

FINANCIAL REPORTS

ROWING NEW SOUTH WALES INC. & ITS CONTROLLED ENTITIES ABN 16 289 721 685

**ANNUAL FINANCIAL REPORT FOR
THE YEAR ENDED**

30TH JUNE 2017

Statement of Comprehensive Income

Statement of Financial Position

Statement of Cash Flows

Notes to Financial Statements

Directors Declaration

Auditors Report

Detailed Income & Expenditure

**ROWING NEW SOUTH WALES INC.
& ITS CONTROLLED ENTITIES
ABN 16 289 721 685**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH JUNE 2017**

	Note	2017 \$	2016 \$
Revenue	2	1,814,867	1,343,264
Other Revenue		1,468	-
Employee Benefits Expense		(412,765)	(635,262)
Depreciation Expense		(43,291)	(40,497)
Interest Charges		(4,219)	(2,966)
Administration & Regatta Expenses		(803,503)	(687,840)
Impairment Charge		(513,613)	-
Surplus before Income Tax Expense		<u>38,944</u>	<u>(23,301)</u>
Income Tax Expense	3	-	-
Surplus after Income Tax		<u><u>38,944</u></u>	<u><u>(23,301)</u></u>

**ROWING NEW SOUTH WALES INC.
& ITS CONTROLLED ENTITIES
ABN 16 289 721 685**

**STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2017**

	Note	2017 \$	2016 \$
CURRENT ASSETS			
Cash and Cash Equivalents	4	348,174	648,947
Trade and Other Receivables	5	48,368	1,189
Other	6	28,222	48,862
TOTAL CURRENT ASSETS		<u>424,764</u>	<u>698,998</u>
NON-CURRENT ASSETS			
Le Stepto Memorial Trust Fund	7	64,931	70,446
Property, Plant and Equipment	8	313,779	285,843
TOTAL NON-CURRENT ASSETS		<u>378,710</u>	<u>356,289</u>
TOTAL ASSETS		<u>803,474</u>	<u>1,055,287</u>
CURRENT LIABILITIES			
Trade and Other Payables	9	99,075	381,402
Leave Liability	10	30,118	35,245
Lease Liability	15	8,497	7,935
TOTAL CURRENT LIABILITIES		<u>137,690</u>	<u>424,582</u>
NON CURRENT LIABILITIES			
Leave Liability	10	4,632	-
Lease Liability	15	38,059	46,556
TOTAL NON CURRENT LIABILITIES		<u>42,691</u>	<u>46,556</u>
TOTAL LIABILITIES		<u>180,381</u>	<u>471,138</u>
NET ASSETS		<u>623,093</u>	<u>584,149</u>
MEMBERS ACCUMULATED FUNDS			
Accumulated Surplus	11	623,093	584,149
TOTAL MEMBERS ACCUMULATED FUNDS		<u>623,093</u>	<u>584,149</u>

**ROWING NEW SOUTH WALES INC.
& ITS CONTROLLED ENTITIES
ABN 16 289 721 685**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2017**

	Note	2017 \$	2016 \$
Cash Flows from Operating Activities:			
Receipts from Members and Third Parties		1,944,193	1,524,795
Interest Received		5,241	9,371
Interest Paid		(4,219)	(2,966)
Other Receipts		1,468	-
Payments to Suppliers & Employees		<u>(1,650,216)</u>	<u>(1,211,598)</u>
Net Cash provided from Operating Activities	14(a)	<u>296,467</u>	<u>319,602</u>
Cash Flows from Investing Activities:			
Payment for Property, Plant & Equipment		(616,288)	(64,623)
Proceeds from Disposal of Assets		21,468	15,909
Trust Investment		5,515	7,930
Payment for Lease Liability		<u>(7,935)</u>	<u>(24,357)</u>
Net Cash (used in) Investing Activities		<u>(597,240)</u>	<u>(65,141)</u>
Net (Decrease)/Increase in Cash Held		(300,773)	254,461
Cash and Cash Equivalents at Beginning of Financial Year		<u>648,947</u>	<u>394,486</u>
Cash and Cash Equivalents at End of Financial Year	14(b)	<u><u>348,174</u></u>	<u><u>648,947</u></u>

**ROWING NEW SOUTH WALES INC.
& ITS CONTROLLED ENTITIES
ABN 16 289 721 685**

NOTE TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Consolidation

The financial statements consolidate the financial results of Rowing NSW Incorporated, and the LE Stepto Memorial Trust Fund. The Incorporated Association & its Controlled Entities together are referred to as the Economic Entity.

