

Sheridan Spowart

B. Com., C.A. Reg. Tax Agent

AUDIT REPORT TO THE MEMBERS OF AUSTRALIAN MARINE CONSERVATION SOCIETY INC

Scope

I have audited the financial statements of the Australian Marine Conservation Society Inc. The Association's committee is responsible for the presentation of the accounts and the information contained herein. I have conducted an independent audit of the accounts in order to express an opinion on them to the members of the Australian Marine Conservation Society Inc.

The audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the accounts are free of material misstatement. Procedures included examination on a test basis of evidence supporting the accounts and other disclosures in the accounts and the evaluation of accounting policies.

These procedures have been undertaken to form an opinion as to whether in all material respects the accounts are presented fairly in accordance with the requirements of the Associations Incorporation Act 1981 so as to present a view which is consistent with my understanding of the Association's financial position and the results of its operations.

Qualification

As is common for organizations of this type, it is not practicable for the Association to maintain an effective system of internal control over donations, subscriptions and other fund raising activities until their initial entry in the accounting records. Accordingly, the audit in relation to fundraising was limited to amounts recorded.

Qualified Audit Opinion

In my opinion, subject to the effects on the financial statements of the matter referred to in the qualification above, the financial statements of the Australian Marine Conservation Society Inc. are properly drawn up:

- (a) so as to give a true and fair view of the state of affairs of the Association as at 31 December 2012 and of the income and expenditure of the Association for the year ended on that date.
- (b) in accordance with the requirements of the Associations Incorporation Act 1981.

Dated this twenty-fifth day of February, 2013



SHERIDAN SPOWART
CHARTERED ACCOUNTANT

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AUSTRALIAN MARINE CONSERVATION SOCIETY INC
 INCOME AND EXPENDITURE STATEMENT
 FOR THE YEAR ENDED 31 DECEMBER, 2012

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	2012	2011
PROJECTS AND GRANTS		
Grants - GNGO	7500	15000
Grants - GVEHO	23500	20000
Projects - Conservation	287982	58936
Gross Project and Grant Income	<u>318982</u>	<u>93936</u>
Total Project Expenses	Note G <u>271902</u>	<u>26696</u>
NET PROJECTS AND GRANTS	<u>47080</u>	<u>67240</u>
FUNDRAISING		
Business Partners/Supporters	19696	54455
Donations	393965	284258
Events	43247	25053
Membership Fees	6182	6702
Merchandise	26514	34439
Sundry	400	1865
Gross Fundraising	<u>490004</u>	<u>406772</u>
Less Fundraising Expenses	Note H <u>158734</u>	<u>55999</u>
NET FUNDRAISING	<u>331270</u>	<u>350773</u>
OTHER INCOME .		
Interest Received	<u>11489</u>	<u>13821</u>
TOTAL DIRECT INCOME	<u>389840</u>	<u>431834</u>
LESS OPERATING EXPENSES	Note I <u>447614</u>	<u>413539</u>
NET SURPLUS/ (LOSS) FROM TRADING	<u>-57775</u>	<u>18295</u>
NET GST REFUND	Note F <u>-24218</u>	<u></u>
NET SURPLUS/ (LOSS) FOR YEAR	<u><u>-33557</u></u>	<u><u>18295</u></u>

AUSTRALIAN MARINE CONSERVATION SOCIETY INC
 BALANCE SHEET
 AS AT 31ST DECEMBER, 2012

	2012	2011
MEMBERS' FUNDS		
Balance at Beginning of Year	204198	185903
Net Surplus	-33557	18295
MEMBERS' FUNDS 31 December, 2012	<u>170641</u>	<u>204198</u>
Represented by:		
CURRENT ASSETS		
Cash at Bank		
Suncorp A/C No 162442159	100	100
Suncorp A/C No 162442191	230238	264335
Suncorp A/C No 052166909	41727	30962
Suncorp A/C No 161920537	51292	47016
Suncorp A/C No 070575011	5999	5446
Bendigo A/C No 146734777	34598	
Debtors	54605	104676
Rental Bond	8525	8525
Software CRM	30025	
Stock on Hand	Note D 11038	18992
TOTAL CURRENT ASSETS	<u>468147</u>	<u>480052</u>
FIXED ASSETS		
OFFICE EQUIPMENT -at cost	35149	35149
Less Accumulated Depreciation	Note C 35149	35149
TOTAL FIXED ASSETS	<u>0</u>	<u>0</u>
TOTAL ASSETS	<u>468147</u>	<u>480052</u>
CURRENT LIABILITIES		
Creditors	10127	6125
GST Payable	-4372	5542
PAYG Tax Payable	13199	10998
Employee Provisions	23969	23670
Prepaid Income	Note E 254584	229519
TOTAL LIABILITIES	<u>297506</u>	<u>275854</u>
NET ASSETS	<u>170641</u>	<u>204198</u>

