

**MAJOR, MAY  
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CHARTERED ACCOUNTANTS

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## **INDEPENDENT AUDITOR'S REPORT SOUTH AUSTRALIAN HOMING PIGEON ASSOCIATION**

### *Scope*

We have audited the attached special purpose financial report, comprising Income and Expenditure Statement, Balance Sheet, and Notes to the Accounts, of South Australian Homing Pigeon Association for the year ended 30<sup>th</sup> November 2011. The Officers of the Association are responsible for the financial report and have determined that the accounting policies used are consistent with the reporting requirements of the Constitution, and are appropriate to the needs of the members. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Association. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial report has been prepared for distribution to members for the purpose of fulfilling the Association's financial reporting requirements under the Constitution. 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 its use for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with the accounting conventions described in the Notes to the Financial Statements. Statements of Accounting Concepts and Accounting Standards are not applicable to the basis of accounting adopted by the Association.

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

### *Qualification*

As is common for organisations of this type, it is not practicable for the Association to maintain an effective system of internal control over donations, and other cash based activities, until their initial entry in the accounting records. Accordingly, our audit in relation to these items was limited to amounts recorded.

*Opinion*

In our opinion, subject to the effects of the above qualification, the financial report presents fairly, in accordance with the accounting conventions described in Note 1, the state of affairs of the Association as at 30<sup>th</sup> November 2011, and the results for the year ended on that date.

Signed at Norwood this <sup>AM</sup> 25<sup>th</sup> day of January 2012.

**MAJOR, MAY & ASSOCIATES**  
Chartered Accountants



**ANDREW MAY**  
Partner

**196 MAGILL ROAD**  
**NORWOOD SA 5067**

# South Australian Homing Pigeon Assoc

10 Baulderstone Rd

Gepps Cross

## Balance Sheet [Last Year Analysis]

November 2011

|                                  | This Year             | Last Year             |
|----------------------------------|-----------------------|-----------------------|
| <b>Assets</b>                    |                       |                       |
| <b>Current Assets</b>            |                       |                       |
| Business Online Saver Account    | \$48,401.24           | \$145,013.51          |
| CBA 10038108                     | \$36,031.87           | (\$1,535.63)          |
| CBA Fixed Term Dep 50153199      | \$100,000.00          | \$0.00                |
| Prepayment                       | \$683.04              | \$1,000.40            |
| Bank SA Term Deposit             | \$1,085.31            | \$1,050.74            |
| Petty Cash - General Secretary   | \$327.06              | \$315.01              |
| Petty Cash - Ring Secretary      | \$100.45              | \$100.45              |
| Petty Cash - Canteen             | \$400.00              | \$400.00              |
| CBA CMT 37014099                 | \$0.00                | \$10,723.94           |
| Term Deposit 50072148            | \$31,855.00           | \$31,855.00           |
| <b>Debentures</b>                |                       |                       |
| Esanda Debenture #1              | \$0.00                | \$1,000.00            |
