

RAINBOW CLUB AUSTRALIA INCORPORATED
ABN: 96 753 434 862

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2016

RAINBOW CLUB AUSTRALIA INCORPORATED
ABN: 96 753 434 862

CONTENTS

Committee's Report	1
Auditor's Independence Declaration	2
Statement of Profit or Loss and Other Comprehensive Income	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Notes to the Financial Statements	7
Annual Statements Give True and Fair View of Financial Position and Performance of Incorporated Association	13
Independent Auditor's Report	14

RAINBOW CLUB AUSTRALIA INCORPORATED
ABN: 96 753 434 862

COMMITTEE'S REPORT

Your committee members submit the financial report of Rainbow Club Australia Incorporated for the financial year ended 30 June 2016.

Committee Members

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

Alexandra Finley
Philip Holt
Robert Lloyd
Robert Beavan
Allison Cox
Mark McCormack
Robert McCotter
Suzanne Stanton
John Taplin
Rodney O'Donnell (Appointed 30/07/2015) (Resigned 14/10/2015)

Principal Activities

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

To raise funds to provide swimming lessons for children with a disability in 16 locations around NSW.

Significant Changes

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

Operating Result

The surplus after providing for income tax amounted to \$80,630.00.

Signed in accordance with a resolution of the Members of the Committee.

Committee Member: _____

Alexandra Finley

Committee Member: _____

Robert Lloyd

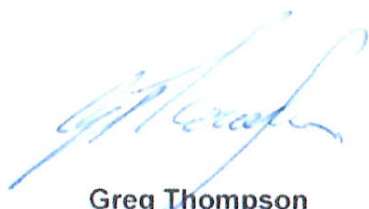
Dated this 25th day of September 2016

AUDITOR'S INDEPENDENCE DECLARATION

To: the Committee of Rainbow Club Australia Inc

I declare that, to the best of my knowledge and belief, in relation to the audit of the financial year ended 30 June 2016, there have been:

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.



Greg Thompson

Sydney 17th day of August 2016

RAINBOW CLUB AUSTRALIA INCORPORATED
ABN: 96 753 434 862

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Revenue		519,921	399,866
Transfers from closed club accounts	1	71,519	-
Other income		7,734	10,296
Depreciation and amortisation expenses		(4,708)	(5,174)
Interest expenses		-	(2)
Rental Expenses		(3,900)	(3,600)
Staff training and development		(22,925)	(21,486)
Audit, legal and consultancy fees		(2,391)	(2,182)
Client support services expenses		-	-
Fundraising expenses		(49,926)	(46,452)
Sundry expenses		(434,694)	(260,790)
Current year surplus before income tax		80,630	70,476
Tax expense		-	-
Net current year surplus		80,630	70,476
Other comprehensive income -		-	-
Items that will not be reclassified subsequently to profit or loss		-	-
Items that will be reclassified subsequently to profit or loss when specific conditions are met		-	-
Total other comprehensive income for the year		-	-
Total comprehensive income for the year		80,630	70,476
Net current year surplus attributable to members of the entity		80,630	70,476
Total comprehensive income attributable to members of the entity		80,630	70,476

The accompanying notes form part of these financial statements.

RAINBOW CLUB AUSTRALIA INCORPORATED
ABN: 96 753 434 862

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Note	2016 \$	2015 \$
ASSETS			
CURRENT ASSETS			
Cash on hand	9	500,466	452,659
Accounts receivable and other debtors	3	29,548	11,825
Prepayments		10,318	3,368
TOTAL CURRENT ASSETS		540,332	467,852
NON-CURRENT ASSETS			
Plant and equipment	4	1,913	866
Intangibles	5	9,953	13,953
TOTAL NON-CURRENT ASSETS		11,866	14,819
TOTAL ASSETS		552,198	482,671
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	6	18,664	23,392
Employee provisions	7	3,877	2,723
Income in advance	8	12,720	15,140
Grants received in advance	8	20,000	1,750
Other current liabilities	8	5,395	28,754
TOTAL CURRENT LIABILITIES		60,656	71,759
NON-CURRENT LIABILITIES			
TOTAL NON-CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		60,656	71,759
NET ASSETS		491,542	410,912
EQUITY			
Retained surplus		491,542	410,912
TOTAL EQUITY		491,542	410,912

The accompanying notes form part of these financial statements.