Basis of Accounting

Rowing New South Wales Inc. is incorporated in the state of New South Wales under the Associations Incorporations Act 2009. The financial statements of the Economic Entity have been prepared as Special Purpose Financial Statements for use by the Board and Members of the Incorporated Association and for the purposes of complying with the New South Wales legislation the Associations Incorporation Act 2009. The financial statements have been prepared on the basis that the Economic Entity is not a reporting entity because there are unlikely to be any other users of the financial statements as all users can obtain information specific to their needs upon demand.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') 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 1048 'Interpretation and Application of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for-profit oriented entities. These financial statements do not conform with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

The financial statements have been prepared on an accruals basis and are based on historic costs and do not take into account changing money values or, except where specifically stated, current valuations of non-current assets. The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the incorporated association's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note paragraph titled 'Critical Accounting Adjustments'.

Financial Statements Preparation

The classification "Members' Accumulated Funds" is used in the financial statements as the Incorporated Association has no shareholders. It is believed the use of the classification "Equity" would be misleading as such no statement of equity has been prepared.

**ROWING NEW SOUTH WALES INC.
& ITS CONTROLLED ENTITIES
ABN 16 289 721 685**

NOTE TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of these financial statements.

New Accounting Standards and Interpretations not yet mandatory or early adopted Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the incorporated association for the annual reporting period ended 30 June 2017. The incorporated association has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Income Tax

The Incorporated Association is exempt from income tax by virtue of Section 50–45 of the Income Tax Assessment Act 1997. As such no provision for income tax has been made and tax–effect accounting has not been adopted.

Cash and Cash Equivalents

Cash and short–term deposits in the Statement of Financial Position comprise cash at bank and on hand together with short–term deposits with an original maturity of twelve months or less.

Trade and Other Receivables

Trade receivables, which generally have 90 day terms, are recognised and carried at original invoice amount less an allowance for doubtful debts.

Property, Plant and Equipment

Property, plant and equipment are brought to account at cost less where applicable any accumulated depreciation and any impairment of value. The carrying amount of property, plant and equipment is reviewed annually by the directors to ensure it is not in excess of the recoverable amount of those assets. The recoverable amount is assessed on the basis of expected net cash flows which will be received from the assets employment and subsequent disposal.

The depreciable amount of all property, plant and equipment, including building improvements, are depreciated over their useful lives commencing from the time the asset is held ready for use.

The depreciation is charged on a straight line basis and the following rates used for each class of asset are as follows:

Building Improvements	5%
Boats, Motors and Equipment	9% – 33%
Office Equipment and Fixtures	10% – 33%
Motor Vehicles	12.5%

**ROWING NEW SOUTH WALES INC.
& ITS CONTROLLED ENTITIES
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NOTE TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased assets, and operating leases, under which the lessor effectively retains substantially all such risks and benefits.

Finance leases are capitalised. A lease asset and liability are established at the fair value of the leased assets, or if lower, the present value of minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the finance costs, so as to achieve a constant rate of interest on the remaining balance of the liability.

Leased assets acquired under a finance lease are depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the company will obtain ownership at the end of the lease term.

Operating lease payments, net of any incentives received from the lessor, are charged to profit or loss on a straight-line basis over the term of the lease.

Accounts Payable and Other Payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the assets and liabilities statement.

Revenue and Other Income

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

**ROWING NEW SOUTH WALES INC.
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NOTE TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Grant and donation income is recognised 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 net of the amount of goods and services tax.

Employee Benefits

Provision is made, as a current liability, for the legal liability to permanent employees for annual leave and long service leave. Long service leave is not provided until a permanent employee attains five years continuous service. Sick leave is brought to account as incurred.

Contributions are made by the economic entity to nominated employee superannuation funds and are charged as expenses when incurred. Apart from statutory obligations the Association has no other legal obligation to provide benefits to employees on retirement.

Maintenance and Repairs

Maintenance, repair costs and minor renewals are charged as expenses when incurred.

Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimation of useful lives of assets

The economic entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event.

**ROWING NEW SOUTH WALES INC.
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NOTE TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

The depreciation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of Assets

At the end of each reporting period, property, plant and equipment, intangible assets and investments are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. The recoverable amount is the higher of the asset's fair value less costs of disposal and the present value of the asset's future cash flows discounted at the expected rate of return. If the estimated recoverable amount is lower, the carrying amount is reduced to the estimated recoverable amount and an impairment loss is recognised immediately in profit or loss.

