

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

**FINANCIAL REPORT**  
**FOR THE YEAR ENDED**  
**30 JUNE 2016**

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

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

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

**COMMITTEE'S REPORT**

Your committee members submit the financial report of the DOUGLAS THEATRE ARTS GROUP INC for the financial year ended 30 June 2016.

**Committee Members**

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

Michael Kerr  
Siohban Delgado  
Gail Jowett  
Julie Lawson  
Shaun Cram  
Alteouise DeVaughn  
Ron Kelly  
Louise Orchard

**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 \$(13,309.56).

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

**Committee Member:** \_\_\_\_\_

  
Michael Kerr

**Committee Member:** \_\_\_\_\_

  
Siohban Delgado

**Dated this 20th day of October 2016**

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

**INCOME & EXPENDITURE STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 \$	2015 \$
<b>INCOME</b>			
Donations Received		8,655.70	4,077.10
Sponsorship and Grants		13,927.00	40,069.00
Theatre Hire		1,560.00	505.00
Drama Classes		-	575.00
Productions and Functions		107,012.74	64,549.33
Interest Received - ANZ		-	69.55
Raffle Sales		-	132.00
Members Subscriptions		2,760.00	875.00
		<u>133,915.44</u>	<u>110,851.98</u>
<b>OTHER INCOME</b>			
Gross profit from trading		<u>15,427.79</u>	<u>8,341.74</u>
		<u>149,343.23</u>	<u>119,193.72</u>

The accompanying notes form part of these financial statements.

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

**INCOME & EXPENDITURE STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 \$	2015 \$
<b>EXPENDITURE</b>			
Accountancy		-	1,210.00
Administration Charges		-	250.00
Advertising		20,660.64	9,746.66
Audit Fees		1,089.00	650.00
Bank Charges		223.03	200.75
Booking Fees & Discounts		4,541.66	3,829.37
Cleaning & Waste		598.31	366.00
Computer Software		366.00	294.77
Capital Allowance Building		12,657.00	12,623.00
Depreciation		5,322.00	2,625.49
Electricity & Gas		6,604.49	5,291.02
Gardening		1,273.50	2,029.87
General Expenses		58.50	170.00
Insurance		2,726.85	2,726.85
Interest		328.25	-
Legal Costs		-	484.00
Licences, Fees & Permits		2,889.51	1,152.68
Postage & Stationery		876.08	1,019.37
Production Costs & Royalties		84,897.75	37,702.75
Rates		2,667.06	3,014.64
Rent		781.05	769.42
Repairs & Maintenance		13,119.98	39,953.27
Telephone & Internet		749.73	770.00
Travelling Expenses		222.40	67.91
		<u>162,652.79</u>	<u>126,947.82</u>
Loss before income tax		<u>(13,309.56)</u>	<u>(7,754.10)</u>
<b>Loss for the year</b>		<u>(13,309.56)</u>	<u>(7,754.10)</u>
Retained earnings at the beginning of the financial year		<u>275,187.06</u>	<u>282,941.16</u>
<b>Retained earnings at the end of the financial year</b>		<u><u>261,877.50</u></u>	<u><u>275,187.06</u></u>

The accompanying notes form part of these financial statements.

**DOUGLAS THEATRE ARTS GROUP INC**  
**ABN 69 846 625 031**  
**ASSET & LIABILITY STATEMENT**  
**AS AT 30 JUNE 2016**

	Note	2016 \$	2015 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	5,887.29	10,912.34
Inventories	4	3,752.35	3,061.56
<b>TOTAL CURRENT ASSETS</b>		<u>9,639.64</u>	<u>13,973.90</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	5	252,311.02	262,366.35
<b>TOTAL NON-CURRENT ASSETS</b>		<u>252,311.02</u>	<u>262,366.35</u>
<b>TOTAL ASSETS</b>		<u>261,950.66</u>	<u>276,340.25</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	6	73.16	1,153.19
<b>TOTAL CURRENT LIABILITIES</b>		<u>73.16</u>	<u>1,153.19</u>
<b>TOTAL LIABILITIES</b>		<u>73.16</u>	<u>1,153.19</u>
<b>NET ASSETS</b>		<u>261,877.50</u>	<u>275,187.06</u>
<b>MEMBERS' FUNDS</b>			
Retained earnings	7	261,877.50	275,187.06
<b>TOTAL MEMBERS' FUNDS</b>		<u>261,877.50</u>	<u>275,187.06</u>

The accompanying notes form part of these financial statements.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

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The financial statements cover DOUGLAS THEATRE ARTS GROUP INC as an individual entity. DOUGLAS THEATRE ARTS GROUP INC is a not for profit Association incorporated in QLD under the Associations Incorporation Act 1981.

The functional and presentation currency of DOUGLAS THEATRE ARTS GROUP INC is Australian dollars.

**1 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.

In the opinion of the Committee of Management, the Association is not a reporting entity since there are unlikely to exist users of the financial report who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the Act.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 Presentation of Financial Statements, AASB 107 Statement of Cash Flows, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors and AASB 1054 Australian Additional Disclosures.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

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.

**2 Summary of Significant Accounting Policies**

**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.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

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**Plant and Equipment**

Plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment of losses. Plant and equipment is depreciated on a straight line basis over the assets useful life to the Association, commencing when the asset is ready for use.

