

New Horizons Cub Inc

Annual Report

9th November 2017

AGENDA

1. President Welcome
2. Apologies
3. Minutes from last AGM
 - a. From Minutes
4. Reports
 - a. Chairperson's Report
 - b. Manager's Report
5. Financial Report
 - a. From Financials
 - b. Nomination of Auditor
 - c. Fees for 2018
6. Election of Office Bearers
 - a. Election of 4 Director's for 2-year term
 - b. Confirmation of 3 existing directors completing their 2nd year
 - c. Public Officer
7. Nomination of Patrons - acknowledge the passing of Pieter Huveneers and his generous support to NHC
8. Close of Meeting

Olwyn Nilon		
nominated by Ruth Symons	seconded by Justin Marshall	(1 year)
Justin Marshall		
nominated by Andrew McCarthy	seconded by Belinda Kitto	(1 year)
Ruth Symons		
nominated by Olwyn Nilon	seconded by Justin Marshall	(1 year)
Scott Schilg		
nominated by Belinda Kitto	seconded by Justin Marshall	(2 year)
Rochelle Galloway		
nominated by Belinda Kitto	seconded by Ruth Symons	(2 year)
Leanne Arnott		
nominated by Darlene McLennan	seconded by Ness Wylie	(1 year)

Public Officer – incorporated into the Manager’s role once again

Nomination of Patrons

Nomination by Belinda Kitto seconded by Sue Bowen that Peter and Tess Rae and Peter Huveneers be appointed again as Patrons – passed unanimously.

Meeting closed at 7.32 pm.

New Horizons Chairpersons Report 2016/17

I am continually surprised by the activities and outcomes New Horizons Club Inc achieves with the limited funding we receive. This is in large part to the volunteers, staff and members who continue to achieve success on the sporting fields and continue the wide range of activities that New Horizons Club Inc run.

The 2016/17 year has been a challenging time for the New Horizons Club Inc with the changing funding landscape within the disability sector, the Board have been working hard behind the scenes and we are confident of the future of New Horizons Club Inc and for us to continue to provide the services we do. The Department of Health and Human Services has extended our funding until 2019 this is under the expectation we transition to the NDIS. With these funding challenges however, creates opportunities for the Club to challenge the status quo and there have been initiatives to strengthen our partnerships with AFL Tasmania and Cricket Tasmania, expanding into Hobart and trialing some additional programs early in 2019. Whilst change at the funding level may eventuate, we are cognisant of the fact that we need to ensure no change at the operational level occurs and New Horizons Club Inc continue to provide a vital link between people with disabilities and their hopes and dreams of becoming involved in activities that most people take for granted.

We have recently had the Premier of Tasmania- Will Hodgman visit the Club which provided the Club a chance to highlight the great New Horizon community, the good work and outcomes the Club achieves and the challenges we face.

Once again we have had a successful year with a number of sporting teams experiencing success on the national stage. I would especially like to thank the players, coaches and support staff that make these opportunities happen. The Club continues to punch above its weight in raising money through the main events the club runs throughout the year including the cycle challenge, the Gala Ball (which is taking a year off this year) and the Step-Up Challenge at UTAS Stadium which had a successful introduction this year. The Commonwealth Bank Grant was a major highlight for the year which allows the Club to explore the opportunity of expanding into Hobart. The Picture us all exhibition was another success and provided an opportunity to tell the stories behind the people and the club. The Art installation at the New Horizons Club House has also created public talking point and I am sure there are more people aware of New Horizons because of it.

I would like to welcome the youngest Member of the New Horizons Club Inc Florence Kitto this year and for Belinda's continued support to the Board this year. I would especially like to thank Ness & Edwina for keeping the Club running whilst Belinda was on maternity leave, without their hard work and commitment we wouldn't have been able to continue to run the activities we do from all the sports we provide and the other functions we run.

At the board level we have seen a number of resignations and additions to the board, I would like to welcome Phil Moir and Melody West who have been great additions to the Board with a wide range of experience and I'm sure they will add value to the Boards operation. I would also like to express thanks to the previous Chair- Darlene McLennan and previous board member Dominique Vittori who provided significant input and support for the Club over many years.