**ROWING NEW SOUTH WALES INC.
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NOTE TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
2 REVENUE		
Member Subscriptions	261,169	271,110
Regatta Entry Fee	576,756	641,488
Interest Received	5,241	9,371
Grants & Funding	631,551	173,500
Income from Member Activities	340,149	247,795
	<u>1,814,867</u>	<u>1,343,264</u>
3 INCOME TAX EXPENSE		
The Association is exempt from income tax by virtue of Section 50-45 of the Income Tax Assessment Act 1997		
4 CASH AND CASH EQUIVALENTS		
Current		
Cash at Bank	343,054	643,827
Security Deposit	5,120	5,120
	<u>348,174</u>	<u>648,947</u>
5 TRADE AND OTHER RECEIVABLES		
Current		
Trade Debtors	46,340	1,189
Other and Sundry Debtors	2,028	-
	<u>48,368</u>	<u>1,189</u>
6 OTHER ASSETS		
Current		
Prepayments	28,222	48,862
	<u>28,222</u>	<u>48,862</u>
7 LE STEPTO MEMORIAL TRUST FUND		
Represented By:		
Cash at bank - In the name of LE Stepto Trust	64,931	70,446

The Association is the sole beneficiary of the LE Stepto Trust Fund and through the Trust Deed is able to approve the trustees appointed to the trust. Accordingly demonstrating the ability to control the trust.

**ROWING NEW SOUTH WALES INC.
& ITS CONTROLLED ENTITIES
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NOTE TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
8 PROPERTY, PLANT & EQUIPMENT		
Non-Current		
Boats & Motors - At Cost	181,790	197,457
Less: Accumulated Depreciation	(76,715)	(59,862)
	<u>105,075</u>	<u>137,595</u>
Regatta Equipment - At Cost	107,354	100,649
Less: Accumulated Depreciation	(51,429)	(40,219)
	<u>55,925</u>	<u>60,430</u>
Office Equipment - At Cost	34,104	34,104
Less: Accumulated Depreciation	(17,194)	(13,109)
	<u>16,910</u>	<u>20,995</u>
Motor Vehicles - At Cost	-	42,191
Less: Accumulated Depreciation	-	(27,688)
	<u>-</u>	<u>14,503</u>
Motor Vehicles - Lease	57,760	57,760
Less: Accumulated Depreciation	(12,660)	(5,440)
	<u>45,100</u>	<u>52,320</u>
Leasehold Improvements	604,383	-
Less: Accumulated Impairment	(513,613)	-
	<u>90,770</u>	<u>-</u>
Total Property, Plant & Equipment	<u><u>313,779</u></u>	<u><u>285,843</u></u>

The Leasehold Improvement relates to the capital expenditure for the building of the Nation Training Centre. The asset has been impaired on the basis Rowing NSW entered into a long term lease with Rowing Australia who will occupy the building and pay all costs associated with the property. Accordingly Rowing NSW has no economic benefit.

**ROWING NEW SOUTH WALES INC.
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NOTE TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
9 TRADE AND OTHER PAYABLES		
Current		
GST Payable	(17,447)	44,639
PAYG Payable	16,560	26,909
Superannuation Payable	1,023	-
Unearned Income	6,555	250,000
Trade Creditors and Accruals	92,384	59,854
	<u>99,075</u>	<u>381,402</u>
10 LEAVE LIABILITY		
Current		
Provision for Annual Leave	30,118	35,245
Non-Current		
Provision for Long Service Leave	4,632	-
	<u>34,750</u>	<u>35,245</u>
11 ACCUMULATED SURPLUS		
Accumulated Surplus at Beginning of the Year	584,149	607,450
Surplus for the year	38,944	(23,301)
Accumulated Surplus at the End Year	<u>623,093</u>	<u>584,149</u>
12 AUDITORS REMUNERATION		
Amounts received, or due and receivable, by ESV Accounting and Business Advisors for :		
Audit of the Financial Statements	<u>7,500</u>	<u>7,500</u>
13 SEGMENT REPORTING		

The Economic Entity operates in the sport of rowing in the State of New South Wales.