STATEMENT OF ACCOUNTING PRINCIPLES

A) BASIS OF ACCOUNTING

The accounts have been prepared under the historical cost accounting principles and therefore do not take into account changing money values, the current value of non-monetary assets except where specifically stated. The following is a summary of the significant accounting policies adopted in the preparation of the accounts.

B) INCORPORATED ASSOCIATION

The Australian Marine Conservation Society Inc. is an association incorporated under the Association Incorporations Act 1981. The benefits of incorporation of a non-profit organization are similar to those enjoyed by a proprietary company. That is: the liability of members and the management committee is limited. The association does not have a share capital.

C) DEPRECIATION

Assets are depreciated on the diminishing rate method so as to write off the cost of each asset during its estimated life.

D) INVENTORIES

Trading stock such as products for resale is bought to account as an asset. Profits are bought to account at the time of receipt of monies from the sale of products.

E) PREPAID INCOME

This amount represents grant money received but unspent as at the end of the year. Because it is difficult to assess the stage of completion for any grant, the income and expenses for each grant are bought to account in the year in which the grant is finalized.

F) NET GST REFUND

A review of GST claimed by the Society in the previous four years by outside accountants specializing in GST entitlements for Charities resulted in a net refund to the Society of \$37017.64 less \$12800 accountants' fees.

G) BOARD MEMBERS

The board members listed below were appointed at the Annual General Meeting of the Society on 24 March 2012. All board members remained on the board for the duration of the year. During the year ended 31 December, 2012 the board met 7 times. No remuneration was paid to any board member during the year ended 31 December 2012.

<u>Position</u>	<u>Name</u>	<u>Position</u>	<u>Name</u>
President	Craig McGovern	General	Richard Leck
Secretary	Mary-Ann Pattison	General	Margaret Harlow
Treasurer	Michaela Mitchell	General	Sue Crowe
		General	Amanda Newbery
		General	Jill St John

	2012	2011
G) PROJECT EXPENSES		
Coordinators and Project Officers	104526	0
Postage Printing & Stationery	7963	340
Project Expenses	149330	26262
Telephone and Internet	4852	94
Travel & Conference Expenses	5231	0
TOTAL PROJECT EXPENSES	<u>271902</u>	<u>26696</u>
H) FUNDRAISING EXPENSES		
Appeals	10932	301
Business Partners/Supporters	323	282
Events	13905	7267
Merchandise	24470	7304
Other	14796	26
Wages	94306	40819
TOTAL FUNDRAISING EXPENSES	<u>158734</u>	<u>55999</u>
I) OPERATING EXPENSES		
EMPLOYEE RELATED EXPENSES		
Superannuation Contributions	24910	21172
Travelling, Conference & Training	21104	11826
Wages	298536	280759
Workcover	1314	-15
TOTAL EMPLOYEE RELATED	<u>345865</u>	<u>313742</u>
OCCUPANCY EXPENSES		
Depreciation	0	2546
Electricity	1356	963
Rent	31720	22971
Repairs, Maintenance & Cleaning	3904	13128
TOTAL OCCUPANCY	<u>36980</u>	<u>39608</u>
OFFICE OVERHEADS		
Audit Fee	1864	1773
Bank Charges & Interest	12228	3359
Board Expenses	2686	2003
Computer Costs	3299	3384
Insurance	6470	5999
Magazine Expenses	9993	8983
Postage Printing & Stationery	17995	22123
Subscriptions	603	2279
Telephone & Internet	9008	10286
Sundry Expenses	623	0
TOTAL OFFICE	<u>64769</u>	<u>60189</u>
TOTAL OPERATING OVERHEADS	<u>447614</u>	<u>413539</u>

Note C