stated, do not take into account current valuations of non-current assets.

Asset additions are expensed at the time of purchase.

#### Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand in the bank and on deposit.

#### Income Tax

The Club Committee believes it is exempt from income tax under the *Income Tax Assessment Act*.

#### Comparatives

The comparative figures have been obtained or derived from the audited annual financial statements for the prior year.

	\$	\$
<b>2 (a) Cash at Bank and on hand</b>		
Cash at bank		
Events Cheque Account	149	100
Small Biz & Membership Acc	2,254	3,669
Investment account	10,017	7,657
Total Cash at Bank	<u>12,420</u>	<u>11,426</u>
<b>Cash at Bank and on hand</b>	<b><u>12,420</u></b>	<b><u>11,426</u></b>
<b>2 (b) Reconciliation of the Operating (Deficit) Surplus for the year to the Net Cash Flows from Operating Activities.</b>		
Surplus for the year	937	1,630
<b>Net cash (outflow) inflow from operating activities</b>	<b><u>937</u></b>	<b><u>1,630</u></b>

**Note 2 Statement of Cash Flows**

**Note 3 Capital Expenditure Commitments**

As at 29 February 2016 the Club had no capital expenditure commitments.

**Note 4 Related Party Disclosures**

The members of the Committee during the year were:

G Smee	S Hay
D Prest	R Ellison
M Robertson	B Barter

Members of the Committee, their relatives or entities associated with them did not receive payments for services rendered. Some Committee members received reimbursement of expenses incurred on behalf of the Club.

**Note 5 Financial Instruments**

**Terms, Conditions and Accounting Policies**

The Club's accounting policies, including the terms and conditions of each class of financial asset, financial liability and equity instruments, both recognised and unrecognised at the balance date, are as follows:

Recognised Financial Instruments	Accounting Policies	Terms and Conditions
----------------------------------------	---------------------	-------------------------

<b>Recognised Financial Instruments</b>	<b>Accounting Policies</b>	<b>Terms and Conditions</b>
(i) <i>Financial assets</i> Receivables – Trade	Trade receivables are carried at nominal amounts due less any provision for doubtful debts. A provision for doubtful debts is recognised when collection of the full nominal amount is no longer probable.	Credit sales are on a 30 – 45 day term.
(ii) <i>Financial Liabilities</i> Accounts payable	Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Association.	Trade liabilities are normally settled on a 30 – 45 day term.

### **Interest Rate Risk**

The Club has no interest rate risk, as no liabilities attract interest and the only asset which bears interest is cash at bank where interest is recognised in the Statement of Income and Expenditure when earned.

### **Net Fair Values**

Financial assets and financial liabilities, both recognised and unrecognised, at balance date, are carried at their net fair value.

The financial methods and assumptions are used to determine the net fair values of financial assets and liabilities.

### **Recognised Financial Instruments**

Cash and equivalents: The carrying amount approximates fair values because of their short term to maturity.

Trade receivables and payables: The carrying amount approximates fair value.

### **Unrecognised Financial Instruments**

There are no unrecognised financial instruments.

### **Credit Risk Exposure**

The Club's maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is the carrying amount of those assets as indicated in the balance sheet.

### **Concentration of Credit Risk**

The Club minimises concentration of credit risk in relation to trade accounts receivable by undertaking transactions with a number of customers are concentrated in Australia.

Credit risk in trade receivables is managed in the following way:

- payment terms are 30 – 45 days

The maximum credit risk exposure does not take into account the value of any collateral or other security held, in the event other entities/parties fail to perform their obligations under the financial instruments in question.