

SOCIETY FOR CREATIVE
ANACHRONISM LTD (AU)
TREASURERS REPORT 2014

*Kingdom of
Lochac*

Contents

Financial Status of the Society for Creative Anachronism.....	2
Audit Requirements.....	3
Notes on Reading the Financial Statements for 2014.....	4
Accuracy of Reports.....	4
Revision of 2013 Financials – Resulting in a Qualification on Audit.....	4
Idiosyncrasies of the SCA Ltd.....	4
Income Reporting.....	5
GST Reporting.....	5
Event Insurance and Kingdom Levies.....	6
Corporate Financials**.....	6
Kingdom Financials**.....	6
Financial Issues effecting the SCA in 2014.....	7
Australian Charities and Not-for-Profit Commission (ACNC) legislation Changes.....	7
Financial Policy.....	7
Conclusion.....	7
Profit & Loss.....	8
Balance Sheet.....	10
Branch Profit and Loss.....	12
Income Tax Assessment Review.....	13
Audit Documentation.....	17

Financial Status of the Society for Creative Anachronism

This year has been an enormous year in the progression of the SCA Ltd towards its ability to pass ASIC Audit requirements and saw the implementation of Xero as the official Australian accounting package. 23 active Branches, 4 closed branches and 38 bank accounts – including those closed during 2014, 1 Pay Pal and Try booking Account for the 2014 financial year were entered into the new accounting package – for some branches this required them to report in both the old excel spreadsheets and Xero once training had been completed for two quarters.

From August Branches were selectively trained via Skype, phone calls and in person to use the new accounting package. Rowany was the first branch to enter Xero with St Florians being the last. Initial entrants helped refine the training and usage of Xero for successive branches. It was a massive task that our Reeves took on with dedication and enthusiasm.

On the 15th of February the first ever consolidated Profit and Loss for the SCA Ltd from an accounting package was produced. A hard close of SCA Ltd account files was carried out on the 22nd of February 2015 to enable submission of data to the Auditor.

Last year the Auditor advised “there is nothing here we can audit”. This Year the SCA Ltd was able to present to the auditor financials that met Australian Accounting Standards and provided the level of detail required. This could not have happened without the monumental efforts of the following Reeves who were responsible for the transition of their branches to Xero;

- Abertridwr – Simone Watkins
- Adora - Jennie Whyburn
- Agaricus - Agaricus
- Aneala – Roni Gores
- Bordescros – Julie Wills
- Burnfield – Anita McGovern
- Cairnfel – Daniel Blackburn
- Dismal Fogs – Mat Horam
- Dragons Bay – Phil Black
- Innilgard – Kathryn Bird
- Kingdom of Lochac – Jenny Anderson
- Krae Glas – Jason
- Lightwood – Angela Garth
- Mordenvale – Tim Moore
- Okewaite – Gretchen Alt –Cooper
- Politarchopolis – Tim Liersch
- Riverhaven – Kathy
- Rowany – Chris Colefax
- St Florian’s – Tina Swindles
- Stowe on Wold – Kimberly Mills
- Stegby – Paul Drummond
- Stormhold – Laura Isleman

- Torylon – Terry and Lyn Rudd
- Vallon D’Or – Shelly Gardner
- Ynys Fawr – Betty North

In addition the following Members Volunteered their time assisting in helping deal with the many accounting questions, tedious data entry, and responsibilities of the SCA Ltd during the role out of Xero, and their expertise was greatly appreciated.

- Rebecca Garnsey - Auditor
- Julie Willis – Accountant
- Kathryn Bird – Accountant
- Elizabeth Elliot – Deputy Treasurer
- Tim Moore – Incoming Exchequer
- Adam Blower – Mundane Life Manager & Partner.

The position of Corporate Treasurer was held by Myself Sandra Watkins for the 2014 financial Year.

2013 saw 27 reporting entities to Corporate, during the course of the year the following two branches were closed or disbanded.

- Agaricus – Funds distributed to Rowany, Stowe and Adora.
- Willoughby Vale – funds transferred to Riverhaven

A consolidated profit of \$61,871 was made by the SCA Ltd AU. There is combined cash at hand open Balance of \$351,765 with a closing balance of \$398,981.

I have no reservation in stating the Society of Creative Anachronism is capable of meeting all its current financial obligations.

Audit Requirements

There are different financial and reporting obligations on companies based on Annual Revenue. The SCA Ltd this year fell within the Medium business entity with revenue between \$250,000 and \$1M. Medium business is only required to undergo a Review. The year before a company is expected to breach \$1M in profit they are required to undergo a full Audit. The SCA Ltd has implemented policy and procedure that is consistent with the need to pass an Audit, as the required changes at branch level would require significant time and training to ensure that an audit could be conducted without significant qualifications. It is anticipated that the SCA Ltd would be required to undergo a full audit within the next 3 to 4 years.

The SCA Ltd should not become complacent that its current policy, procedure and branch reporting is consistent with being able to obtain an unqualified audit result – it is not and significant education of all members will be required to ensure that when the time comes for an Audit we are compliant on all fronts.

The Audit requirements for 2014 were again conducted by Butler Settineri. A qualified Review was presented. Explanations as to the qualification are provided later in this report.