| Esanda Debenture #2              | \$0.00                | \$1,000.00            |
| Esanda Debenture #4              | \$0.00                | \$1,000.00            |
| CBA Debenture                    | \$0.00                | \$1,000.00            |
| <b>Total Debentures</b>          | <u>\$0.00</u>         | <u>\$4,000.00</u>     |
| <b>Stock on Hand</b>             |                       |                       |
| Resaleable Stock                 | \$7,722.70            | \$8,466.30            |
| Canteen Stock on hand            | \$263.70              | \$628.00              |
| <b>Total Stock on Hand</b>       | <u>\$7,986.40</u>     | <u>\$9,094.30</u>     |
| <b>Total Current Assets</b>      | <u>\$226,870.37</u>   | <u>\$202,017.72</u>   |
| <b>Non Current Assets</b>        |                       |                       |
| <b>Property &amp; Equipment</b>  |                       |                       |
| <b>Land and Buildings</b>        |                       |                       |
| Land Revaluation                 | \$1,000,000.00        | \$1,000,000.00        |
| Building                         | \$275,000.00          | \$275,000.00          |
| Improvement to Property          | \$15,985.16           | \$13,485.16           |
| Improvement Accum Dep'n          | (\$2,501.00)          | (\$2,039.00)          |
| <b>Total Land and Buildings</b>  | <u>\$1,288,484.16</u> | <u>\$1,286,446.16</u> |
| <b>Equipment</b>                 |                       |                       |
| Convoying Unit at Cost           | \$20,796.00           | \$20,796.00           |
| Convoy Unit Accum Dep'n          | (\$17,464.50)         | (\$16,631.50)         |
| Equipment at Cost                | \$17,361.52           | \$17,361.52           |
| Equipment Accum Dep'n            | (\$12,321.67)         | (\$11,231.67)         |
| Ford Pigeon Unit & Trailer       | \$21,528.90           | \$21,528.90           |
| Ford Unit & Trailer Accum Dep'n  | (\$15,147.00)         | (\$13,824.00)         |
| Hino Pigeon Truck at Cost        | \$38,941.82           | \$38,941.82           |
| Hino Pigeon Truck Accum Dep'n    | (\$11,521.00)         | (\$6,015.00)          |
| Racing Canopy Additions          | \$5,103.00            | \$5,103.00            |
| Racing Canopy Accum Dep'n        | (\$1,175.00)          | (\$193.00)            |
| <b>Total Equipment</b>           | <u>\$46,102.07</u>    | <u>\$55,836.07</u>    |
| <b>Goodwill</b>                  |                       |                       |
| Goodwill                         | \$10,000.00           | \$10,000.00           |
| <b>Total Goodwill</b>            | <u>\$10,000.00</u>    | <u>\$10,000.00</u>    |
| <b>Total Non Current Assets</b>  | <u>\$1,344,586.23</u> | <u>\$1,352,282.23</u> |
| <b>Total Assets</b>              | <u>\$1,571,456.60</u> | <u>\$1,554,299.95</u> |
| <b>Liabilities</b>               |                       |                       |
| <b>Current Liabilities</b>       |                       |                       |
| GST Collected                    | \$1,963.25            | \$1,670.64            |
| GST Paid                         | (\$3,123.35)          | (\$2,677.08)          |
| <b>Total Current Liabilities</b> | <u>(\$1,160.10)</u>   | <u>(\$1,006.44)</u>   |
| <b>Payroll Liabilities</b>       |                       |                       |
| Accrued Honorariums              | \$0.00                | \$8,015.00            |
| <b>Total Payroll Liabilities</b> | <u>\$0.00</u>         | <u>\$8,015.00</u>     |
| <b>Total Liabilities</b>         | <u>(\$1,160.10)</u>   | <u>\$7,008.56</u>     |
| <b>Net Assets</b>                | <u>\$1,572,616.70</u> | <u>\$1,547,291.39</u> |