I would really like to thank the support we receive from the Rotary clubs, local businesses and local individuals and families that provide sponsorships, in-kind and funding. I would especially like to thank our Major Sponsor, Hudson Civil Products.

Regards,

Scott Schilg

Dear Members,

Firstly, on behalf of the Board and all our members I would like to thank Scott for his significant contribution as Chair. Moving forward we are very fortunate to have Scott's knowledge and experience to help guide us. In addition to Scott's report, I too would like to thank all of the people and supporters of the New Horizons Club.

Over the past year the Board has been working hard to identify how New Horizons Club can better organise itself to face the challenges of the future. Through the preliminary work the Board has undertaken we now have a greater clarity of where we want to be in future. Whilst the NDIS is an intergenerational initiative that will significantly improve the lives of our members the scheme does present challenges for the current New Horizons business model.

To meet the exciting challenges ahead of us we can't stand still. Change is inescapable as we continue to grow into a progressive and vibrant New Horizons Club. To help the Board make informed decisions we are keen to engage our members. We are determined to protect the amazing culture the members, volunteers, employees and supporters have developed. The Board's mission is to provide the governance and leadership required to deliver the future success of New Horizons Club.

Regards,

Andrew McCarthy



Manager's AGM Report 2016 / 2017

New Horizons Club mission: ABILITY FROM DISABILITY: Opportunities and friendships through sport, recreation and social activities.

It has been a busy 31st year for the Club, with members, volunteers and staff all taking temporary management changes in their stride.

As I have the privilege of addressing our group tonight again as care-taker manager, I would like to acknowledge our General Manager Belinda Kitto for continuing to make herself available to staff and the Club during her period of maternity leave; her generosity in this certainly meant very few hiccups.

Thank you also to Vanessa Wyllie for your assistance and commitment to the Club; Vanessa took over the admin of our AFL program in 2017 and did an outstanding job.

To our Board; Thank you very much to each member of our Board. You all give of your time and give of yourselves to ensure that New Horizons remains a robust organisation, and on behalf of our staff and members, we are very grateful. Special thanks to Scott Schilg who took on the role of acting Chair-person for 8 months and to Andrew McCarthy who sits in the role now; we hope to have a permanent Chairperson appointed early in 2018.

Now to our members; it is you who are the very essence of our great Club- you are true trailblazers in our community. Your activities with New Horizons hopefully enrich your lives, but let me say that you enrich your friends lives here, as well as the staff and board's. We are all very lucky to be associated with the wonderful New Horizons Club.

Structure:

The Club continues to be a private organisation part funded from the State Government's Department of Health and Human Services with the remaining costs met by club fundraising, memberships, sponsorship and grants. New Horizons Club Government funding is secured now only until end of June 2019.

(We are currently investigating options for New Horizons funding once all disability services transition to NDIS from July 2019. We have a number of avenues we're closely examining).

Staffing currently is one full-time Manager, one part-time Office Assistant, and part-time Marketing and Fundraising co-ordinator. Sub branches are also staffed by volunteers.

The premises continue to be fully utilized as offices and an activity centre for many meetings, activities and functions. They have also been an asset to many other community groups. We are at the moment repairing a subfloor and floor space, and re-configuring part of the central office space, which will deliver us a much improved room.

We have also been the recipients of a 'work for the dole' public art piece- our yellow poles on Invermay Rd. They are certainly a public 'place-maker'; all of the Northern suburbs now know where New Horizons club is based.

Sport

The Club is so lucky to have many, many talented, dedicated volunteers that coach, support and assist with our sporting programs. A heart felt thank you to everyone. These opportunities for our members simply would not be available if it wasn't for you. THANKYOU VOLUNTEERS!

International:

- Aran Miller was again selected in the Australian swimming team to compete in the Down Syndrome Games. Aran also holds multiple world records in his name.
- Justin Nilon was selected in the Australian Cricket Team, and travelled to the UK as a representative (Justin was also the recipient of the prestigious Ron Barassi Award from Lord's Taverners Tasmania)
- Dennis O'Keefe was selected as team member for the AFL All-Australian Inclusion Team in 2016 and Dylan Pace and Vincent Hall in 2017.
- Dylan Pace represented Australia in Basketball.