Notes on Reading the Financial Statements for 2014

The Profit and Loss and Balance Sheet for the SCA Ltd are not recognised as official documents unless they are signed by the Corporate Treasurer or officially form part of Auditors documentation. These reports should be read in conjunction with the following notes.

Accuracy of Reports

This is the first year that an accounting package has ever been used. There was a very limited time frame for implementation and training. It should also be remembered that many of the Reeves have little or no accounting experience and some also struggled with the use of computer technology. As such mistakes could – and have been made. Errors discovered after the hard close will be rectified using journals as of the 1st of January 2015. This will have a flow on effect to 2015 reports but the variances created will be minimal and as such would likely be seen as acceptable to the Auditor next year.

Revision of 2013 Financials – Resulting in a Qualification on Audit

Due to inaccuracies of 2013 Financials identified as material by the auditor it was necessary to revise the 2013 financials. These inaccuracies were due to the following reasons;

- Assets that existed in the branches for 2013 values were recorded in the information provided to the auditor and were reflected on the Balance Sheet in 2013. The purchase of these assets due to pre Xero recoding process meant that they were expensed out at the point of purchase. It was felt necessary last year to reflect the value of these items in our financials. On entry to Xero the decision – in consultation with Member Accountants – was made to not reflect these balances in as depreciation would not be required.
- Try Bookings Balance of \$21 K last year were recorded on the balance sheet – however the corresponding increase in Income was not reflected on the profit and loss. Under consultation with the auditor it was deemed necessary to adjust the 2013 financials to accurately reflect the income.
- Some branch closing balances for 2013 were incorrectly recorded and deemed immaterial by the auditor however due to the restating of 2013 figures anyway it was reflected. Closing balances on three accounts did not match the Bank Audit results – steps have been taken to ensure that this no longer occurs.

Idiosyncrasies of the SCA Ltd

- The SCA Ltd has two subscriptions to Xero – one holding the branches and one holding Corporate, Kingdom and Rowany. At the end of 2014 the trial balance from the Branches package was journaled into the Corporate Package to create a consolidated picture – as such it is not possible this year to produce quarterly consolidated reports due to the time required to achieve this. It is however possible to produce individual quarterly reports at a branch level. In 2015 consolidated results will be able to be produced at the end of each quarter.
- The SCA Ltd runs on Volunteers and usually ones that are more enthusiastic than knowledgeable, especially for matters financially related. As such many decisions as to how things would be dealt with in Xero was related to “ease of use” for our members. These included the following decisions
 - Insurance prepayments have been recorded in a lump sum as the invoice has been received and not expensed out over the term of the policy. The value of the Insurance policy is small and therefore acceptable to the Auditor.

- Cash based reporting system rather than accrual has been utilised – revenue and expenses are acknowledged at the point they leave or enter the bank account. The exception to this is Rowany’s Try booking account – The revenue and expenses of the try booking account balance is recognised at the end of each quarter and not at the point it enters the Rowany bank account to enable accurate reporting.
- Asset depreciation is occurring in the Corporate Package and is not being recognised in any way on branch financial reports.
- Bank Balances for Branches not held in the Corporate Package have been recorded as Current Assets instead of Bank accounts – due to the inability in Xero to Journal into a bank ledger.

Income Reporting

It should be noted that some events cross financial year end – the SCA Ltd financial year is Jan to Dec. Events that crossed this will not be accurately reflecting total income collected. Additionally events that had bookings open in 2014 but will not be held to 2015 will also be affected. This is particularly noticeable in the income for Festival– income seen for Festival is the last half of 2013’s bookings and the first half of 2014’s. Moving forward accurate event profit and loss reports will be possible as both years’ data will be present.

Events that had a Net Revenue of over \$5,000 were given their own income ledger; all other event income was recorded under “General Event Income”

GST Reporting

The Integrated Client Account Shows a credit balance of \$19,980.79 as of the 31st of December. A decision was made by the Board not to lodge BAS statements for the last three quarters to enable the Treasurer to concentrate on the rollout of Xero. The ATO was advised that the SCA Ltd would not be lodging returns for the remaining three quarters till 2015 and concentrating on implementing an accounting package that provided more accurate reporting.

Payments were made in anticipation of the amounts owing as follows – under the advisement of the ATO

- 16th of July 2014 \$5,928
- 14th of August 2014 \$10,00
- 10th of November 2014 \$10,00

BAS Lodgement:

- Q1 BAS Lodged on the 15th of July 2014 \$5928
- Q2 BAS Lodged on the 24th of Jan 2015 \$4534
- Q3 BAS Lodged on the 24th of Jan 2015 \$3157
- Q4 BAS Lodged on the 30th of March 2015 \$-438
(including 2014 period corrections)

Fines received as a result of the late lodgement at this point total

- \$510 Period end 30th of September
- \$850 Period end 30th June

There will also be one for the late payment of December BAS. Application to the ATO has been made to have these fines reversed – outcome is pending.

The remaining credit will be picked up with the lodgement of Quarter 4 BAS.

The implementation of Xero also showed significant reductions from last financial year in comparison to this year – even with an increase in profit. This was as a result of more accurate recording of income and expenses.

The process of calculating branch reporting obligations was made significantly easier with the implementation of Xero and now takes Reeves a few minutes, in comparison to previous manual calculations that were often incorrect due to lack of understanding by the Reeves. BAS lodgement was also made significantly easier and less time consuming for the Corporate Treasurer to calculate and lodge.