# South Australian Homing Pigeon Assoc

## Balance Sheet [Last Year Analysis]

November 2011

|                          | This Year             | Last Year             |
|--------------------------|-----------------------|-----------------------|
| Equity                   |                       |                       |
| Member's Equity          |                       |                       |
| Member's Capital         | \$543,791.39          | \$476,541.52          |
| S J Gregerson Trust      | \$1,000.00            | \$1,000.00            |
| CBFC Perpetual Trophy    | \$1,000.00            | \$1,000.00            |
| V Blanden Memorial       | \$1,000.00            | \$1,000.00            |
| Fin Fraser Memorial      | \$500.00              | \$500.00              |
| Land Revaluation Reserve | \$1,000,000.00        | \$1,000,000.00        |
| Total Member's Equity    | <u>\$1,547,291.39</u> | <u>\$1,480,041.52</u> |
| Retained Earnings        | \$0.00                | \$100,105.38          |
| Current Year Earnings    | \$25,325.31           | (\$32,855.51)         |
| Total Equity             | <u>\$1,572,616.70</u> | <u>\$1,547,291.39</u> |

# South Australian Homing Pigeon Assoc

10 Boulderstone Rd  
Gepps Cross

## Profit & Loss [Last Year Analysis]

### December 2010 through November 2011

|                                | This Year           | Last Year           |
|--------------------------------|---------------------|---------------------|
| <b>Income</b>                  |                     |                     |
| Affiliations                   | \$0.00              | \$857.04            |
| G.P.S. Reading                 | \$209.09            | \$140.00            |
| Capitation Fees                | \$24,332.72         | \$17,835.45         |
| SMS Alert Income               | \$200.00            | \$0.00              |
| Canteen Sales                  | \$2,211.53          | \$5,461.81          |
| Polo Shirts & Caps             | \$0.00              | \$10.91             |
| Freight Noms received          | \$76,029.39         | \$54,836.43         |
| Interest received              | \$9,282.70          | \$6,924.76          |
| Trophy Donation gus            | \$0.00              | \$500.00            |
| South Line 10 Bird             | \$1,982.73          | \$1,868.19          |
| North Line 10 Bird Special     | \$4,006.36          | \$1,839.27          |
| Life Ring Sales 2011           | \$18,079.07         | \$16,447.33         |
| Postage recovered              | \$76.64             | \$71.27             |
| Rent Of Hall                   | \$363.64            | \$563.63            |
| Cage Hire                      | \$0.00              | \$38.18             |
| Ring Transfers                 | \$402.56            | \$437.20            |
| Pigeon Unit Income Ford        | \$13,590.39         | \$13,459.63         |
| Pigeon Training Unit Hino      | \$11,320.56         | \$5,284.05          |
| Stock Sales                    | \$2,889.17          | \$4,910.19          |
| Sale of Equip                  | \$0.00              | (\$800.36)          |
| Year Book Advertising          | \$0.00              | \$45.46             |
| Trophy Donations               | \$1,200.00          | \$1,039.00          |
| Vaccine Sales                  | \$4,104.08          | \$2,672.72          |
| Vin Blanden Noms               | \$0.00              | \$281.82            |
| Website Advertising            | \$1,190.91          | \$1,536.37          |
| Cock Bird Special Freight Noms | \$618.18            | \$452.73            |
| Laser World Car Parking Fees   | \$1,950.03          | \$2,383.27          |
| Sundry Income                  | \$5.00              | \$49.45             |
| <b>Total Income</b>            | <b>\$174,044.75</b> | <b>\$139,145.80</b> |
| <b>Cost of Sales</b>           |                     |                     |
| Opening Stock on Hand          | \$9,094.30          | \$9,123.10          |
| Stock Purchases                | \$2,701.36          | \$2,291.45          |
| Vaccine Purchases              | \$3,011.36          | \$3,411.36          |
| Life Ring Purchases            | \$4,564.53          | \$4,689.59          |
| Life Rings Freight & Duty      | \$1,948.48          | \$2,591.97          |
| Closing Stock on Hand          | (\$7,986.40)        | (\$9,094.30)        |
| <b>Total Cost of Sales</b>     | <b>\$13,333.63</b>  | <b>\$13,013.17</b>  |
| <b>Gross Profit</b>            | <b>\$160,711.12</b> | <b>\$126,132.63</b> |
| <b>Expenses</b>                |                     |                     |
| Advertising                    | \$0.00              | \$154.69            |
| Auditing Fees & costs          | \$3,034.72          | \$1,760.00          |
| Aggregate Points Jacket        | \$155.00            | \$0.00              |
| South Line 10 Bird Special     | \$1,218.18          | \$1,141.22          |
| South Line 10 Bird Prize Money | \$600.00            | \$1,434.34          |
| North Line 10 Bird Prize Money | \$2,000.00          | \$2,000.00          |
| North Line 10 Bird Freight     | \$1,473.96          | \$0.00              |
| Bank Fees                      | \$0.00              | \$5.40              |
| Convoyer                       | \$4,110.87          | \$4,800.00          |
| Convoyer Out-of-Pocket         | \$336.72            | \$459.65            |
| Canteen Expenses               | \$1,382.76          | \$4,416.79          |
| Cleaning Materials             | (\$2.73)            | \$0.00              |
| Computer Consumables           | (\$12.27)           | \$479.81            |
| Computer Software              | \$135.41            | \$0.00              |
| Club Sponsorship               | \$150.00            | \$0.00              |
| Council Rates                  | \$1,974.45          | \$1,764.50          |
| Certificate Printing           | \$0.00              | \$27.27             |
| Depreciation                   | \$10,196.00         | \$11,287.00         |
| Royal Flying Doctor Service    | \$50.00             | \$50.00             |

