

# Sheridan Spowart

B. Com., C.A. Reg. Tax Agent

## AUDIT REPORT TO THE MEMBERS OF AUSTRALIAN MARINE CONSERVATION SOCIETY INC

### Scope

I have audited the financial statements of the Australian Marine Conservation Society Inc. The Association's committee is responsible for the presentation of the accounts and the information contained herein. I have conducted an independent audit of the accounts in order to express an opinion on them to the members of the Australian Marine Conservation Society Inc.

The audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the accounts are free of material misstatement. Procedures included examination on a test basis of evidence supporting the accounts and other disclosures in the accounts and the evaluation of accounting policies.

These procedures have been undertaken to form an opinion as to whether in all material respects the accounts are presented fairly in accordance with the requirements of the Associations Incorporation Act 1981 so as to present a view which is consistent with my understanding of the Association's financial position and the results of its operations.

### Qualification

As is common for organizations of this type, it is not practicable for the Association to maintain an effective system of internal control over donations, subscriptions and other fund raising activities until their initial entry in the accounting records. Accordingly, the audit in relation to fundraising was limited to amounts recorded.

### Qualified Audit Opinion

In my opinion, subject to the effects on the financial statements of the matter referred to in the qualification above, the financial statements of the Australian Marine Conservation Society Inc. are properly drawn up:

- (a) so as to give a true and fair view of the state of affairs of the Association as at 31 December 2011 and of the income and expenditure of the Association for the year ended on that date.
- (b) in accordance with the requirements of the Associations Incorporation Act 1981.

Dated this twenty-seventh day of February, 2012



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AUSTRALIAN MARINE CONSERVATION SOCIETY INC  
 INCOME AND EXPENDITURE STATEMENT  
 FOR THE YEAR ENDED 31 DECEMBER, 2011

Page 1

	2011	2010
PROJECTS AND GRANTS		
Grants - GNGO	15000	15000
Grants - GVEHO	20000	22500
Projects - Conservation	58936	57509
Gross Project and Grant Income	93936	95009
Total Project Expenses	Note G 26696	49626
NET PROJECTS AND GRANTS	<u>67240</u>	<u>45383</u>
FUNDRAISING		
Business Partners/Supporters	54455	34583
Donations	284258	292230
Events	25053	37686
Membership Fees	6702	7810
Merchandise	34439	43316
Sundry	1864	944
Gross Fundraising	406771	416569
Less Fundraising Expenses	Note H 55999	116579
NET FUNDRAISING	<u>350772</u>	<u>299990</u>
OTHER INCOME		
Interest Received	13821	11501
TOTAL DIRECT INCOME	431834	356874
LESS OPERATING EXPENSES	Note I 413539	313171
NET SURPLUS/ (LOSS) FOR YEAR	<u>18295</u>	<u>43703</u>

AUSTRALIAN MARINE CONSERVATION SOCIETY INC  
 BALANCE SHEET  
 AS AT 31ST DECEMBER, 2011

Page 2

	2011	2010
<b>MEMBERS' FUNDS</b>		
Balance at Beginning of Year	185903	142200
Net Surplus	18295	43703
<b>MEMBERS' FUNDS 31 December, 2011</b>	<u><u>204198</u></u>	<u><u>185903</u></u>
Represented by:		
<b>CURRENT ASSETS</b>		
Cash at Bank		
Suncorp A/C No 161442159	100	100
Suncorp A/C No 162442191	264335	218779
Suncorp A/C No 052166909	30962	18263
Suncorp A/C No 161920537	47016	79323
Suncorp A/C No 070575011	5446	763
Debtors	104676	16500
Rental Bond	8525	
Stock on Hand	18992	13829
	Note D	
<b>TOTAL CURRENT ASSETS</b>	<u><u>480052</u></u>	<u><u>347557</u></u>
<b>FIXED ASSETS</b>		
<b>OFFICE EQUIPMENT -at cost</b>		
Less Accumulated Depreciation	35149	35149
	Note C	
<b>TOTAL FIXED ASSETS</b>	<u><u>0</u></u>	<u><u>2546</u></u>
<b>TOTAL ASSETS</b>	<u><u>480052</u></u>	<u><u>350103</u></u>
<b>CURRENT LIABILITIES</b>		
Creditors	6125	10888
GST Payable	5542	-3243
PAYG Tax Payable	10998	0
Employee Provisions	23670	21841
Prepaid Income	229519	134714
	Note E	
<b>TOTAL LIABILITIES</b>	<u><u>275854</u></u>	<u><u>164200</u></u>
<b>NET ASSETS</b>	<u><u>204198</u></u>	<u><u>185903</u></u>