Event Insurance and Kingdom Levies

Event insurance and Kingdom Levy insurance is inaccurate as per presented financial reports. Due to training issues, and a need to change the way they were reported mid implementation in Xero as implications on reporting were discovered. The total income reported does not vary however in some branches this has not been recorded in the correct income code and is not accurately recording the amounts owed to both Kingdom and Corporate. Where possible Journals to correct the figures were made as of the 31st of December 2014, however not all branches could be corrected due to the timeframes dictated by Audit requirements. Training via the Reeve lists was provided to correct this reporting error in Feb 2015 and ongoing checks are being performed. This will have implications reporting to the Insurance Company to accurately represent collections of Event Membership Levies. Checks against event reporting will be conducted to ensure that accurate figures are reported to ANON, and any relevant journals to correct reporting processed as of the 1st of January 2015.

Corporate Financials**

Financials of the Corporate Entity of the SCA Ltd need to be read with Caution. Based on a Corporate only P&L, a loss is showing, This is not an accurate representation of the real picture. Event insurance is collected by the branches and transferred to corporate to pass onto the insurance company. The income of this money is reported at a branch level, however the associated expense is showing in the corporate ledger. Money transferring between branches and corporate is only reflected as an increase and decrease in the relevant bank accounts.

Kingdom Financials**

Kingdom Financial also need to be read with caution. All of Kingdoms “Income” is not generated externally to the SCA Ltd as is Branch income. The Kingdoms spending money is generated from Event Profit Share and Kingdom Levies. Due to the nature of reporting requirements in an accounting package this is seen as “intra Company transfers” and is in reality just moving money from one bank account to another. The income has been recorded at the point it entered the branch bank account, and appropriate GST paid at this point. For this reason The Kingdom Financials do not report any revenue. The revenue generated by Kingdom Levies can be seen as Kingdom Levy in the P&L as is the total takings for each Crown event. Kingdom receives half of all **profit** made not income. Additional reports from Xero can be generated to produce Event profit and Loss details.

It should be noted that Income from Kingdom levies this year is being reported after the GST has been removed – and this is why it is not showing as a whole figure. Next year this will be rectified as the actual cost to a branch of a Kingdom Levy is \$1.09.

Donations associated from Branches and the members of Lochac for the Crown Recontend in May were deposited into the Donations account and transferred to the Kingdom account and as such they also do not appear in Kingdoms Income.

Financial Issues effecting the SCA in 2014

Australian Charities and Not-for-Profit Commission (ACNC) legislation Changes

In August 2014 a bill was before Parliament to abolish the ACNC. The SCA Ltd reports utilising ACNC regulations. The bill is under appeal and as such the ACNC still exist and we were required to report as normal. If the ACNC is abolished it may impact other legislation and as such the regulations we report under. Butler Settineri has advised that if these changes occur we will be notified of any impact it may have on our reporting obligations.

Financial Policy

2014 provided several opportunities that found our internal policy for managing finances wanting. Due to the need to concentrate on the implementation of Xero updating of Policy was placed on the backburner for attention in 2015. The following items were identified as wanting or lacking in financial Policy and procedure;

- Lease, Rental and other Financial Agreements
- Theft and Fraud handling
- Cash Handling responsibilities
- Use of SCA funds for Prizes
- Electronic Banking and Cash authorisation limits
- Try Bookings
- Reporting Deadlines for Reeves are not compatible with those required by the ATO
- Financial Suspension procedure for Branches
- Personal Gain and Non Profit Entities
- Small Branch and Separation of responsibilities

Conclusion

This year was a very difficult year for the SCA Ltd financially. The hard work has now been completed and the structure in place to move forward with ease. Once Financial policy has been amended to deal with the shortfalls identified then SCA Ltd will be in the best possible position to ensure compliance with full Audit Requirements.

Profit & Loss

Society for Creative Anachronism Ltd
1 January 2014 to 31 December 2014

Income

Contributing Membership	\$425.41
CROWN EVENT : 12th Night	\$9,877.31
CROWN EVENT : May Crown	\$8,942.69
CROWN EVENT : Midwinter	\$9,188.05
CROWN EVENT : November Crown	\$6,495.91
Demos & Appearances	\$5,177.68
Donations	\$23,795.67
EVENT - Fields of Gold	\$10,949.99
EVENT : Great Southern Gathering	\$5,234.12
EVENT : Rowany Festival	\$125,976.65
Event Insurance	\$8,703.00
EVENT: Border War	\$6,526.35
EVENT: Great Northern War	\$16,565.21
EVENT: General	\$73,445.42
EVENT: Spring War	\$20,671.98
Grants and Sponsorship	\$1,415.09
Hall Hire Income	\$1,616.08
Insurance Claims	\$415.00
Interest - Received	\$1,208.91
Kingdom Levies	\$4,473.46
Promotional Materials	\$14.55
Sale of Goods	\$14,653.15
Sale of Memorabilia and Souvenirs	\$251.82
Standard Membership with Pegasus	\$54.54
Standard Memberships	\$29,393.05
Total Income	\$410,187.70

Gross Profit	\$410,187.70
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Less Operating Expenses