RAINBOW CLUB AUSTRALIA INCORPORATED
ABN: 96 753 434 862

STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE 2016

	Retained Surplus \$
Balance at 1 July 2014	<u>340,436</u>
Comprehensive Income	
Surplus for the year attributable to members of the entity	70,476
Other comprehensive income for the year	<u>-</u>
Total comprehensive income attributable to member of the entity	<u>70,476</u>
Balance at 30 June 2015	<u><u>410,912</u></u>
 Balance at 1 July 2015	 <u>410,912</u>
Comprehensive Income	
Surplus for the year attributable to members of the entity	80,630
Other comprehensive income for the year	<u>-</u>
Total comprehensive income attributable to member of the entity	<u>80,630</u>
Balance at 30 June 2016	<u><u>491,542</u></u>

RAINBOW CLUB AUSTRALIA INCORPORATED
ABN: 96 753 434 862

STATEMENT OF CASH FLOWS
AS AT 30 JUNE 2016

	Note	2016 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from donations, bequests and raffles		421,852
Receipts from grants		73,660
Receipts from closed club accounts		71,519
Payments to suppliers and employees		(525,203)
Interest received		7,734
Net cash (used in)/generated from operating activities	10	49,562
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for plant and equipment		(1,755)
Payment for intangibles		-
Net cash used in investing activities		(1,755)
Net increase in cash held		47,807
Cash on hand at the beginning of the financial year		452,659
Cash on hand at the end of the financial year	9	500,466

RAINBOW CLUB AUSTRALIA INCORPORATED
ABN: 96 753 434 862

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

1 Summary of Significant Accounting Policies

These special purpose financial statements have been prepared in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and adopted Australian Accounting Standards, as set out in this note, and Interpretations of the Australian Accounting Standards Board. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historic costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar

Transfers from Closed Club Accounts

Prior to 1 July 2015, funds were appropriated to individual clubs via a Profit & Loss expense account and any surplus funds retained at bank by each club at year end were not accounted for in the Financial Report of Rainbow Club Australia Incorporated. On 1 July 2015 following direction by the board, individual club bank accounts were closed and the return of the residual cash bank balances are reflected as an income line, Transfer from Closed Club Accounts, in the Statement of Profit or Loss and Other Comprehensive Income. The effect of which is a one off \$71,519.00 income adjustment for the year ended 30 June 2016. In the absence of this income, the surplus for the year ended 30 June 2016 would have been \$9,111.00.

Property, Plant and Equipment (PPE)

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

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

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Depreciation

The depreciation method and useful life used for items of property, plant and equipment (excluding freehold land) reflects the pattern in which their future economic benefits are expected to be consumed by the association. Depreciation commences 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 method and useful life of assets is reviewed annually to ensure they are still appropriate.

RAINBOW CLUB AUSTRALIA INCORPORATED
ABN: 96 753 434 862

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Impairment of Assets

At the end of each reporting period, the committee reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in the income and expenditure statement.

Employee Provisions

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 provisions have been measured at the amounts expected to be paid when the liability is settled.

Cash on Hand

Cash on hand includes cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of six months or less.

Accounts Receivable and Other Receivables

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. 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.

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 using the effective method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

If conditions are attached to the grant that must be satisfied before the association is eligible to receive the contribution, recognition of the grant as revenue will be deferred until those conditions are satisfied.

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

RAINBOW CLUB AUSTRALIA INCORPORATED
ABN: 96 753 434 862

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

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 (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 assets and liabilities statement.

Financial Assets

Investments in financial assets are initially recognised at cost, which includes transactions costs, and are subsequently measured at fair value, which is equivalent to their market bid price at the end of the reporting period. Movements in fair value are recognised through an equity reserve.

Accounts Payable and Other Payables

Accounts payable and other payables represent the liabilities at the end of the reporting period for goods and services received by the association that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

RAINBOW CLUB AUSTRALIA INCORPORATED
ABN: 96 753 434 862

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
2 Auditors' Fees			
Remuneration of the auditor of the association for			
- Auditing or reviewing the financial report		2,391	2,182
		<u>2,391</u>	<u>2,182</u>
3 Accounts Receivable and Other Debtors			
Current			
Sundry Debtors		-	1,200
Trade Debtors		28,705	10,625
Input tax Credits		843	
		<u>29,548</u>	<u>11,825</u>
4 Plant and Equipment			
Minor Assets		3,746	3,746
Less: Accumulated Depreciation		<u>(3,719)</u>	<u>(3,701)</u>
		27	45
Office Furniture & Equipment		11,072	9,317
Less: Accumulated Depreciation		<u>(9,186)</u>	<u>(8,496)</u>
		1,886	821
Total Plant and Equipment		<u>1,913</u>	<u>866</u>
5 Intangible Assets			
Website Development		20,000	20,000
Less Accumulated Amortisation		<u>(10,047)</u>	<u>(6,047)</u>
Total		<u>9,953</u>	<u>13,953</u>