# South Australian Homing Pigeon Assoc

## Profit & Loss [Last Year Analysis]

December 2010 through November 2011

|                                | This Year   | Last Year   |
|--------------------------------|-------------|-------------|
| RASL - Drug Testing            | \$349.00    | \$169.00    |
| Royal Show Sponsorship         | \$140.00    | \$140.00    |
| Electricity                    | \$1,883.81  | \$1,797.65  |
| SA Water                       | \$1,125.05  | \$967.20    |
| Emergency Services Levy        | \$117.60    | \$109.80    |
| Freight Costs                  | \$32,851.21 | \$36,264.21 |
| Feed supplied to pigeons       | \$857.99    | \$700.70    |
| Zone Prize Money               |             |             |
| Zone A                         | \$0.00      | \$1,400.00  |
| Zone B                         | \$0.00      | \$1,400.00  |
| Zone C                         | \$0.00      | \$1,200.00  |
| Zone D                         | \$0.00      | \$900.00    |
| Total Zone Prize Money         | \$0.00      | \$4,900.00  |
| HQ Repairs & Maintenance       | \$879.77    | \$5,299.72  |
| Headquarters Cleaning          | \$1,000.00  | \$1,000.00  |
| Headquarters Security          | \$530.56    | \$569.02    |
| Honour Board and Sign          | \$809.09    | \$456.00    |
| Honorariums                    |             |             |
| Treasurer's Honourarium        | \$2,253.00  | \$3,000.00  |
| General Secretary Honourarium  | \$8,871.00  | \$7,593.40  |
| Ring Secretary Honourarium     | \$1,500.00  | \$2,500.00  |
| Assistant Secretary            | \$334.00    | \$1,666.00  |
| Race Secretary                 | \$350.00    | \$350.00    |
| Website Manager                | \$900.00    | \$900.00    |
| Total Honorariums              | \$14,208.00 | \$16,009.40 |
| Insurance Expenses             |             |             |
| Insurance Officers Indemnity   | \$1,445.00  | \$1,604.72  |
| Insurance Building and Other   | \$8,617.12  | \$8,706.78  |
| Insurance Stamp Duty           | \$159.72    | \$0.00      |
| Total Insurance Expenses       | \$10,221.84 | \$10,311.50 |
| Internet Fees                  | \$480.00    | \$643.16    |
| News Letter Expenses           | \$260.00    | \$0.00      |
| Engraving of Trophies          | \$270.73    | \$831.73    |
| Trophy Money                   | \$1,100.00  | \$170.00    |
| Keys Cut                       | \$54.18     | \$734.91    |
| Funeral Notices                | \$117.95    | \$0.00      |
| Prize Money                    | \$1,650.00  | (\$170.00)  |
| Main Unit                      |             |             |
| Main Unit R & M                | \$45.46     | \$36.36     |
| Main Unit Cleaners             | \$2,990.00  | \$3,400.00  |
| Main Unit Loaders              | \$1,800.00  | \$2,220.00  |
| Main Unit Registration         | \$903.00    | \$882.00    |
| Total Main Unit                | \$5,738.46  | \$6,538.36  |
| Freight Exps - Small Unit      | \$0.00      | \$45.47     |
| Driver's Out of Pocket Exps    | \$0.00      | \$269.77    |
| Mgmt Committee expenses        | \$111.04    | \$410.64    |
| Barley Straw for unit          | \$734.41    | \$663.00    |
| Postage                        | \$1,364.30  | \$1,162.24  |
| Presentation Evening Exp       | \$267.27    | \$1,640.91  |
| Presentation Evening Hall Hire | \$272.73    | \$0.00      |
| Printing & Copying             | \$557.75    | \$492.63    |
| Year Book Publication          | \$1,163.64  | \$1,391.50  |
| Winners Trophy Money           | \$0.00      | \$2,070.00  |
| Solicitor's Fees               | \$0.00      | \$606.00    |
| Stationery & Supplies          | \$1,307.81  | \$1,390.73  |
| Constitution amendments        | \$116.00    | \$0.00      |
| Telephone                      |             |             |
| White Pages Directory Charges  | \$682.80    | \$140.40    |
| Miscellaneous                  | \$0.00      | \$1,550.16  |
| General Secretary              | \$130.08    | \$713.33    |
| SAHPA main line and internet   | \$2,228.74  | \$578.23    |
| Convoyer's Phone               | \$739.66    | \$409.56    |
| Ring Secretary 8252.9377       | \$904.42    | \$955.58    |
| Clock Chairperson M 0419824381 | \$348.40    | \$431.27    |

# South Australian Homing Pigeon Assoc

## Profit & Loss [Last Year Analysis]

December 2010 through November 2011

|                                | This Year           | Last Year            |
|--------------------------------|---------------------|----------------------|
| Telephone Subsidy - Groups     | \$0.00              | \$425.00             |
| Total Telephone                | <u>\$5,034.10</u>   | <u>\$5,203.53</u>    |
| Yellow Pages                   | (\$79.00)           | \$542.00             |
| Vin Blanden Prizemoney         | \$0.00              | \$310.00             |
| Website Domain Registration    | \$200.00            | \$280.00             |
| Workcover (officers)           | \$710.07            | \$857.00             |
| OHS&W Fee (Workcover)          | \$5.72              | \$5.10               |
| Waste Collection               | \$2,132.43          | \$3,713.14           |
| Release Information Radio      | \$200.00            | \$125.00             |
| Pigeon Unit (Training)         |                     |                      |
| Ford Unit Driver Fees          | \$4,770.00          | \$6,521.82           |
| Ford Unit Expenses             | \$3,171.98          | \$4,076.56           |
| Ford Unit Registration         | \$546.82            | \$487.38             |
| Hino Unit Drivers Fees         | \$3,200.00          | \$3,407.05           |
| Hino Unit Expenses             | \$7,040.53          | \$4,947.78           |
| Hino Unit Registration         | \$642.26            | \$742.50             |
| PigeonTrailer Registration     | \$37.00             | \$37.00              |
| Pigeon Unit & Trailer Insuranc | \$37.00             | \$0.00               |
| RAA Membership                 | \$393.64            | \$366.36             |
| Total Pigeon Unit (Training)   | <u>\$19,839.23</u>  | <u>\$20,586.45</u>   |
| Total Expenses                 | <u>\$135,385.81</u> | <u>\$158,988.14</u>  |
| Net Profit / (Loss)            | <u>\$25,325.31</u>  | <u>(\$32,855.51)</u> |