**STATEMENT OF ACCOUNTING PRINCIPLES**

**A) BASIS OF ACCOUNTING**

The accounts have been prepared under the historical cost accounting principles and therefore do not take into account changing money values, the current value of non-monetary assets except where specifically stated. The following is a summary of the significant accounting policies adopted in the preparation of the accounts.

**B) INCORPORATED ASSOCIATION**

The Australian Marine Conservation Society Inc. is an association incorporated under the Association Incorporations Act 1981. The benefits of incorporation of a non-profit organization are similar to those enjoyed by a proprietary company. That is: the liability of members and the management committee is limited. The association does not have a share capital.

**C) DEPRECIATION**

Assets are depreciated on the diminishing rate method so as to write off the cost of each asset during its estimated life.

**D) INVENTORIES**

Trading stock such as products for resale is bought to account as an asset. Profits are bought to account at the time of receipt of monies from the sale of products.

**E) PREPAID INCOME**

This amount represents grant money received but unspent as at the end of the year. Because it is difficult to assess the stage of completion for any grant, the income and expenses for each grant are bought to account in the year in which the grant is finalized.

**F) BOARD MEMBERS**

The board members listed below were appointed at the Annual General Meeting of the Society on 25 March 2011. All board members remained on the board for the duration of the year except Amanda Newbery who was appointed in May 2011 and Angeline Tew who stood down from the board in November 2011. During the year ended 31 December, 2011 the board met 8 times. No remuneration was paid to any board member during the year ended 31 December 2011.

<u>Position</u>	<u>Name</u>	<u>Position</u>	<u>Name</u>
President	Craig McGovern	General	Richard Leck
Secretary	Mary-Ann Pattison	General	Margaret Harlow
Treasurer	Michaela Mitchell	General	Sue Crowe

	2011	2010
<b>G) PROJECT EXPENSES</b>		
Coordinators and Project Officers	0	21357
Postage Printing & Stationery	340	1801
Project Expenses	26262	17541
Telephone and Internet	95	2608
Travel & Conference Expenses	0	6319
<b>TOTAL PROJECT EXPENSES</b>	<b><u>26696</u></b>	<b><u>49626</u></b>
<b>H) FUNDRAISING EXPENSES</b>		
Appeals	301	7480
Business Partners/Supporters	282	182
Events	7267	2278
Merchandise	7304	46219
Other	26	310
Wages	40819	60110
<b>TOTAL FUNDRAISING EXPENSES</b>	<b><u>55999</u></b>	<b><u>116579</u></b>
<b>I) OPERATING EXPENSES</b>		
<b>EMPLOYEE RELATED EXPENSES</b>		
Superannuation Contributions	21172	19376
Travelling, Conference & Training	11826	7041
Wages	280759	185378
Workcover	-15	1181
<b>TOTAL EMPLOYEE RELATED</b>	<b><u>313742</u></b>	<b><u>212976</u></b>
<b>OCCUPANCY EXPENSES</b>		
Depreciation	2546	3827
Electricity	963	1115
Rent	22971	25091
Repairs, Maintenance & Cleaning	13128	1698
<b>TOTAL OCCUPANCY</b>	<b><u>39608</u></b>	<b><u>31731</u></b>
<b>OFFICE OVERHEADS</b>		
Audit Fee	1773	1727
Bank Charges & Interest	3359	3755
Board Expenses	2003	4156
Computer Costs	3384	5526
Insurance	5999	5974
Magazine Expenses	8983	11347
Postage Printing & Stationery	22123	21110
Subscriptions	2279	2375
Telephone & Internet	10286	11398
Sundry Expenses	0	1096
<b>TOTAL OFFICE</b>	<b><u>60188</u></b>	<b><u>68464</u></b>
<b>TOTAL OPERATING OVERHEADS</b>	<b><u>413539</u></b>	<b><u>313171</u></b>

Note C