RAINBOW CLUB AUSTRALIA INCORPORATED
ABN: 96 753 434 862

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
6	Accounts Payable and Other Payables		
	Current		
	MasterCard CBA Business Card	573	750
	Sundry Creditors	281	7,348
	PAYG Withholding Payable	10,354	10,146
	Superannuation Payable	7,456	1,001
	Input Tax Credits	-	4,147
		<u>18,664</u>	<u>23,392</u>
7	Employee Provisions		
	Provision for Annual Leave	<u>3,877</u>	<u>2,723</u>
		<u>3,877</u>	<u>2,723</u>
8	Other Liabilities		
	Current		
	Income in Advance	12,720	15,140
	Grants Received in Advance	20,000	1,750
	Donations in Advance	2,000	19,000
	Sponsorships in Advance	-	909
	Membership Fees in Advance	<u>3,395</u>	<u>8,845</u>
		<u>38,115</u>	<u>45,644</u>
9	Cash on Hand		
	CBA Operating Account	12,379	45,654
	CBA Online Saver	96,305	119,689
	CBA Clubs Account	20,546	21,319
	Term Deposits	<u>371,236</u>	<u>265,997</u>
		<u>500,466</u>	<u>452,659</u>

RAINBOW CLUB AUSTRALIA INCORPORATED
ABN: 96 753 434 862

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

2016
\$

10 Cash Flow Information

Reconciliation of cash flows from operations with net current year surplus

Net current year surplus	80,630
Net-cash flows in profit:	
- depreciation and amortisation	4,708
Changes in assets and liabilities	
- (increase)/decrease in accounts receivable and other debtors	(17,723)
- (increase)/decrease in Prepayments	(6,950)
- increase/(decrease) in grants received in advance	18,250
- increase/(decrease) in income in advance	(25,779)
- increase in inventories on hand	-
- (decrease)/increase in accounts payable and other payables	(4,728)
- (decrease)/increase in provisions	1,154
Cash flows (used in)/provided by operating activities	49,562

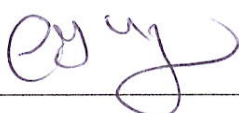
RAINBOW CLUB AUSTRALIA INCORPORATED
ABN: 96 753 434 862

**ANNUAL STATEMENTS GIVE TRUE AND FAIR VIEW OF FINANCIAL POSITION AND
PERFORMANCE OF INCORPORATED ASSOCIATION**

We Alexandra Finley, and Philip Holt, being members of the committee of Rainbow Club Australia Incorporated, certify that -

1. The statements attached to this certificate give a true and fair view of the financial position and performance of Rainbow Club Australia Incorporated during and at the end of the financial year of the association ending on 30 June 2016.
2. There are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
3. The financial statements and notes satisfy the requirements of the ACNC Act.

President:



Alexandra Finley

Vice
President:



Robert Lloyd

Dated this 25th day of September 2016

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF RAINBOW CLUB AUSTRALIA INCORPORATED
ABN: 96 753 434 862**

We have audited the accompanying financial report, being a special purpose financial report, of Rainbow Club Australia Incorporated (the association), which comprises the committee's report, the assets and liabilities statement as at 30 June 2016, the income and expenditure statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the certification by members of the committee on the annual statements giving a true and fair view of the financial position and performance of the association.

Committee's Responsibility for the Financial Report

The committee of Rainbow Club Australia Incorporated is responsible for the preparation and fair presentation of the financial report, and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the Associations Incorporation Act NSW 2009 and is appropriate to meet the needs of the members. The committee's responsibility also includes such internal control as the committee determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the association's preparation and fair presentation of the financial report, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF RAINBOW CLUB AUSTRALIA INCORPORATED
ABN: 96 753 434 862**

Opinion

In our opinion the financial report of Rainbow Club Australia Incorporated has been prepared in accordance with Div 60 of the *Australian Charities and Not-for profits Commission Act 2012*, including:

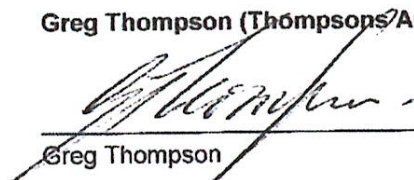
- (i) giving a true and fair view of the registered entity's financial position as at 30 June 2016 and of its financial performance and cash flows for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the *Australian Charities and Not-for profits Commission Regulations 2013*.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared to assist Rainbow Club Australia Incorporated to meet the requirements of the Associations Incorporation Act NSW 2009. As a result, the financial report may not be suitable for another purpose.

Name of Firm: Greg Thompson (Thompsons Audit)

Name of Partner:


Greg Thompson

Address:

PO Box 272
HURSTVILLE BC NSW 1481

Dated this

23rd day of August 2016