

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE
THE GERMAN SHEPHERD DOG CLUB OF QLD INC**

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of The German Shepherd Dog Club of Qld Inc, which comprises the balance sheet as at 30 September 2016 for the year then ended, the income and expenditure statement, notes comprising a summary of significant accounting policies, other explanatory notes and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee of The German Shepherd Dog Club of Qld Inc is responsible for the preparation and fair presentation of the financial report, and has determined that the basis of presentation described in Note 1 is appropriate to meet the requirements of the Queensland Associations Incorporation Act 1981, and is appropriate to meet the needs of the members. The committee's responsibilities also include such internal controls 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with the Australian Auditing Standards. Those Auditing Standards require that we comply with the 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 auditor's judgement, 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 auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view, 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.

The financial report has been prepared for distribution to the members for the purpose of fulfilling the committee's financial reporting obligations under the Queensland Associations Incorporation Act 1981. 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 for any purpose other than that for which it was prepared.

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

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion, the financial report of The German Shepherd Dog Club of Qld Inc presents fairly, in all material respects the financial position of The German Shepherd Dog Club of Qld Inc as at 30 September 2016 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, and the Queensland Associations Incorporation Act 1981.

Basis of Accounting & Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist The German Shepherd Dog Club of Qld Inc to meet the requirements of the Queensland Associations Incorporation Act 1981. As a result, the financial report may not be suitable for another purpose.


R L Warner, CA

28 November, 2016

FerrariWarner
Chartered Accountants

**THE GERMAN SHEPHERD DOG CLUB OF QUEENSLAND INC
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

	2015/16	2014/15
MERCHANDISE TRADING ACCOUNT		
Merchandise Sales	<u>1,271.00</u>	<u>1,265.79</u>
Less Cost of Goods Sold		
Opening Stock	3,919.10	3,805.00
Purchases	491.04	832.40
Less Closing Stock	(3,159.60)	(3,919.10)
Cost of Goods Sold	1,250.54	718.30
Net Profit/(Loss) on Merchandise Trading	<u><u>20.46</u></u>	<u><u>547.49</u></u>

RECEIPTS

Breed Survey	945.00	915.00
Catalogues		1,546.00
Donations & Sponsorship	4,602.80	2,612.00
Fidelity Advertising	640.00	165.00
Fidelity - Membership	1,915.00	
Fundraising	14,415.50	5,682.40
Fundraise - Nationals	8,350.00	
Interest	1,844.98	1,555.30
Membership Fees	6,029.00	9,707.00
Postage		56.80
Show Income	9,161.00	10,580.00
Show Training	1,268.65	1,366.00
Sundry Income	250.00	850.00
Tattooing	1,303.60	1,625.00
Net Profit/(Loss) on Merchandise Trading	20.46	547.49
	<u><u>50,745.99</u></u>	<u><u>37,207.99</u></u>

**THE GERMAN SHEPHERD DOG CLUB OF QUEENSLAND INC
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

	2015/16	2014/15
EXPENDITURE		
Advertising		1,144.39
Affiliation Fees	925.10	885.35
Audit Fees	858.00	858.00
Bank Fees	221.05	70.50
Breed Survey	1,567.09	1,387.40
Catering	79.45	392.14
Computer Expenses		319.00
Depreciation	1,322.00	1,573.00
Dogs Qld Charges		1,394.78
Donations / Sponsorship	900.00	504.00
Equipment		1,108.50
Fidelity Magazine Expenses	2,234.73	2,920.89
Fundraising	8,271.76	1,112.57
Fundraising - Nationals	671.42	
Gifts & Flowers	130.99	
Hire Expenses		585.00
License Fees	67.95	
Meeting Expenses	1,718.33	1,418.43
Membership Expenses	2,882.20	
Printing, Postage and Stationery	1,110.35	1,956.37
Show Expenses	8,574.07	10,394.82
Show Training	1,424.00	1,544.00
Subscriptions	480.00	
Sundry Exp	582.41	817.17
Tattooing	920.85	506.00
Trailer Expenses	170.65	
Trophies, Sashes and Medallions	2,986.78	3,766.24
Website	475.88	123.00
	<u>38,575.06</u>	<u>34,781.55</u>
NET SURPLUS / (DEFICIT)	<u><u>\$12,170.93</u></u>	<u><u>\$2,426.44</u></u>