Accounting and Auditing Fees	\$7,172.85
Advertising	\$1,355.67
Bad Debt	\$106.55
Bank Fees and Charges	\$4,451.92
Club Room Amenities	\$1,190.09
Computer - Software - IT - Hardware - Web Pages	\$1,865.92
Consumables	\$3,207.10
Depreciation	\$651.00
Donations - Expenses	\$1,529.29
Equipment - Archery	\$5,709.55
Equipment - Arts and Sciences	\$1,045.11
Equipment - Heavy	\$2,432.74
Equipment - Rapier	\$639.43

Equipment - General	\$3,930.08
EVENT - Consumables	\$20,257.31
EVENT - Contractors - Cleaners - Caterers	\$4,104.51
EVENT - Decorations	\$1,649.67
EVENT - Equipment Hire	\$37,475.62
EVENT - Travel Expenses - Airfares - Shuttle Hire	\$1,973.90
EVENT- Souvenirs	\$383.64
EVENT- tokens, awards prizes	\$2,669.83
EVENT: Food & Drink	\$9,892.74
EVENT: Food and Drink - GST FREE	\$46,986.38
EVENT: Hall and Ground Hire	\$101,486.56
External Teachers	\$1,737.31
Feast Equipment	\$1,581.18
Fees and Payments	\$4,752.60
Funds to New Zealand	\$10,000.00
Hall or Grounds Hire	\$10,180.81
HELP - I don't know how to code this	-\$48.17
Insurance	\$21,831.23
Interest Expenses	-\$1.09
KINGDOM - Crown Travel Fund	\$6,740.38
KINGDOM - Regalia	\$2,194.33
KINGDOM - Scribes	\$995.50
KINGDOM - Stronger Kingdom Fund	\$500.00
KINGDOM –Recontend Travel Expenses	\$2,736.24
Leases - Sub Leases - Rent	\$4,237.70
Library	\$29.09
Maintenance and Repair	\$1,536.40
Membership Costs	\$511.38
Pegasus Printing and Postage	\$966.43
Postage	\$1,205.57
Regular Activities	\$531.61
Stamp Duty	\$1,242.42
Stationary - Printing - Newsletters	\$1,507.38
Storage	\$8,446.64
Utilities	\$2,133.67
Vehicle and Trailer expenses	\$600.19
Total Operating Expenses	\$348,316.26

Net Profit	\$61,871.44
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Balance Sheet

Society for Creative Anachronism Ltd

As at 31 December 2014

Assets

Bank

Bacchus Wood	\$0.99
Corporate	\$38,660.43
Donations Bank Account	\$587.02
Kingdom	\$25,439.33
Pay Pal Corporate	\$5,478.99
Rowany	\$68,536.94
Stock Clerk	\$2,860.74
Total Bank	\$141,564.44

Current Assets

Abertridwr Bank Account	\$2,798.74
Abertridwr Pencampwr Bank Account	\$11,067.79
Adora Bank Account	\$3,341.80
Aneala - Cash Advances and Floats	\$1,850.00
Aneala Bank Account	\$18,388.18
Bordescros Bank Account	\$4,797.59
Burnfield Bank Account	\$3,401.38
Cairnfell Bank Account	\$1,029.81
Cairnfell Petty Cash	-\$274.25
Dismal Fogs - Cash Advances and Floats	-\$408.00
Dismal Fogs 2 Bank Account	\$982.25
Dismal Fogs Bank Account	\$3,228.83
Dragons Bay - Cash Advances and Floats	\$200.00
Dragons Bay Bank Account	\$3,809.71
Equipment at Cost	\$2,816.02
Innilgard - Cash Advances and Floats	\$300.10
Innilgard 2 Bank Account	\$9,614.71
Innilgard Bank Account	\$1,225.59
Krae Glas - Cash Advances and Floats	\$470.59
Krae Glas 2 Bank Account	\$10,386.94
Krae Glas Bank Account	\$2,513.49
Laurel Bank Account	\$977.41
Lightwood Bank Account	\$1,133.70
Lightwood Petty Cash	\$50.00
Mordenvale Bank Account	\$23,927.10
Okewaite Bank Account	\$2,282.16
Politarhropolis - Cash Advances and Floats	\$6,950.00
Politarhropolis Bank Account	\$17,841.49
Riverhaven - Cash Advances and Floats	\$85.05
Riverhaven Bank Account	\$15,002.82
Rowany - Cash Advances and Floats	\$937.88
St Florian's 2 Bank Account	\$70.00

St Florian's Bank Account	\$16,875.04
St Florian's Cash Advances and Floats	\$127.00
STE - Cash Advances and Floats	\$450.00
Stegby Bank Account	\$2,616.42
Stegby Petty Cash	\$100.00
Stock Clerk - Stock on Hand	-\$291.36
Stormhold 2 Bank Account	\$5,720.63
Stormhold Bank Account	\$10,342.54
Stormhold- Cash Advances and Floats	\$430.00
Stowe on Wold Bank Account	\$12,416.77
Torlyon Bank Account	\$2,649.08
Try Booking - Rowany	\$34,208.09
Willoughby Vale Bank Account	\$1,365.33
Ynys Fawr 2 Bank Account	\$4,202.41
Ynys Fawr Bank Account	\$4,431.68
Total Current Assets	\$246,442.51
<hr/>	
Total Assets	\$388,006.95
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Liabilities	
Current Liabilities	
Chronicler - Credit Card	-\$500.00
GST	\$7,104.81
Integrated Client Account	-\$19,980.79
Pre-Paid Card - Xero Payments	-\$31.12
Rounding	-\$0.15
Total Current Liabilities	-\$13,407.25
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Non-Current Liabilities	
Branch Event Insurance Holding Account	-\$80.00
Pre 2014 Balances	-\$302.99
Total Non-Current Liabilities	-\$382.99
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Total Liabilities	-\$13,790.24
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Net Assets	\$401,797.19
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Equity	
Current Year Earnings	\$61,871.44
Retained Earnings	\$339,925.75
Total Equity	\$401,797.19
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Branch Profit and Loss

