

Riding Pony Stud Book

Society Ltd

Magazine Account

Financial statements for the  
period ended  
31 March 2009

May 2009

This report contains 8 pages

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**Income statement  
for the period ended 31 March 2009**

	<b>Note</b>	<b>2009 \$</b>
Total income	2	27,159
Total expense	3	(36,198)
<b>Net profit/(loss) for the period</b>		<u><u>(9,039)</u></u>

The income statement should be read in conjunction with the notes to and forming part of the financial statements as set out on pages 4 to 5.

## Statement of recognised income and expense for the period ended 31 March 2009

	Note	2009 \$
Transfer from former entity		10,921
Net income recognised directly in equity		-
Net profit/(loss) for the period		(9,039)
<b>Total recognised income and expense for the period</b>		<u>1,882</u>

The statement of recognised income and expense should be read in conjunction with the notes to and forming part of the financial statements as set out on pages 4 to 5.

## Balance sheet as at 31 March 2009

	Note	2009 \$
<b>Assets</b>		
Cash and cash equivalents	4	3,980
Trade and other receivables		-
<b>Total Assets</b>		<u>3,980</u>
<b>Liabilities</b>		
Trade and other liabilities	5	<u>2,098</u>
<b>Total Liabilities</b>		<u>2,098</u>
<b>Net Assets</b>		<u>1,882</u>
<b>Equity</b>		
Retained earnings		10,921
Current profit		<u>(9,039)</u>
<b>Total Equity</b>		<u>1,882</u>

The balance sheet is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 4 to 5.

## Notes to and forming part of the financial statements for the period ended 31 March 2009

### 1. Statement of significant accounting policies

Riding Pony Stud Book Society Ltd Magazine Account ("the Magazine Account") is a special interest body of the Riding Pony Stud Book Society Ltd. The legal entity was incorporated on 22 February 2008. These financial statements represent the 12 months through to 31 March 2009.

#### (a) Statement of compliance

In the opinion of the Members of the Committee, the Magazine Account is not a reporting entity. The financial reports of the Magazine Account have been drawn up as a special purpose financial report for the purpose of discharging its responsibility as a special interest body of the legal entity.

The financial report is presented in Australian Dollars.

The financial report has been prepared on an accrual basis in accordance with the historical cost convention and, except where stated, does not take into account changing money values or fair value of assets.

#### *Not-for-profit status*

Under AIFRS, there are requirements that apply specifically to not-for-profit entities that are not consistent with International Financial Reporting Standards (IFRS) requirements. The Committee has analysed its purpose, objectives and operating philosophy and determined that it does not have profit generation as a prime objective. Consequently where appropriate the Committee has elected to apply options and exemptions within AIFRS that are applicable to not-for-profit entities.

#### (b) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable net of the amount of goods and services tax (GST) payable to the Australian Taxation Office. Revenue is measured on major income categories as follows:

#### *Dividends, newcomer and state show entries*

These revenue items are recognised when they are received.

#### (c) Tax

#### *Goods and services tax*

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of the GST incurred is not recoverable from the Australian Tax Office (ATO). Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Balance Sheet.

#### *Income Tax*

The Magazine Account is exempt from income tax.

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**Notes to and forming part of the financial statements  
for the period ended 31 March 2009 (continued)**

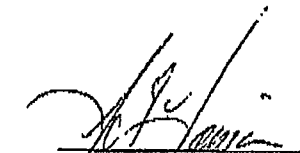
<b>2. Income</b>	<b>2009</b>
	<b>\$</b>
Revenue	
Advertising	11,082
Federal funds	14,000
Other	2,077
	<hr/>
	<b>27,159</b> <hr/>
<b>3. Expenses</b>	
Accounting and audit	420
Freight and postage	3,725
Printing and layout	14,363
Internet and website hosting	364
Office	14,498
Other	2,828
	<hr/>
	<b>36,198</b> <hr/>
<b>4. Cash and cash equivalents</b>	
Cash at bank	<hr/> <b>3,980</b> <hr/>
<b>5. Trade and other liabilities</b>	
GST payable	<hr/> <b>2,098</b> <hr/>

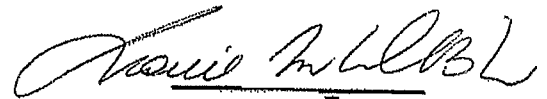
## Members of the Committee Declaration

We, the Chairman and Treasurer of Riding Pony Stud Book Society Ltd Magazine Account declare, in our opinion:

- (a) the Magazine Account is not a reporting entity,
- (b) the financial statements and notes, set out on pages 1 to 5,
  - (i) give a true and fair view of the financial position of the Magazine Account as at 31 March 2009 and of its performance for the financial period ended on that date in accordance with the accounting policies applied in note 1 to the financial report,
  - (ii) comply with Australian Accounting Standards and other mandatory professional reporting requirements to the extent described in Note 1; and
- (c) there are reasonable grounds to believe that the Magazine Account will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Committee of Management:

  
Chairman

  
Treasurer

Dated at Baculdesert this 11<sup>th</sup> day of June 2009.

## Independent auditors' report to the members of Riding Pony Stud Book Society Ltd Magazine Account

### Scope

We have audited the accompanying financial report, being a special purpose financial report, of Riding Pony Stud Book Society Ltd Magazine Account ('the Magazine Account'), which comprises the balance sheet as at 31 March 2009, and the income statement and statement of recognised income and expense for the period then ended, a summary of significant accounting policies and other explanatory notes and the Members of the Committee Declaration set out on pages 1 to 6.

### Committee members' responsibility for the financial report

The Riding Pony Stud Book Society Ltd Magazine Account members are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Riding Pony Stud Book Society Ltd Magazine Account members, as well as evaluating the overall presentation of the financial report.

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with Australian Accounting Standards requirements, a view which is consistent with our understanding of the Riding Pony Stud Book Society Ltd Magazine Account's financial position, and of its performance.

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




### **Qualification**

It is not practicable for Riding Pony Stud Book Society Ltd Magazine Account to establish accounting control over all sources of income producing activities prior to the receipt of these funds by the Magazine Account. Accordingly, it is not possible for our examination to include procedures, which extend beyond the amounts of such income, recorded in the accounting records of the Magazine Account.

### **Qualified Audit Opinion**

In our opinion, except for the above qualification, the financial report of Riding Pony Stud Book Society Ltd Magazine Account is properly drawn up, so as to present fairly in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) as applied per Note 1, and the constitution of the Riding Pony Stud Book Society Ltd Magazine Account, the financial position of the Magazine Account as at 31 March 2009 and the income statement and the statement of recognised income and expense for the period then ended.

*WHK*  
WHK Audit & Risk Assessment

  
Timothy S Frazer  
Partner

Registered Company Auditor: registered No. 273727  
Dated at Albury this 11<sup>th</sup> day of June 2009.