

THE OLD LIONS INCORPORATED

Reg No Y16648-08

INCOME STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2011

Notes	2011 \$	2010 \$
Revenue From Operations		
Product Sales	1,056	1,985
Annual Reunion Dinner Sales	8,105	5,585
Raffle Ticket sales	<u>3,514</u>	<u>3,569</u>
<i>Total Sales of Goods</i>	12,675	11,139
Subscriptions	17,373	15,331
Donations Received	4,613	3,690
Interest Received	2,317	2,171
Sundry Revenue	1,290	-
	<u>38,268</u>	<u>32,331</u>
Deduct: Expenditure from Operations		
Product Cost of Goods Sold	(481)	(992)
Annual Dinner - Cost of Goods Sold	(4,551)	(4,175)
Cost Raffle Prizes	<u>(140)</u>	<u>(310)</u>
<i>Total Cost of Goods Sold</i>	(5,172)	(5,477)
Bank Charges	(319)	(298)
Depreciation	(1,951)	(1,951)
Excellence Awards	(100)	(50)
Filing Fees	(45)	(189)
Merchant (Credit Card) Charges	(617)	(793)
Newsletters	(16,301)	(9,528)
Repairs & Maintenance	-	(1,194)
Sundry Expenses	(220)	(210)
Teachers Luncheon	(115)	(130)
	<u>(24,840)</u>	<u>(19,820)</u>
Profit/(Loss) before Income tax	13,428	12,511
Income Tax Expense	<u>-</u>	<u>-</u>
Profit/(Loss) for the year	<u>13,428</u>	<u>12,511</u>

The accompanying notes form part of these financial statements.

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BALANCE SHEET AS AT 30 SEPTEMBER 2011

	Notes	2011 \$	2010 \$
CURRENT ASSETS			
Cash at Bank	2	41,625	29,862
Term Deposit	2	19,001	18,491
Inventories	1	100	581
Prepayments		-	295
		<hr/>	<hr/>
TOTAL CURRENT ASSETS		<u>60,726</u>	<u>49,229</u>
NON-CURRENT ASSETS			
Plant and equipment	3	4,374	6,325
		<hr/>	<hr/>
TOTAL NON-CURRENT ASSETS		<u>4,374</u>	<u>6,325</u>
TOTAL ASSETS		<u>65,100</u>	<u>55,554</u>
CURRENT LIABILITIES			
Trade and Other Payables		5,340	3,669
Subscriptions in Advance	1	6,918	6,913
Prepaid Reunion Dinner and Raffle Ticket Sales		<u>2,473</u>	<u>2,138</u>
TOTAL CURRENT LIABILITIES		<u>14,731</u>	<u>12,720</u>
NON CURRENT LIABILITIES			
Subscriptions in Advance	1	34,360	40,253
Designated Donations		100	100
		<hr/>	<hr/>
TOTAL NON CURRENT LIABILITIES		<u>34,460</u>	<u>40,353</u>
TOTAL LIABILITIES		<u>49,191</u>	<u>53,073</u>
NET ASSETS		<u>15,909</u>	<u>2,481</u>
MEMBERS' FUNDS			
Retained Earnings (Accumulated losses)		<u>15,909</u>	<u>2,481</u>
		<u>15,909</u>	<u>2,481</u>

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2011

	Retained (Losses) Profits \$
Balance as at 30 September 2009	(10,030)
Profit for the year	<u>12,511</u>
Balance as at 30 September 2010	2,481
Profit for the year	<u>13,428</u>
Balance as at 30 September 2011	<u><u>15,909</u></u>