** Corporate and Kingdom values should be read in consultation with indicated notes.

Branch	Profit or Loss	Branch	Profit or Loss
Abertridwr	\$3,324.07	Mordenvale	\$1,705.82
Adora	\$715.33	Okewaite	\$501.36
Agaricus	\$5.58	Politarchopolis	\$13,490.53
Aneala	\$4,072.91	Riverhaven	\$4,753.57
Bordescros	\$1,756.06	Rowany	\$38,305.39
Burnfield	\$544.75	St Florian's	\$810.53
Cairnfell	\$267.42	Stegby	\$2,052.63
**Corporate	\$5,120.60	Stormhold	\$4,129.04
Dismal Fogs	\$2,117.42	Stowe on Wold	\$5,218.18
Dragons Bay	\$229.91	Torlyon	\$3,699.19
Donations	\$815.24	Vallon D'Or	\$581.55
Innilgard	\$1,603.06	Willoughby Vale	\$133.66
**Kingdom	\$21,980.29	Ynys Fawr	\$3,697.45
Krae Glas	\$66.03	Closed Branches	\$15.65
Lightwood	\$954.09		



Income tax status review worksheet for self-assessing non-profit organisations

This worksheet helps non-profit organisations self-assess their income tax status as either income tax exempt or taxable.

WHO SHOULD USE THIS WORKSHEET?

Non-profit clubs, societies and associations should use this worksheet. For example, community service organisations, professional and business associations, and cultural and social societies.

- !** This worksheet is not for any of the following:
- charities
 - friendly societies.

WHEN TO USE THIS WORKSHEET

Use this worksheet if you want to review your organisation's income tax status.

We recommend non-profit organisations review their status:

- on an annual basis
- when there is a major change in your organisation's structure or operations.

WHAT YOU NEED

- Your organisation's constituent or governing documents – for example, the constitution, rules, memorandum and articles of association.
- Information about your organisation's activities, finances, plans, advertisements and history.
- Access to information on our website at ato.gov.au – the quick codes (QC) provided in the worksheet will help you find the information you need using the search function.

HOW TO COMPLETE THE WORKSHEET

- Download a copy of the worksheet to your computer and check that you can save information in the worksheet, or print it and complete a paper copy.
- Place **X** in **all** applicable boxes.
- After answering a question, go to the next question unless directed otherwise.
- Use the 'Notes' boxes to record information about that question, including any follow-up action you need to take.

! If you cannot save a completed copy of this worksheet, print a copy before closing the worksheet.

WHEN YOU HAVE COMPLETED THE WORKSHEET

- Submit it to your Board or Committee for their approval.
- Keep the completed worksheet with your organisation's other records – it shows why and how you worked out your organisation's income tax status and helps future office bearers.

! Do not send the completed worksheet to us.

Section A: Organisation details

1 Full name of the organisation

Society for Creative Anachronism

2 Australian business number (ABN) (if applicable)

13 117 403 648

3 Period of review

Day Month Year to Day Month Year
01 / 01 / 2015 to 31 / 12 / 2015

4 Reason for the income tax status review

Annual review

Change in the organisation's circumstances

Other Provide details

Section B: **Charity**

5 Is your organisation a registered charity?

➤ If you are unsure if your organisation is a charity, refer to [Is your organisation a charity?](#) (QC 16641).

No

Yes Do not continue to complete this worksheet. Your organisation cannot self-assess its income tax status. You must be registered with the Australian Not-for-profits Commission (ACNC) and endorsed by the Australian Taxation Office (ATO) to be income tax exempt.

➤ For more information about ACNC registration and ATO endorsement, refer to [Endorsement to access charity tax concessions](#) (QC 16239).

Notes

Section C: **Exempt entity**

6 Does your organisation fall within one of the types of exempt entities listed in the 'Types of income tax exempt entities'?

There are approximately 30 types of exempt entities. Entities that can self-assess their income tax status come from these broad groups:

- Community service organisations
- Cultural organisations
- Educational organisations
- Employment organisations
- Health organisations
- Resource development organisations
- Scientific organisations
- Sporting organisations

➤ For more information, refer to the 'Types of income tax exempt entities' in our [Income tax guide for non-profit organisations](#) (QC 27150).

No Your organisation is not income tax exempt. You may have to lodge income tax returns and pay income tax.

➤ For more information refer to our guide [Mutuality and taxable income](#) (QC 23099).

Yes

Notes

The Society for Creative Anachronism Ltd Has reviewed its income tax status and believes that it falls under the tax exempt entity of "Cultral Organisation" Please See attached Assesment documentation

7 Does your organisation meet all the requirements for that type of exempt entity?

Read the detailed explanation of the requirements for that exempt entity type to make sure that your organisation meets them.

