



DOUGLAS THEATRE ARTS GROUP INC.

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 June 2014**

PREPARED BY MGI NORTH QUEENSLAND PTY LTD
Chartered Accountants & Business Advisors

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DOUGLAS THEATRE ARTS GROUP INC
69 846 625 031

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2014

**Liability limited by a scheme approved under
Professional Standards Legislation**

DOUGLAS THEATRE ARTS GROUP INC
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DOUGLAS THEATRE ARTS GROUP INC
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COMMITTEE'S REPORT

Your committee members submit the financial report of the DOUGLAS THEATRE ARTS GROUP INC for the financial year ended 30 June 2014.

Committee Members

The name of each member of the committee during the year and if different, at the date of the report;

Freda Wilson
Michael Kerr
Amanda Stone

Principal Activities

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

provision and encouragement of theatre arts with in the Douglas Shire and social activities of the members.

Significant Changes

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

Operating Result

The loss of the association after providing for income tax amounted to \$(21,993.21).

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

Committee Member:



Freda Wilson

Committee Member:



Michael Kerr

Dated this 8th day of September 2014

DOUGLAS THEATRE ARTS GROUP INC
69 846 625 031

INCOME & EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
INCOME			
Donations Received		2,665.18	518.00
Sponsorship and Grants		7,958.00	8,791.00
Theatre Hire		1,100.00	1,540.00
Productions and Functions		12,691.87	46,139.00
Interest Received - ANZ		475.55	817.00
Raffle Sales		175.00	262.00
Members Subscriptions		2,360.00	2,823.00
		<u>27,425.60</u>	<u>60,890.00</u>
OTHER INCOME			
Gross profit from trading		11,186.16	5,425.00
		<u>38,611.76</u>	<u>66,315.00</u>
EXPENDITURE			
Accountancy		308.00	-
Administration Charges		3,000.00	-
Advertising		2,250.72	7,812.00
Audit Fees		520.00	520.00
Bank Charges		-	30.00
Booking Fees & Discounts		1,646.15	-
Cleaning & Waste		150.00	544.00
Depreciation		14,280.00	1,560.00
Electricity & Gas		2,881.56	4,540.00
Function Costs		537.63	632.00
Gardening		939.00	2,051.00
General Expenses		293.80	891.00
Insurance		2,691.07	5,005.00
Licences, Fees & Permits		847.29	1,086.00
Postage & Stationery		930.24	908.00
Production Costs & Royalties		13,424.74	18,294.00
Rates		2,778.74	2,460.00
Rent		748.37	734.00
Repairs & Maintenance		5,397.46	5,110.00
Security		172.70	-
Superannuation		507.21	876.00
Telephone & Internet		556.89	696.00
Wages		5,743.40	9,728.00
		<u>60,604.97</u>	<u>63,477.00</u>
(Loss) Profit before income tax		(21,993.21)	2,838.00

The accompanying notes form part of these financial statements.

DOUGLAS THEATRE ARTS GROUP INC
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INCOME & EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
(Loss) Profit for the year		<u>(21,993.21)</u>	<u>2,838.00</u>
Retained earnings at the beginning of the financial year		<u>304,934.37</u>	<u>302,096.37</u>
Retained earnings at the end of the financial year		<u><u>282,941.16</u></u>	<u><u>304,934.37</u></u>

The accompanying notes form part of these financial statements.

DOUGLAS THEATRE ARTS GROUP INC
69 846 625 031
ASSET & LIABILITY STATEMENT
AS AT 30 JUNE 2014

	Note	2014 \$	2013 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	12,868.06	25,078.00
Inventories	3	1,609.00	2,210.00
TOTAL CURRENT ASSETS		<u>14,477.06</u>	<u>27,288.00</u>
NON-CURRENT ASSETS			
Property, plant and equipment	4	269,809.37	281,556.37
TOTAL NON-CURRENT ASSETS		<u>269,809.37</u>	<u>281,556.37</u>
TOTAL ASSETS		<u>284,286.43</u>	<u>308,844.37</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	5	1,345.27	2,904.00
Payg Withholding		-	130.00
Superannuation Payable		-	876.00
TOTAL CURRENT LIABILITIES		<u>1,345.27</u>	<u>3,910.00</u>
TOTAL LIABILITIES		<u>1,345.27</u>	<u>3,910.00</u>
NET ASSETS		<u>282,941.16</u>	<u>304,934.37</u>
MEMBERS' FUNDS			
Retained earnings	6	282,941.16	304,934.37
TOTAL MEMBERS' FUNDS		<u>282,941.16</u>	<u>304,934.37</u>

The accompanying notes form part of these financial statements.