STATEMENT OF CASH FLOWS YEAR ENDED 30 SEPTEMBER 2011

	2011 \$	2010 \$
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts from Members		
Product sales	1,056	1,985
Subscriptions	11,485	7,087
Reunion dinner and raffle	13,284	10,853
Donations received	4,612	3,690
Other income	220	-
Interest received from Banks	2,317	2,170
Payments to suppliers - newsletters	(13,561)	(9,422)
Payments to suppliers - raffle prizes and annual reunion	(5,700)	(4,485)
Payments to suppliers - other	<u>(1,440)</u>	<u>(1,958)</u>
Net cash provided by (used in) operating activities	<u>12,273</u>	<u>9,920</u>
CASH FLOW FROM INVESTING ACTIVITIES	-	-
CASH FLOW FROM FINANCING ACTIVITIES	-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	12,273	9,920
Cash at beginning of financial year	<u>48,353</u>	<u>38,433</u>
Cash at end of financial year	<u><u>60,626</u></u>	<u><u>48,353</u></u>

For the purposes of the Statement of Cash Flows, cash includes cash at bank and deposits with financial institutions - Note 2.

The accompanying notes form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2011

1. STATEMENT OF ACCOUNTING POLICIES

Basis of Preparation

The accounts are a general purpose financial report and have been prepared on the basis of historical cost. The accounting policies have been consistently applied unless otherwise stated.

Comparative Figures

Where changes occurred in accounting classifications, the comparative figures have been restated in accordance with the change.

Inventories

Inventories are valued at the lower of cost and net realisable value

Furniture, fixtures & fittings

These assets are stated at historical cost less depreciation and impairment losses

Depreciation

Depreciation is provided on all fixed assets so as to write off the cost or value over their estimated economic lives but no latter than 2017 being the year arrangements for existing occupancy expire.

The depreciation rates for fixed assets are 8.5% of prime cost.

Revenue Recognition

Revenues are recognised from the sale of goods and services when the goods are sold or the service is delivered

Subscriptions

Subscriptions are recognised on an accruals basis. Subscriptions paid in advance have not been discounted to reflect the present value of the amounts paid.

Subscriptions paid in advance: In 2007 the Committee resolved to fully recognise the future liability for members subscriptions paid in advance. This change required the Provision for Subscriptions in Advance to be increased by \$52,074 with a corresponding reduction in Retained Revenue

In each subsequent year the Provision is reduced as subscriptions are earned and brought to account as Subscription Income

Interest Received

Interest on bank deposits is brought to account when received

Goods & Services Tax (GST)

Revenue received is exempt from GST. Consequently any GST paid on purchases of goods and services is not recoverable from the Australian Taxation Office.

Any GST paid is recognised as part of the acquisition cost of assets or as part of the expense item as applicable

Cash flows are included in the Statement of Cash Flows on a gross basis.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2011

(Continued)

	2011	2010
	\$	\$
2: FINANCIAL ASSETS		
Cash at Bank		
ANZ Bank	716	759
BankWest Online at call	40,909	29,103
	<u>41,625</u>	<u>29,862</u>
Deposit at Bank		
ANZ Bank maturing January 2012	19,001	18,491
	<u> </u>	<u> </u>
Total Cash and Deposits at Bank	<u><u>60,626</u></u>	<u><u>48,353</u></u>
3: FIXED ASSETS		
Furniture, Fittings & Equipment		
-at cost	22,939	22,939
Less: Provision for depreciation	<u>(18,565)</u>	<u>(16,614)</u>
Total Furniture, Fittings & Equipment	<u><u>4,374</u></u>	<u><u>6,325</u></u>
Reconciliation of Carrying Values		
Opening Written Down Value	6,325	8,276
Additions	-	-
Disposals	-	-
Depreciation	<u>(1,951)</u>	<u>(1,951)</u>
Closing Written Down Value	<u><u>4,374</u></u>	<u><u>6,325</u></u>

Impairment of assets

Carrying values of assets are reviewed each balance date to determine whether there are any objective indicators of impairment that may indicate the carrying value of assets may not be recoverable in whole or in part.

If the carrying value of an asset is determined to be in excess of its recoverable amount, the asset is written down to its recoverable amount.