**THE GERMAN SHEPHERD DOG CLUB OF QUEENSLAND INC
BALANCE SHEET
AS AT 30 SEPTEMBER 2016**

MEMBERS FUNDS	2015/16	2014/15
Accumulated Funds	113,563.07	111,136.63
Net Surplus / (Deficit)	12,170.93	2,426.44
	<u>125,734.00</u>	<u>113,563.07</u>
 CURRENT ASSETS		
Cash at Bank - General	10,216.57	13,850.15
Commonwealth Term Deposit	88,392.81	86,552.83
Cash at Bank - National 2017	16,046.03	
Stock on Hand	3,159.60	3,919.10
	<u>117,815.01</u>	<u>104,322.08</u>
 NON - CURRENT ASSETS		
Plant and Equipment (at WDV)	2,089.99	2,537.99
Improvements - Durack (at WDV)	5,829.00	6,703.00
	<u>7,918.99</u>	<u>9,240.99</u>
TOTAL ASSETS	<u>125,734.00</u>	<u>113,563.07</u>
 NET ASSETS	<u>125,734.00</u>	<u>113,563.07</u>

**THE GERMAN SHEPHERD DOG CLUB OF QLD INC
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Queensland Associations Incorporation Act 1981. The committee has determined that the association is not a reporting entity.

The financial report has been prepared on an a cash basis and is based on historical costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

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.

a. Property, Plant & Equipment (PPE)

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

The depreciation amount of all PPE is depreciated over the useful lives of the assets to the association commencing from the time the assets 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.

b. Revenue and Other Income

Revenue is measured at the fair value of the consideration received after taking into account any trade discounts and volume rebated allowed. For this purpose, deferred consideration is not discounted to present values when recognizing revenue.

Interest revenue is recognized using the effective interest rate method, which for floating rate financial assets is the rate inherent to the instrument.

Grant and donation income is recognized 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 inclusive of the amount of goods and services tax (GST).

NOTE 2: ASSETS & LIABILITIES

The only Assets and Liabilities of the association are those shown in the balance sheet. Further the association has no Mortgages, Charges or Securities of any description.

**THE GERMAN SHEPHERD DOG CLUB OF QLD INC
STATEMENT BY MEMBERS OF THE COMMITTEE
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

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.

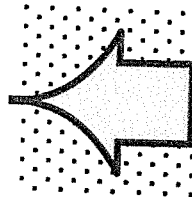
In the opinion of the committee the financial report as set out in the statement of income and expenditure, balance sheet and notes thereto:

1. Present a true and fair view of the financial position of **The German Shepherd Dog Club of Qld Inc** as at the **30 September 2016** 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 German Shepherd Dog Club of Qld Inc 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 _____



**SIGN
HERE**

Dated this day, 28 November 2016.

The German Shepherd Dog Club of Qld Inc
Depreciation Schedule for the year ended 30 September, 2016

		DISPOSAL			ADDITION			DEPRECIATION			PROFIT		LOSS		
		Date	Consid	Date	Cost	Value	T	Rate	Deprec	Priv	CWDV	Upto +	Above	Total	Priv
Plant & Equipment															
PA System	1,400.00	03/01/06	-	-	-	118	D	22.50	27	-	91	-	-	-	-
Notebook Computer	999.00	03/12/07	-	-	-	5	D	50.00	2	-	3	-	-	-	-
Irrigation System	3,465.00	28/12/07	-	-	-	985	D	15.00	148	-	837	-	-	-	-
Laptop	629.00	10/12/10	-	-	-	4	D	66.67	3	-	1	-	-	-	-
Computer	679.00	22/02/11	-	-	-	29	D	50.00	15	-	14	-	-	-	-
Scales	450.00	05/12/11	-	-	-	242	D	15.00	36	-	206	-	-	-	-
Trailer	1,999.99	26/07/13	-	-	-	1,155	D	18.75	217	-	938	-	-	-	-
Total		9,622		2,538		2,538		448		-		2,090		-	
										Deduct Private Portion		-			
										Net Depreciation		448			