**DOUGLAS THEATRE ARTS GROUP INC
69 846 625 031**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

1 Statement of Significant Accounting Policies

Basis of Preparation

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

The financial report has been prepared on an accruals basis and is based on historic 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 stated otherwise, have been adopted in the preparation of this financial report.

Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and are net of any rebates and discounts received.

Plant and Equipment

Plant and equipment is carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all plant and equipment is depreciated over the useful lives of the assets to the Association commencing from the time the asset is held ready for use.

DOUGLAS THEATRE ARTS GROUP INC
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

Impairment of Non-Financial Assets

At the end of each reporting period the association determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the assets is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less.

DOUGLAS THEATRE ARTS GROUP INC
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

Revenue and Other Income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Sale of goods

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

Interest revenue

Interest revenue is recognised using the effective interest rate method.

Rendering of services

Revenue in relation to rendering of services is recognised depends on whether the outcome of the services can be measured reliably. If this is the case then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period. If the outcome cannot be reliably measured then revenue is recognised to the extent of expenses recognised that are recoverable.

DOUGLAS THEATRE ARTS GROUP INC
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	\$	\$
2 Cash and Cash Equivalents		
Cash in Hand - Float	600.00	600.00
AZN Cheque Account	1,614.78	10,271.00
ANZ Savings Account	8,582.29	4,207.00
Bendigo - Maintenance Account	2,070.99	-
Term Deposit - ANZ	-	10,000.00
	<u>12,868.06</u>	<u>25,078.00</u>
3 Inventories		
Current		
Stock on Hand - at Cost	<u>1,609.00</u>	<u>2,210.00</u>
4 Property, Plant and Equipment		
Land and Buildings		
Building - Theatre	504,917.00	504,917.00
Less Accumulated Depreciation	(244,048.00)	(231,425.00)
	<u>260,869.00</u>	<u>273,492.00</u>
Total Land and Buildings	<u>260,869.00</u>	<u>273,492.00</u>
Equipment		
Equipment	79,289.37	76,759.37
Less Accumulated Depreciation	(70,349.00)	(68,695.00)
	<u>8,940.37</u>	<u>8,064.37</u>
Total Plant and Equipment	<u>8,940.37</u>	<u>8,064.37</u>
Total Property, Plant and Equipment	<u>269,809.37</u>	<u>281,556.37</u>
5 Accounts Payable and Other Payables		
Current		
Sundry Creditors	<u>1,345.27</u>	<u>2,904.00</u>

DOUGLAS THEATRE ARTS GROUP INC
69 846 625 031

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	\$	\$
6 Retained Earnings		
Retained earnings at the beginning of the financial year	304,934.37	302,096.37
(Net loss) Net profit attributable to the association	<u>(21,993.21)</u>	<u>2,838.00</u>
Retained earnings at the end of the financial year	<u><u>282,941.16</u></u>	<u><u>304,934.37</u></u>

DOUGLAS THEATRE ARTS GROUP INC
69 846 625 031

STATEMENT BY MEMBERS OF THE COMMITTEE

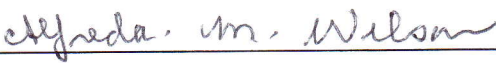
The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the committee the financial report as set out on pages 2 to 10:

1. Presents a true and fair view of the financial position of DOUGLAS THEATRE ARTS GROUP INC as at 30 June 2014 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that DOUGLAS THEATRE ARTS GROUP INC will be able to pay its debts as and when they fall due.