National:

- Tasmania fielded a men's team in the Ivor Burge National Basketball Competition.
- NHC was represented at the National Boccia Championships.
- NHC fielded a Tasmanian team in the Futsal Nationals in Sydney in January. The competition is played alongside the mainstream futsal nationals; a terrific opportunity. Thanks to coach; Steven Ockerby and team Manager Lorna Wilson.
- A Tasmanian team proudly participated in the AFL Inclusion Carnival in Victoria in August 2016. This years team recently participated on the Gold Coast. We would like to acknowledge the sponsorship and support from PlaySport Enterprises, Hudson Civil Products, Timberlink Australia, Boland's IGA, Burnie Auto Plant, and TPG. Thank you to our volunteer coaches Andrew McCarthy and Angus Kidd, and team manager Lorna Wilson. A state rep team attended the Inclusion Cricket Nationals in January in Geelong- an incredible experience for all. We enjoyed working with Cricket Tas on sending the inaugural team.

Local:

- Weekly sporting and recreational activities take place throughout the year on a regular basis and are advertised in our monthly newsletter and on facebook.
- New Horizons Club has been represented at and hosted boccia & swimming competitions, a golf day at Mowbray, come and try's around the state. Played in a friendly tournament against travelling state's.
- Regular activities for our members include; AFL, Athletics, Aquatics, Cricket, Tennis, Basketball, Carpet Bowls, Gymnastics, Indoor Soccer & Futsal, Golf, Fitness Classes, Taekwondo, Bocce, Craft, Song & Dance, Junior Song & Dance, Boccia, Cooking Classes, Rowing come and try's, social functions and more.
- Tenpin has been in recess for nearly a year due to coaching issues, but all interested members have been playing in local leagues still, and we had a NHC team take part by invitation in the NW Aurora Cup. We hope to offer Tenpin again in 2018.

- The annual Carol Tanner Memorial Swim Carnival was again hosted at Scottsdale in conjunction with Scottsdale Swim Club. It was a fabulous day.
- NHC hosted Tasmania's first stadium stepping event in March. Stadium Step-Up was held in March at UTAS Stadium and invited the local Northern Tasmanian community to join our members to come and 'Step-Up for Inclusion'. A wheel-chair friendly inclusive course was also available. Thank you to Lorna Wilson and Casey Mainsbridge for taking on the huge voluntary job of co-ordinating our inaugural Step-Up event with NHC staff.

Recreation:

- Our Tuesday Art & Craft Class is exceptionally popular, and in fact so full that we are hoping to offer a second weekly Thursday session. This program is driven by Ruth Symons and Janice Beattie and its success a credit to their creativity and dedication. As an extension of craft classes some participants have been enjoying our partnership with Grammar Church School and enjoying woodwork sessions.
- Song & Dance program is still very popular; we had some challenges in retaining a teacher, which have been resolved until the end of the year. We are grateful for the use of the facilities at Life Without Barriers.
- Our Junior Song & Dance program is well-loved by participants, and we look forward to growing it further in 2018 . We thank Maryann Keach and her team for their wonderful work with this group.
- Two blocks of cooking classes were again held for members throughout the year. We are grateful to Red Cross for running and funding these courses, we really value our relationship. The members have learned valuable skills and thoroughly enjoyed each class.
- Picture Us All Exhibition, sponsored by City of Launceston Council, was again a dynamic addition to our calendar. The portraits on show were wonderful, and the project drove positive PR for the Club and our members. If this continues in 2018, we anticipate it will be in conjunction with a partner disability organisation.
- The Awards night and member's ball again were great celebration nights.
- NHC Dinner Club took off in popularity; we have decided to formalise an advanced calendar schedule for this in 2018, with more frequent dates to be organised.