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.

**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 comprises cash on hand, demand deposits and short term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.



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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

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**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 association 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 from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those 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 depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably 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 estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

Revenue from training services is generally recognised once the training has been delivered.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>3 Cash and Cash Equivalents</b>		
Cash in Hand - Float	500.00	600.00
ANZ Cheque Account	4,690.90	8,247.91
ANZ Savings Account	-	68.04
Bendigo - Maintenance Account	16.39	1,316.39
Deposits Held	680.00	680.00
	<u>5,887.29</u>	<u>10,912.34</u>
<b>4 Inventories</b>		
<b>Current</b>		
Stock on Hand - at Cost	3,752.35	3,061.56
	<u>3,752.35</u>	<u>3,061.56</u>
<b>5 Property, Plant and Equipment</b>		
<b>Land and Buildings</b>		
Building - Theatre	504,917.00	504,917.00
Less Accumulated Depreciation	(269,328.00)	(256,671.00)
	<u>235,589.00</u>	<u>248,246.00</u>
<b>Total Land and Buildings</b>	<u>235,589.00</u>	<u>248,246.00</u>
Equipment	90,294.02	86,050.35
Less Accumulated Depreciation	(73,572.00)	(71,930.00)
	<u>16,722.02</u>	<u>14,120.35</u>
<b>Total Plant and Equipment</b>	<u>16,722.02</u>	<u>14,120.35</u>
<b>Total Property, Plant and Equipment</b>	<u>252,311.02</u>	<u>262,366.35</u>
<b>6 Accounts Payable and Other Payables</b>		
<b>Current</b>		
Sundry Creditors	73.16	1,153.19
	<u>73.16</u>	<u>1,153.19</u>
<b>7 Retained Earnings</b>		
Retained earnings at the beginning of the financial year	275,187.06	282,941.16
Net loss attributable to the association	(13,309.56)	(7,754.10)
Retained earnings at the end of the financial year	<u>261,877.50</u>	<u>275,187.06</u>

**DOUGLAS THEATRE ARTS GROUP INC**  
**ABN 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 2 to the financial statements.

In the opinion of the committee the financial report as set out on pages 2 to 9:

1. Presents a true and fair view of the financial position of DOUGLAS THEATRE ARTS GROUP INC as at 30 June 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 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:** \_\_\_\_\_

Michael Kerr



**Treasurer:** \_\_\_\_\_

Gail Jowett



**Dated this**

**day of**

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF DOUGLAS THEATRE ARTS GROUP INC  
ABN 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 2016, 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  
ABN 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 donations and fundraising activities until their initial entry in the accounting records. Accordingly, our audit in relation to donations and fundraising was limited to amounts received.

**Name of Firm:** MGI North Queensland Pty Ltd  
Chartered Accountants

**Name of Director:**   
Margaret Everett

**Address:** 53 Front Street Mossman Qld 4873

**Dated this 20th day of October 2016**

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

**DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2016**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Sales - Bar	<u>31,934.91</u>	<u>16,195.60</u>
<b>LESS: COST OF GOODS SOLD</b>		
Opening Stock	3,061.56	1,609.00
Purchases	17,197.91	9,306.42
Closing Stock	<u>(3,752.35)</u>	<u>(3,061.56)</u>
	<u>16,507.12</u>	<u>7,853.86</u>
<b>GROSS PROFIT FROM TRADING</b>	<u>15,427.79</u>	<u>8,341.74</u>
<b>OTHER INCOME</b>		
Donations Received	8,655.70	4,077.10
Sponsorship and Grants	13,927.00	40,069.00
Theatre Hire	1,560.00	505.00
Drama Classes	-	575.00
Productions and Functions	107,012.74	64,549.33
Interest Received - ANZ	-	69.55
Raffle Sales	-	132.00
Members Subscriptions	<u>2,760.00</u>	<u>875.00</u>
	<u>133,915.44</u>	<u>110,851.98</u>
	<u>149,343.23</u>	<u>119,193.72</u>
<b>EXPENSES</b>		
Accountancy	-	1,210.00
Administration Charges	-	250.00
Advertising	20,660.64	9,746.66
Audit Fees	1,089.00	650.00
Bank Charges	223.03	200.75
Booking Fees & Discounts	4,541.66	3,829.37
Cleaning & Waste	598.31	366.00
Computer Software	366.00	294.77
Capital Allowance Building	12,657.00	12,623.00
Depreciation	5,322.00	2,625.49
Electricity & Gas	6,604.49	5,291.02
Gardening	1,273.50	2,029.87
General Expenses	58.50	170.00
Insurance	2,726.85	2,726.85
Interest	328.25	-
Legal Costs	-	484.00
Licences, Fees & Permits	2,889.51	1,152.68
Postage & Stationery	876.08	1,019.37

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

**DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2016**

	2016	2015
	\$	\$
Production Costs & Royalties	84,897.75	37,702.75
Rates	2,667.06	3,014.64
Rent	781.05	769.42
Repairs & Maintenance	13,119.98	39,953.27
Telephone & Internet	749.73	770.00
Travelling Expenses	222.40	67.91
	<u>162,652.79</u>	<u>126,947.82</u>
<b>NET LOSS</b>	<u><u>(13,309.56)</u></u>	<u><u>(7,754.10)</u></u>