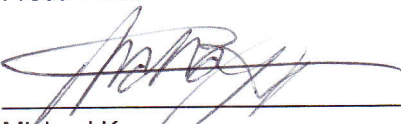
This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

President:



Freda Wilson

Treasurer:



Michael Kerr

Dated this day of

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF DOUGLAS THEATRE ARTS GROUP INC
69 846 625 031**

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of DOUGLAS THEATRE ARTS GROUP INC (the association), which comprises the balance sheet as at 30 June 2014, and the income and expenditure statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Act 1981 and for such internal control as the committee determines is necessary to enable the preparation of the financial report that gives a true and fair view and 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 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 about 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 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 entity'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 DOUGLAS THEATRE ARTS GROUP INC
69 846 625 031**

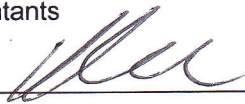
Qualified Auditors' Opinion

It is not practical for the Douglas Theatre Arts Group Inc to maintain an effective system of internal control over monies received until the initial entry in the accounting records. Accordingly, our audit in relation to monies received was limited to amounts recorded. In our opinion, subject to the effects of such adjustments, if any, as might have been determined to be necessary had the limitations discussed in the qualification not existed, the financial statements present fairly in accordance with the accounting policies described in Note 1 to the financial statements the financial position of Douglas Theatre Arts Group Inc as at 30 June 2014 and the results of its operations for the year then ended.

Name of Firm: MGI North Queensland Pty Ltd
Chartered Accountants

Name of Director: _____

Kevin J Roe



Address: 53 Front Street Mossman Qld 4873

Dated this 5th day of September 2014

DOUGLAS THEATRE ARTS GROUP INC
69 846 625 031

DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	\$	\$
Sales	<u>19,131.65</u>	<u>14,028.00</u>
LESS: COST OF GOODS SOLD		
Opening Stock	2,210.00	1,310.00
Purchases	7,344.49	9,503.00
Closing Stock	<u>(1,609.00)</u>	<u>(2,210.00)</u>
	<u>7,945.49</u>	<u>8,603.00</u>
GROSS PROFIT FROM TRADING	<u>11,186.16</u>	<u>5,425.00</u>
OTHER INCOME		
Donations Received	2,665.18	518.00
Sponsorship and Grants	7,958.00	8,791.00
Theatre Hire	1,100.00	1,540.00
Productions and Functions	12,691.87	46,139.00
Interest Received - ANZ	475.55	817.00
Raffle Sales	175.00	262.00
Members Subscriptions	<u>2,360.00</u>	<u>2,823.00</u>
	<u>27,425.60</u>	<u>60,890.00</u>
	<u>38,611.76</u>	<u>66,315.00</u>
EXPENSES		
Accountancy	308.00	-
Administration Charges	3,000.00	-
Advertising	2,250.72	7,812.00
Audit Fees	520.00	520.00
Bank Charges	-	30.00
Booking Fees & Discounts	1,646.15	-
Cleaning & Waste	150.00	544.00
Depreciation	14,280.00	1,560.00
Electricity & Gas	2,881.56	4,540.00
Function Costs	537.63	632.00
Gardening	939.00	2,051.00
General Expenses	293.80	891.00
Insurance	2,691.07	5,005.00
Licences, Fees & Permits	847.29	1,086.00
Postage & Stationery	930.24	908.00
Production Costs & Royalties	13,424.74	18,294.00
Rates	2,778.74	2,460.00
Rent	748.37	734.00

DOUGLAS THEATRE ARTS GROUP INC
69 846 625 031

DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2014

	2014 \$	2013 \$
Repairs & Maintenance	5,397.46	5,110.00
Security	172.70	-
Superannuation	507.21	876.00
Telephone & Internet	556.89	696.00
Wages	5,743.40	9,728.00
	<u>60,604.97</u>	<u>63,477.00</u>
NET PROFIT (LOSS)	<u>(21,993.21)</u>	<u>2,838.00</u>