ferrariwarner

CHARTERED ACCOUNTANTS & BUSINESS ADVISERS

28 November, 2016

The Treasurer
The German Shepherd Dog Club of Qld Inc
16 Luscombe Cr
WOLFFDENE QLD 4207

Dear Management

RE: Management Letter
Audit Period End: 30 September 2016

We would like to take this time to provide you with the following standard processes to ensure you maintain quality internal control practices. You may already have some of these processes in place in your organization and we are not expressing an opinion on the effectiveness of your internal controls.

- Maintain separation of duties;
- Receipting of income;
- Dual Signatories;
- At least monthly reporting;
- Approval of significant expenses;
- Two people present when money is counted;
- Monthly reconciliation of bank accounts;

Should you have any deficiencies in these internal controls, your organisation is at increased risk of fraud or misstatement of accounts.

If you need assistance in implementing these procedures please feel free to contact us on (07) 3287 3057.

We advise that we have not encountered any matters during the course of our audit that we believe should be brought to your attention.

Yours faithfully



Robert Warner
Chartered Accountant

28 November 2016

FerrariWarner
PO Box 718
BEENLEIGH, QLD 4207

Dear Sir

**RE: The German Shepherd Dog Club Inc
 Management Representation Letter**

This representation letter is provided in connection with your audit of the financial report of the above mentioned entity for the purpose of expressing an opinion as to whether the financial report is in all material respects, presented fairly in accordance with the Australian Accounting Standards and the following reporting requirements.

We acknowledge our responsibility for ensuring that the financial report is in accordance with the reporting requirements and confirm that the financial report is free of material misstatement, including omission.

Reporting Requirements:

For the Period Ending: 30 September 2016

Internal Controls:

We acknowledge our responsibility for the design and implementation of internal controls to prevent and detect errors. We have established and maintained adequate internal controls. There are no material transactions that have not been properly recorded in the accounting records underlying the financial report.

Financial Reports:

We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter, for the preparation of the financial report in accordance with the Australian Accounting Standards and the above reporting requirements; in particular the financial report gives a true and fair view.

Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Australian Accounting Standards.

The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial report as a whole. To the best of our knowledge all misstatements have been corrected.

Information Provided:

We have provided you with:

- Access to all information of which we are aware that is relevant to the preparation of the financial report such as records, documentation and other matters.

- Additional information that you have requested from us for the purpose of the audit; and
- Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.

All transactions have been recorded in the accounting records and are reflected in the financial report.

We have disclosed to you the results of our assessment of the risk that the financial report may be materially misstated as a result of fraud.

We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

Fraud:

a) We acknowledge there has been no fraud, error or non-compliance with laws and regulations:

- Involving management or employees who have a significant role in internal control;
- That could have a material effect on the financial report; and

b) There have been no communications from regulatory agencies concerning non-compliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial report.

We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial report communicated by employees, former employees, analysts, regulators or others.

c)

Compliance with Laws & Regulations:

We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effect should be considered when preparing the financial report.

Litigation

At this time we are not aware of any litigation or claims.

Subsequent Events:

No events have occurred subsequent to the balance sheet date that would require adjustment to, or disclosure in the financial report.

We understand that your examination was made in accordance with the Reporting Requirements and was, therefore, designed primarily for the purpose of expressing an opinion on the financial report of the entity taken as a whole, and that your tests of the financial records and other auditing procedures were limited to those which you considered necessary for that purpose.

Yours faithfully

Management Committee

