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05/09/17

Cash Basis

Newcastle District Golf Association Inc.
Profit & Loss
July 2016 through June 2017

	<u>Jul 16 - Jun 17</u>
Income	
Affiliation Fees	55,676.40
Bank Interest	849.79
Competition Fees	10,010.00
Pennant Dinner	2,175.00
Tax Refunds	3,601.00
Total Income	<u>72,312.19</u>
Expense	
Advertising	201.96
Apparel	1,553.80
Bank Charges	367.50
Defibrillator Subsidy	1,000.00
District Championship Expenses	2,099.40
Donations	6,100.00
Executive Annual Dinner	2,499.80
Executive Expenses	4,976.77
Funeral Expenses	221.90
Govt Expenses	78.00
Green Fees	5,790.00
Junior Development	1,650.00
Masters expenses	1,892.00
Miscellaneous	
Meeting Expenses	2,253.40
Total Miscellaneous	<u>2,253.40</u>
Official Lunches	225.60
Pennant Dinner Expense	7,951.00
Pennant Expenses	2,156.60
Printing, Stationery & Stamps	1,262.09
Refund Expenses-Match Committee	26.95
Representative Matches	12,665.21
Schoolboys & Schoolgirls	845.00
Software	1,286.42
Telephone & Facsimile	764.24
Tournament Expenses	3,313.20
Trophies	4,788.55
Vouchers	4,730.00
Vouchers & Trophies	240.00
Website Hosting	2,216.90
Total Expense	<u>73,156.29</u>
Net Income	<u><u>-844.10</u></u>

Balance Sheet

As of June 30, 2017

ASSETS

Current Assets

Greater Bank Current	63,786.30
Greater Bank Investment Account	30,747.53
Total Cheque/Savings Accounts	94,533.83

Accounts Receivable **510.00**

Other Current Assets **Nil**

Total Current Assets **95,043.83**

TOTAL ASSETS **95,043.83**

LIABILITIES

Current Liabilities **Nil**

Accounts Payable **Nil**

Total Accounts Payable **Nil**

Tax Payable **Nil**

Total Other Current Liabilities **Nil**

Total Current Liabilities **Nil**

NET ASSETS **95,043.83**

EQUITY

Opening Bal Equity **94363.43**

Movement **+ 680.40**

TOTAL EQUITY **95,043.83**

Notes to the Accounts

Since 2005, the NDGA has been using a computerised accounting programme called "Reckon" which is a division of Quick Books. Various entries were inserted into those accounts when it was first opened, one of which for example, is an account, titled 'Office Furniture and Equipment'. I attach a copy of the print out from the programme. You will see an amount of \$24,333.85 was inserted on 1 May 2005. I have been unable to ascertain from any of the other members of the Executive just to what that amount related. To the best of everyone's knowledge, most of the Executive members use their own equipment. Small items have been purchased over the years, but any of those still in existence would be of little or no value. You will also see that on 4 September 2008 there is an entry to Website Expressions Pty. Ltd., which was for the creation of our website and which to my mind should never have been allocated to 'Office Furniture and Equipment'.

What I believe should have occurred in relation to this account, was that it should have been at least depreciated such that today it would be zero, which is the current position as far as the Executive is concerned. Anybody having previous year's accounts would have seen an amount of over \$30,000.00 being included as an asset of the NDGA. That figure was taken directly from the Reckon accounts, but in fact does not exist any more.

Another previous entry was in relation to Tax Payable, which was a negative number of about \$12,700.00. That figure should have been decreased by the refunds of GST which were occurring after the time the account was created. Unfortunately that has not been the case until now. I as well as previous Treasurers am guilty of this, that the GST refunds should have been applied to wipe out that figure. All payments have gone into our bank account and dealt with in a different way. Consequently, there is no entry for Tax either owing or payable in the current balance sheet.

There is another account in the programme is that entitled 'Opening Balance Equity'. There were amounts placed into that account on 30 April 2005 and 1 May 2005. Those amounts together with some additional monies, particularly on 26 August 2015, have added together to create a fictional 'Opening Balance Equity'. This has resulted in the first item in the previous balance sheets being in 2016, \$147,210.41. I enclose a copy of that account. Unfortunately, there is clearly a doubling of monies in the account and what you see in today's current balance sheet is an exact record of what exists in the NDGA bank accounts. You will recall that a mini balance sheet appears in the monthly reports, showing an opening balance together with income and expenditure leading to the closing balance. Those amounts are the only assets of the NDGA together with some outstanding invoices to be paid as shown.

In relation to the Profit & Loss, you will see that there are a much greater number of categories than is necessary. Rod and I are endeavouring to clean up this aspect of the programme. You will see a much different document next year. It should be noted that the opening and closing balances for the year in the programme were exact replicas of the same figures in the bank account.

I am endeavouring to bring the Reckon programme to a state where it can print out accurately the NDGA's financial position. Unfortunately, these matters have only recently come to my attention, when I printed a Balance Sheet from the programme. I have not yet had the opportunity to be able to say that the job has been completed, but now I am fully aware of the parameters of the situation. I will endeavour to have the accounts completed over the current financial year.

In light of the above, I strongly suggest and urge the NDGA to have all the yearly financials audited at the end of each financial year. If this procedure was in place, the above irregularities would not have occurred. I understand the NHDLGA employ Cutcher & Neale as their auditor. This was put out to tender and Cutcher & Neale was chosen as the most efficient and at a very reasonable price. NHDLGA paid approximately \$1,400.00 to have their accounts audited this year.

Philip Davies
Treasurer
NDGA

Newcastle District Golf Association Inc.

22/08/2017 1:28 PM

Register: Office Furniture & Equipment

From 01/05/2005 through 22/08/2017

Sorted by: Date, Type, Number/Ref

Date	Ref.	Payee	Account	Memo	Decrease	C	Increase	Balance
01/05/2005			Opening Bal Equity			X	24,333.85	24,333.85
04/09/2008	625804	Website Expressions Pty Ltd	Greater Bank Current [split]	Account Opening Bala...			5,988.00	30,321.85
18/04/2017		Storage King	Accounts Payable [split]				22.73	30,344.58
18/04/2017		Storage King	Accounts Payable				189.00	30,533.58
18/05/2017		Storage King	Accounts Payable [split]				101.82	30,635.40

Newcastle District Golf Association Inc.

22/08/2017 1:27 PM

Register: Opening Bal Equity

From 30/04/2005 through 22/08/2017

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Increase	C	Decrease	Balance
30/04/2005			Greater Bank Current	Account Opening Bala...	68,463.94			68,463.94
30/04/2005			Greater Building Society	Account Opening Bala...	13,788.49			82,252.43
01/05/2005			Office Furniture & Equipment	Account Opening Bala...	24,333.85			106,586.28
01/05/2005	1		Tax Payable				2,473.11	104,113.17
30/09/2005	2		Greater Bank Current	Balance Adjustment			0.01	104,113.16
30/11/2005	3		Greater Bank Current	Balance Adjustment			0.01	104,113.17
30/11/2009	5		Greater Bank Current	Balance Adjustment			240.00	103,873.17
31/12/2009	6		Greater Bank Current	Balance Adjustment			240.00	104,113.17
26/08/2015			Greater Bank Investment Account	Account Opening Bala...	29,937.02			134,050.19