**ROWING NEW SOUTH WALES INC.
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NOTE TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
14 CASH FLOW INFORMATION		
(a) Reconciliation of Surplus to Net cash provided by operating activities.		
Surplus after Income Tax	38,944	(23,301)
Non-Cash Flows and Non-Operating Items in Surplus:		
Impairment Charge	513,613	-
Loss on disposal of property, plant & equipment	9,981	3,423
Depreciation	43,291	40,497
Changes in Assets and Liabilities		
Decrease/(Increase) in Trade and other Receivables	(42,179)	52,284
Decrease/(Increase) in Other Assets	48,458	(9,904)
Decrease/(Increase) in Inventories	(26,264)	-
Decrease in Trade and Other Payables	(38,882)	2,612
(Decrease)/Increase in Income in Advance	(250,000)	250,000
Increase/(Decrease) in Provisions	(495)	3,991
Net Cash from Operating Activities	<u>296,467</u>	<u>319,602</u>

(b) Reconciliation of Cash

For the purposes of the statement of cash flows, cash includes cash and at call deposits with banks and investments in money market instruments, net of bank overdrafts. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash and cash equivalents	<u>348,174</u>	<u>648,947</u>
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**ROWING NEW SOUTH WALES INC.
& ITS CONTROLLED ENTITIES
ABN 16 289 721 685**

NOTE TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
15 CAPITAL AND LEASING COMMITMENTS		
Finance Lease Payable-Minimum lease payment		
Not later than twelve (12) months	8,497	7,935
Between twelve(12) months and five years	38,059	46,556
	<u>46,556</u>	<u>54,491</u>

The Motor Vehicle lease is a sixty (60) month term lease with repayments payable monthly. A residual value of \$17,628 is to be paid at the end of the lease.

The lease liability is secured by the vehicle, subject to the lease conditions.

Operating Lease Payable -Minimum lease payment		
Not later than twelve (12) months	22,082	34,691
Between twelve(12) months and five years	-	26,142
	<u>22,082</u>	<u>60,833</u>

The operating leases are for the business premises in Balmain East and the boat shed at The Sydney International Regatta Centre.

Capital Expenditure Commitments		
Capital Expenditure Projects	1,095,616	-
	<u>1,095,616</u>	<u>-</u>

Payable		
Not later than twelve (12) months	1,095,616	-
Between twelve(12) months and five years	-	-
	<u>1,095,616</u>	<u>-</u>

Capital Expenditure Commitments relate to the building of the National Training Centre. The cost of capital expenditure is covered by funding agreements in place with Rowing Australia and NSW Institute of Sport.

**ROWING NEW SOUTH WALES INC.
& ITS CONTROLLED ENTITIES
ABN 16 289 721 685**

**DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2017**

	2017	2016
	\$	\$
INCOME		
<u>Operations</u>		
Presentation Dinner	11,455	9,614
Kings Cup Luncheon	20,158	22,236
Australian Masters Games	-	160
Fundraiser Income	118,811	2,890
Regatta Income	476,560	641,337
Late Seat Fees	10	2,048
Equipment Hire	35,479	30,902
Boatshed Charges	5,000	5,000
Canada Bay Charges	-	8,226
Merchandising revenue	359	7,777
Seat fees	100,196	150
Insurance Recoveries	1,468	-
<u>Development</u>		
Coaching & Development Income	4,936	16,950
Development Centre Funding	513,613	-
Income from Trusts	2,207	3,137
State Teams	-	63
<u>Administration</u>		
Affiliation Fees	57,800	17,250
Advocacy Services	3,000	-
Interest income	5,241	9,369
Grants & Sponsorship	117,938	173,500
Levys	75,526	105,541
Other Admin Income	569	14,449
Metro Competitor	103,156	99,211
Regional Competitor	26,486	29,121
Metro Junior	94,837	106,875
Regional Junior	19,608	20,426
AAGPS Competitor	10,241	12,537
Supporting Member	382	72
Transfer Fees	1,591	1,550
Recreational Members	5,900	2,872
Other Revenue	1,748	-
Membership Fees	560	-
Profit on disposal of asset	1,500	-
Total Income	1,816,335	1,343,264

**ROWING NEW SOUTH WALES INC.
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**DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2017**