- For more information, refer to the 'Requirements for self-assessing income tax exempt entities' in our [Income tax guide for non-profit organisations](#) (QC 27150).

For many of the exempt entity types, your organisation must:

- be non-profit
- pass one of three tests
- comply with all the substantive requirements in its governing rules
- apply its income and assets solely for the purpose for which it is established.

- For more information, refer to the following sections in our [Income tax guide for non-profit organisations](#) (QC 27150):
 - Non-profit requirement
 - Explanation of the three tests
 - Governing rules condition
 - Income and assets condition.

No Your organisation is not income tax exempt. You may have to lodge income tax returns and pay income tax.

- For more information refer to our guide [Mutuality and taxable income](#) (QC 23099).

Yes You have self-assessed your organisation as income tax exempt. You do not need to lodge income tax returns, unless we specifically ask you to. Complete Section D: Approval at the end of the worksheet.

Notes

Section D: Approval


Name of the person who completed the worksheet

Sandra Watkins

Position held

Director / Corporate Treasurer

Approval by Board/Committee/Trustee



Date

Day: 01 / Month: 01 / Year: 2015

Income tax Status review for self-assessing non-profit Organisations

The Society of Creative Anachronism Ltd (SCA) has reviewed its income tax status and believes that it falls under the tax exempt entity of "Cultural Organisations".

Cultural Organisations – Assessment Checklist

1. The SCA Ltd is a self-assessed not for profit organisation. The Constitution of the Society for Creative Anachronism Ltd, contains clauses reflecting the ATO requirements for Not for Profit Status as of the 1/1/2013.
2. The SCA Ltd is established for the Encouragement of Art – Specifically pre 1600 History. Including but not limited to:
 - I. Fighter or dance practises in which participants learn the medieval arts of combat or dance.
 - II. "A&S nights" in which members collect to undertake individual medieval art projects, generally with one-on-one mentoring in a craft or more formal classes in medieval arts.
 - III. Events - in which attendees dress in medieval clothes and participate in medieval activities such as combat, dance and music, arts, eating medieval food.
 - IV. Special interest groups devoted to the furtherance of a particular medieval art- e.g. a choir, a calligraphy group, a sewing group, a cooking group, a brewing group, a woodwork group - all undertaking attempts at medieval arts and crafts.
 - V. Classes - in which a formal class instructing in a topic related to medieval life is held
 - VI. The SCA encourages training, performing, displaying, studying, judging, critiquing and providing information on pre 1600 history and arts.
3. The SCA Ltd is not a Charity.
4. The SCA Ltd meets at least one of the three tests required by the ATO specifically: Physical presence in Australia Test
 - I. The SCA Ltd has a physical presence in Australia.
 - II. The SCA Ltd pursues its objectives and incurs its expenditure principally in Australia.

MvdM : NA
SCAL01

30 March 2015

The Directors
The Society for Creative Anachronism Ltd
3 Argus Way
SUCCESS WA 6164

Dear Sirs,

THE SOCIETY FOR CREATIVE ANACHRONISM LTD

We wish to advise that we have completed the review of the above mentioned company for the year ended 31 December 2014.

The Australian Auditing Standards require auditors to communicate with those charged with governance as a means of advising the Board of Directors of any matters noted during the course of the audit.

Our audit work involves the review of only those systems and controls adopted by the Board of Directors upon which we wish to rely for the purposes of determining our audit procedures. Furthermore, our audit should not be relied upon to disclose defalcations or other similar irregularities, although their disclosure, if they exist, may well result from the audit tests we undertake. While we have considered the control environment in accordance with Australian Auditing Standards, we have not tested controls and hence do not comment on whether systems and controls are operating effectively.

We appreciate that due to the nature and size of the company, the Board of Directors oversees all the functions within the company, however there is an inherent risk of a lack of segregation of duties within the general financial administrative process and we recommend that this should be continually considered by the Board of Directors in designing compensating controls.

We advise that we have not encountered any significant matters during the course of our audit that we believe should be brought to your attention other than the following:

Qualification on the prior year balances

The comparative balances (2013) were restated following the adoption of an accounting system by the company during the 2014 year. However due to the absence of appropriate and accurate underlying accounting records in the 2013 year, limited information was available to prepare a relevant and accurate financial report. As a result, we included a qualification in the review report in relation to the comparative balances which might have an impact on the current year financial performance.

We appreciate the work and effort put in by the board of directors and members of the company into the successful implementation of the accounting system in place.

Discrepancies in the bank balances

During the audit, we noted several discrepancies in the bank balances between the bank confirmation obtained and the balances in Xero. We also noted several bank accounts which was closed during the year have debit balances in Xero. We suggest that the bank account listing and bank reconciliations to be performed and reviewed regularly as part of the fundamental internal control of the company.

Should you have any questions please do not hesitate to contact me.

Yours sincerely
BUTLER SETTINERI (AUDIT) PTY LTD



MARIUS VAN DER MERWE CA
Director

THE SOCIETY FOR CREATIVE ANACHRONISM LTD
ABN 13 117 403 648

Annual Report - 31 December 2014

The Society for Creative Anachronism Ltd
Financial report
31 December 2014

Contents

	Page
Directors' report	3
Auditor's independence declaration	4
Statement of profit or loss and other comprehensive income	5
Statement of financial position	6
Statement of changes in equity	7
Statement of cash flows	8
Notes to the financial statements	9
Directors' declaration	12
Independent auditor's review report to the members of The Society for Creative Anachronism Ltd	13

General information

The financial report covers The Society for Creative Anachronism Ltd ('Company') as an individual entity. The financial report is presented in Australian dollars, which is the Company's functional and presentation currency.