DOUGLAS THEATRE ARTS GROUP INC

Taxation Depreciation Report - Summarised

Period 1/07/2013 to 30/06/2014

Asset Code	Description	Private Use %	Acq. (Disp) Date	Original Cost	Opening W.D.V.	Additions (Disposals)	Profit (Loss) on Sale	Depn Method	Depreciation	Closing W.D.V.
670	Buildings									
17	Building - Theatre		30/06/1991	494,647	215,396	-	-	2.50 P	12,366	203,030
22	Building - Cornical Awning		30/06/2003	10,270	7,570	-	-	2.50 P	257	7,313
				<u>504,917</u>	<u>222,966</u>	<u>0</u>	<u>0</u>		<u>12,623</u>	<u>210,343</u>
682	Plant & Equipment									
1	Theatre Equipment		01/01/1990	4,538	447	-	-	10.00 D	45	402
10	Curtain		20/04/1995	2,196	3	-	-	30.00 D	1	2
11	S/H Fridge		07/02/1997	2,000	46	-	-	20.00 D	9	37
13	Fixtures & Fittings		01/04/1997	3,400	81	-	-	20.00 D	16	65
18	Fridge		23/07/1998	1,000	32	-	-	20.00 D	6	26
2	Curtains		19/02/1993	1,799	-	-	-	30.00 D	-	-
20	Microphones		20/12/2002	500	2	-	-	37.50 D	1	1
21	Banners		26/03/2002	660	2	-	-	37.50 D	1	1
23	CD Player		06/08/2003	319	32	-	-	20.00 D	6	26
24	Wheelie Bin		13/08/2004	90	3	-	-	30.00 D	1	2
25	Bar Fridge and Photocopier		01/09/2004	789	38	-	-	30.00 D	11	27
26	CD Player		01/10/2004	252	12	-	-	30.00 D	4	8
27	Theatre Equipment		01/11/2004	1,595	61	-	-	30.00 D	18	43
28	Microwave Oven		08/08/2005	360	22	-	-	30.00 D	7	15
29	Electrolux Vacuum Cleaner		08/08/2005	170	10	-	-	30.00 D	3	7
3	Blinds		21/05/1993	570	-	-	-	30.00 D	-	-
30	Bookcase		08/09/2005	245	15	-	-	30.00 D	5	10
31	Bar-B-Que		18/04/2006	169	13	-	-	30.00 D	4	9
32	Music System		09/08/2006	9,880	849	-	-	30.00 D	255	594
33	SH LSC Lighting Control Desk		07/03/2007	1,110	118	-	-	30.00 D	35	83
34	Sound Lab Multicore 100FT		21/06/2007	820	95	-	-	30.00 D	29	66
35	Jands Dimmer Light Rack		13/09/2007	2,150	113	-	-	40.00 D	45	68
36	Theatre Equipment 08-12		30/06/2012	2,966	2,490	-	-	15.00 D	374	2,116
37	Dimmer Pack		29/10/2013	1,600	-	1,600	-	15.00 D	161	1,439
38	15" Acer Laptop		30/01/2014	930	-	930	-	66.66 D	258	672
4	Chairs		22/07/1993	2,652	27	-	-	20.00 D	5	22
5	Box Amp		01/09/1993	500	6	-	-	20.00 D	1	5
6	Backdrops		12/10/1993	650	7	-	-	20.00 D	1	6
7	Split System Air		07/12/1993	800	2	-	-	25.00 D	1	1
8	Airconditioning Plant		04/11/1993	34,579	3,541	-	-	10.00 D	354	3,187
				<u>79,289</u>	<u>8,067</u>	<u>2,530</u>	<u>0</u>		<u>1,657</u>	<u>8,940</u>
TOTAL				<u>584,206</u>	<u>231,033</u>	<u>2,530</u>	<u>0</u>		<u>14,280</u>	<u>219,283</u>

DOUGLAS THEATRE ARTS GROUP INC

Taxation Depreciation Report - Summarised

Period 1/07/2013 to 30/06/2014

Asset Code	Description	Private Use %	Acq. (Disp) Date	Original Cost	Opening W.D.V.	Additions (Disposals)	Profit (Loss) on Sale	Depn Method	Depreciation	Closing W.D.V.
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Notes:

1. Assets allocated to taxation pools are not included in this report.
2. Where a taxation pool is set up refer to the relevant pool schedule report for details of decline in value for the pool.
3. For disposed assets that have non-taxable use refer to Capital Gains Schedule report for any gain or loss resulting from a CGT K7 event.
4. The Opening W.D.V. includes second element of cost (additional expense) incurred in the current year. Hence, this amount may vary from the Closing W.D.V. from the previous year.
5. The Original Cost for Motor Vehicle assets shows an amount as adjusted by the cost limit.