	2017	2016
	\$	\$
EXPENDITURE		
<u>Operations</u>		
Cost of sales	6,151	11,298
Presentation Dinner	15,520	2,917
Kings Cup Luncheon	21,897	20,579
Australian Masters Games	1,324	-
Fundraiser Expenses	219,444	-
Regatta Admin Expenses	190,508	83,439
Equipment & Venue Hire Expenses	4,392	74,858
Regatta Timing Services	4,129	5,303
Regatta Volunteer Support	7,388	14,019
Regatta Host Income Share	5,526	103,059
Boatshed Expenses	7,353	870
Boat Holders	6,371	5,614
Medical	7,736	7,559
Trophies & Medalions	18,782	34,929
Operation Staff	138,741	139,964
<u>Development</u>		
Coaching and Development	5,162	7,928
Clinics & Camps	1,100	265
State Team Expenses	15,566	40,275
Development Staff	102,608	103,632
Impairment Charge	513,613	-
<u>Administration</u>		
Advertising	273	52,145
Office Admin Expenses	69,494	66,773
Depreciation	43,291	40,497
Loss on disposal of asset	9,980	3,423
Travel Expenses	5,144	21,085
Rowing Manager	-	9,795
Telecommunications	20,577	21,837
Bank Fees	3,882	4,928
Sponsor Serving	-	4,061
Consulting Fees	6,960	32,561

**ROWING NEW SOUTH WALES INC.
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**DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2017**

	2017	2016
	\$	\$
<u>Administration (Cont.)</u>		
Accounting and Audit	92,219	8,408
Rent	28,996	32,543
Staff Costs	171,415	402,059
Membership & Affiliation Expenses	18,379	9,942
Interest Expense	4,219	-
Le Stepto Trust Grant	7,500	-
Legal expenses	1,750	-
	1,777,391	1,366,565
SURPLUS FOR THE YEAR	38,944	(23,301)

**ROWING NEW SOUTH WALES INC.
& ITS CONTROLLED ENTITIES
ABN 16 289 721 685**

DIRECTORS' DECLARATION

The directors have determined Rowing New South Wales Inc. & its Controlled Entities ("the economic entity") is not a reporting entity and these special purpose financial statements have been prepared in accordance with accounting policies in Note 1 to the financial statements. The special purpose financial statements have been prepared to meet the financial reporting requirements of the economic entity and to provide financial information to members.

The directors declare that the financial statements set out on pages 1 to 12 are drawn up in accordance with the accounting policies described in Note 1 so as to give a true and fair view of the economic entity's financial position as at 30 June 2017 and of its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date.

In the directors' opinion there are reasonable grounds to believe that the economic entity can meet its debts as and when they become due and payable.

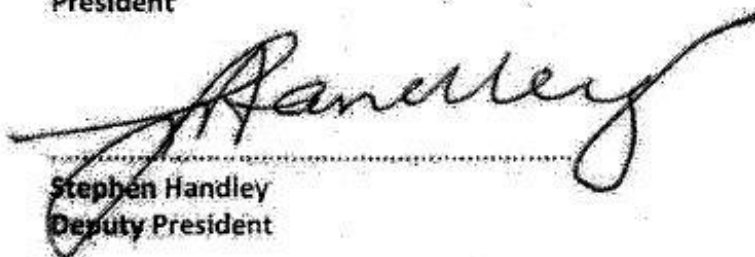
This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

Director



Stephen Donnelley
President

Director



Stephen Handley
Deputy President

Dated:

18 August 2017.

INDEPENDENT AUDITORS REPORT

ACCOUNTING AND
BUSINESS ADVISORS



INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF ROWING NEW SOUTH WALES INCORPORATED

Opinion

We have audited the financial report, being a special purpose financial report, of Rowing New South Wales Incorporated and controlled entity (RNSW) which comprises the statement of financial position as at 30 June 2017, and the statement of comprehensive income, statement of cashflows for the year then ended, a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Rowing New South Wales Incorporated and controlled entity:

- gives a true and fair view of the financial position as at 30 June 2017 and of its performance and cashflows for the year then ended; and
- complying with Australian Accounting Standards to the extent described in Note 1 and *NSW Associations Incorporations Act 2009*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the RNSW in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of matter – basis of accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *NSW Associations Incorporations Act 2009*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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Responsibilities of the directors' for the financial report

The directors' of RNSW are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *NSW Associations Incorporations Act 2009* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors' determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the *directors'* are responsible for assessing RNSW's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the *directors'* either intend to liquidate RNSW or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSABILITIES FOR THE AUDIT OF THE FINANCIAL REPORT OF ROWING NEW SOUTH WALES INCORPORATED

Auditors' Responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_files/ar3.pdf This description forms part of our auditor's report.

Dated at Sydney on the 21st day of August 2017

ESV Accounting and Business Advisors

Tim Valtwies
Partner