The financial report consists of the financial statements, notes to the financial statements and the Directors' declaration.

The Society for Creative Anachronism Ltd is a not-for-profit unlisted public company limited by guarantee.

The financial report was authorised for issue, in accordance with a resolution of Directors, on 30 March 2015. The Directors have the power to amend and reissue the financial report.

The Society for Creative Anachronism Ltd
Directors' report
31 December 2014

The Directors present their report, together with the financial statements, on the Company for the year ended 31 December 2014.

Directors

The following persons were Directors of the Company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Tiffany Brown (resigned 5 December 2014)
Louise Hollingbery (resigned 12 September 2014)
Laurence Cooke (resigned 23 May 2014)

Jeff Nicholson
Donna Page
Sandra Watkins
Michele Le Bas (appointed 13 October 2014)

Principal activities

The Company is affiliated internationally with an organisation devoted to the research and re-creation of pre-seventeenth century life encouraging its participants to employ knowledge of history to enrich their lives and the lives of others through events demonstrations and other educational venues.

Meetings of directors

The number of meetings of the Company's Board of Directors ('the Board') and of each board committee held during the year ended 31 December 2014, and the number of meetings attended by each Director were:

	Attended	Eligible
Tiffany Brown	12	13
Louise Hollingbery	7	9
Laurence Cooke	5	5
Sandra Watkins	12	13
Jeff Nicholson	13	13
Donna Page	11	13
Michele Le Bas	2	2

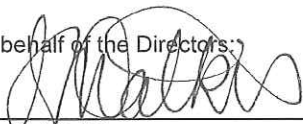
Eligible: represents the number of meetings held during the time the Director held office.

Auditor's independence declaration


A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Directors:



Sandra Watkins
Director


 March 2015
Perth

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of The Society for Creative Anachronism Ltd (a company limited by guarantee) for the year ended 31 December 2014, I declare that, to the best of my knowledge and belief, there have been:

- a) No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- b) No contraventions of any applicable code of professional conduct in relation to the review.

BUTLER SETTINERI (AUDIT) PTY LTD
Registered Company Auditor 289109



MARIUS VAN DER MERWE CA
Director

Perth

Date: 30 March 2015

The Society for Creative Anachronism Ltd
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2014

	Note	2014 \$	2013 \$
Revenue			
Event income		293,873	360,977
Non-event income		59,770	54,862
Membership fees		31,288	26,756
Donations		23,796	9,080
Other income		251	277
Interest received		1,209	722
Total revenue		<u>410,187</u>	<u>452,674</u>
Expenses			
Affiliation fees		511	4,107
Depreciation expense		651	-
Event expenses		226,832	258,058
Insurance		21,831	15,930
Non-event expenses		82,707	91,959
Royal travel fund		13,166	4,697
Other expenses		2,618	10,711
Total expenses		<u>348,316</u>	<u>385,462</u>
Surplus before income tax expense		61,871	67,212
Income tax expense		<u>-</u>	<u>-</u>
Surplus after income tax expense for the year attributable to the members of The Society for Creative Anachronism Ltd	5	61,871	67,212
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
Total comprehensive income for the year attributable to the members of The Society for Creative Anachronism Ltd		<u>61,871</u>	<u>67,212</u>

The statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes to these financial statements.

The Society for Creative Anachronism Ltd
Statement of financial position
As at 31 December 2014

	Note	2014 \$	2013 \$
Assets			
Current assets			
Cash and cash equivalents	2	351,514	330,161
Trade and other receivables	3	34,288	21,604
GST Receivable		13,179	-
Total current assets		<u>398,981</u>	<u>351,765</u>
Non-current assets			
Property, plant and equipment	4	2,816	-
Total non-current assets		<u>2,816</u>	<u>-</u>
Total assets		<u>401,797</u>	<u>351,765</u>
Liabilities			
GST Payable		-	11,839
Total current liabilities		<u>-</u>	<u>11,839</u>
Total liabilities		<u>-</u>	<u>11,839</u>
Net assets		<u>401,797</u>	<u>339,926</u>
Equity			
Retained surpluses	5	401,797	339,926
Total equity		<u>401,797</u>	<u>339,926</u>

The statement of financial position should be read in conjunction with the accompanying notes to these financial statements.

The Society for Creative Anachronism Ltd
Statement of changes in equity
For the year ended 31 December 2014

	Retained surpluses	Total equity
	\$	\$
Balance at 1 January 2013	272,714	272,714
Surplus after income tax expense for the year	67,212	67,212
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	<u>67,212</u>	<u>67,212</u>
Balance at 31 December 2013	<u>339,926</u>	<u>339,926</u>
Surplus after income tax expense for the year	61,871	61,871
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	<u>61,871</u>	<u>61,871</u>
Balance at 31 December 2014	<u>401,797</u>	<u>401,797</u>

The statement of changes in equity should be read in conjunction with the accompanying notes to these financial statements.

The Society for Creative Anachronism Ltd
Statement of cash flows
For the year ended 31 December 2014

	Note	2014 \$	2013 \$
Cash flows from operating activities			
Event income received		281,189	339,373
Non-event income received		59,770	54,862
Membership fees received		31,288	26,756
Donations received		23,796	9,080
Payments to suppliers and employees		(372,683)	(373,623)
Interest received		1,209	722
Other income received		251	277
		<u>24,820</u>	<u>57,447</u>
Net cash from operating activities			
Cash flows from investing activities			
Payments for property, plant and equipment	4	<u>(3,467)</u>	-
		<u>(3,467)</u>	-
Net cash used in investing activities			
Net increase in cash and cash equivalents		21,353	57,447
Cash and cash equivalents at the beginning of the financial year		<u>330,161</u>	<u>272,714</u>
Cash and cash equivalents at the end of the financial year	2	<u>351,514</u>	<u>330,161</u>

The statement of cash flows should be read in conjunction with the accompanying notes to these financial statements.

The Society for Creative Anachronism Ltd
Notes to the financial statements
31 December 2014

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted

The Company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any significant impact on the accounting policies of the Company from the adoption of these Accounting Standards and Interpretations are disclosed below. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

All income is recognised on a cash basis when received, except for event revenue processed by external parties.

Income tax

The Company is exempt from paying income tax.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Other receivables are recognised at amortised cost, less any provision for impairment.

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives. All non-current assets have been assessed with a 5-10 year useful life.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Restatement of comparative information

The comparative information has been restated upon the discovery of material prior period errors.

The Society for Creative Anachronism Ltd
Notes to the financial statements
31 December 2014

Note 2. Current assets – cash at bank

	2014	2013
	\$	\$
Cash at bank	351,514	330,161

Note 3. Current assets – Trade and other receivables

Trade receivable	34,288	21,604
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Note 4. Non-current assets - property, plant and equipment

	2014	2013
	\$	\$
Plant and equipment - at cost	3,467	-
Less: accumulated depreciation	(651)	-
	<u>2,816</u>	<u>-</u>

Details of the company's property, plant and equipment and its carrying amount is as follows

	2014	2013
	\$	\$
Balance at 1 January	-	-
Additions	3,467	-
Depreciation Expense	(651)	-
Balance at 31 December	<u>2,816</u>	<u>-</u>

Note 5. Equity - retained surpluses

	2014	2013
	\$	\$
Retained surpluses at the beginning of the financial year	339,926	272,714
Surplus after income tax expense for the year	61,871	67,212
Retained surpluses at the end of the financial year	<u>401,797</u>	<u>339,926</u>

Note 6. Contingent liabilities

The Company had no contingent liabilities as at 31 December 2014 and 31 December 2013.

Note 7. Commitments

The Company had no commitments for expenditure as at 31 December 2014 and 31 December 2013.

Note 8. Related party transactions

Transactions with related parties

There were no transactions with related parties during the current and previous financial year.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

The Society for Creative Anachronism Ltd
Notes to the financial statements
31 December 2014

Note 9. Events after the reporting period

No matter or circumstance has arisen since 31 December 2014 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

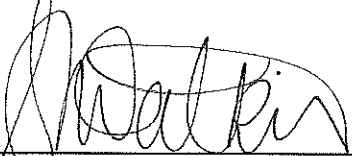
The Society for Creative Anachronism Ltd
Directors' declaration

In the Directors' opinion:

- the attached financial statements and notes thereto comply with the Corporations Act 2001, the Australian Accounting Standards - Reduced Disclosure Requirements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto give a true and fair view of the Company's financial position as at 31 December 2014 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Directors



Sandra Watkins
Director

30 March 2015
Perth

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF THE SOCIETY OF CREATIVE ANACHRONISM LTD

Report on the financial report

We have reviewed the accompanying financial report of The Society Of Creative Anachronism Ltd (a company limited by guarantee) ("the company") which comprises the statement of financial position as at 31 December 2014, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes comprising a statement of significant accounting policies and other selected explanatory notes and the directors' declaration.

Directors' responsibility for the financial report

The directors are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2400 *Review of a Financial Report Performed by an Assurance Practitioner Who is Not the Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2014 and its performance for the year ended on that date; and complying with the *Corporations Regulations 2001*.

A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain the assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Basis for Qualified Conclusion

The comparative balances (2013) were restated following the adoption of an accounting system by the company during the 2014 year.

However due to the absence of appropriate and accurate underlying accounting records in the 2013 year, limited information was available to prepare a relevant and accurate financial report.

As a result, we were unable to form an opinion that we did not become aware of any matter that made us believe that the 2013 balances were not prepared, in all material respects, in accordance with the Corporations Act 2001 including giving a true and fair view of the company's financial position as at 31 December 2013 and of its performance for the year ended on that date which might have an impact on the current year financial performance.

Conclusion

Based on our review, which is not an audit, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, we have not become aware of any matter that makes us believe that the financial report of The Society Of Creative Anachronism Ltd is not in accordance with the *Corporations Act 2001* including:

- a) giving a true and fair view of the company's financial position as at 31 December 2014 and of its performance for the year ended on that date; and
- b) complying with Australian Accounting Standards – Reduced Disclosure Requirements.

BUTLER SETTINERI (AUDIT) PTY LTD
Registered Company Auditor 289109



MARIUS VAN DER MERWE CA
Director

Perth
Date: 30 March 2015