Sponsorship, Grants & Fundraiser's

- Hudson Civil Products our major sponsor has been a valuable partner of New Horizons Club.
- The Launceston Kitchen Centre has been a long-time supporter of the club. We are very grateful for their support of the Gala Dinner and their generous ongoing update works in our kitchen.
- The Commercial Travellers Association again generously supported us with a donation.
- City of Launceston Council provided sponsorship for Picture Us All Exhibition
- City of Launceston were our primary sponsor for Stadium Step-Up
- The club was successful in receiving a Volunteers Grant.
- Commonwealth Bank named us as recipients for a \$150,000 grant to be paid over three years to assist in establishing a Hobart sub-branch of NHC; such a huge opportunity and we are so very grateful.

- We are grateful from the support from Rotary, Riverside Ladies Golf Group, Lords Taverners, Inner Wheel and all of the businesses and people that donate in kind and prizes to the club.
- Rotary Launceston deserve a special shout-out for their many hours of work in planning and creating our new outdoor space. This has included the erection of a new fence (half of which was donated by Timberlink).

We anticipate that our main fundraisers this year will be the 'Great Western Tiers Cycle Challenge' & our Gala & Auction. This year our Gala will be a more relaxed affair with more modest fundraising expectations, due to our reduced staff head-count for most of 2017, but we hope as many as possible can join us on December 2nd.

The Cycle Challenge was once again extremely successful. Thank you to the cycle challenge committee members for all their work and the support of Rotary- we'll be back on March 25, 2018 with a new major sponsor, Buckby Motors!

The Gourmet Gold Ticket had a sound second year; we are considering how we can grow this further.

We also held smaller fundraisers such as the Christmas in July dinners and Bunnings BBQs.

Fundraising for the AFL Trip took up considerable time and effort, and we are hoping that TAS AFL can assist us with this next year.

Recognition

The Club continues to have an increased presence in the media; it is a rare week when our members don't feature at least once in the Examiner!

The Annual Awards night was held in February. Many New Horizons members, volunteers and supporters were recognized at the event. We were thrilled to have Don Elgin join us this year, with Ross Hart, Michael Ferguson and Rosemary Armitage attending also.

We were honoured to host the Governor General Sir Peter Cosgrove and his wife soon after our AGM last year, and to host Premier Will Hodgman and the Sarah Courtney MP for a lunch meet-and-greet in July this year. It's always a valuable exercise to personalise our political relationships and we were very grateful to the Premier and Sarah for giving up their time and being so approachable.

Moving Forward

We are continuing to work on meeting all the goals of our strategic plan. We thank Sport and Recreation Tas and especially Alannah Fazackerley and Rebecca Spry for working with us.

The standards to meet, reporting, risk management, ever increasing governance and transition to NDIS all provide formidable challenges for the Board and staff to meet, and it remains a focus to continue to work on these areas of the Club. Thank you to everyone that has contributed.

We have a challenging year ahead with our traditional funding ceasing in July 2019; our exploration of our potential NDIS suitability and also lobbying state Sport & Rec for potential support are ongoing.

PATRONS

We are so appreciative of our Patrons that continue to show great support, Tess and Peter Rae. We also acknowledge the passing of our much admired, respected and generous Patron, Pieter Huveneers. He will be very much missed.

Additional Acknowledgements:

A big thank you to Don Elgin, New Horizons Ambassador, for continuing to champion for our club.

Thank you also once again to Kerry Finch for his continuing invaluable support and guidance.

Enormous thanks to Sue Bowen and Ruth and Chris Symons for volunteering regular, significant hours in the office and managing our vital renovation project. Year in, year-out, these families contribute so much.

Thank you to our ever-reliable Caretaker and Volunteer, Laurie Farrell.

I know Belinda is thrilled to be back to work at the Club, and we in turn are delighted to have her leadership. It is going to be a huge year for New Horizons as we spread our wings state-wide. At the same time, we look forward to working - and playing- with all our wonderful current members and families, and continuing to kick many more individual and team goals!

Yours in sport and recreation,

Edwina Dick & Belinda Kitto
Managers
New Horizons Club Inc



New Horizons Cub Inc

Financial Statements

For the Year Ended 30th June 2017

New Horizons Club Inc

Financial Statements

For the Year Ended 30 June 2017

Contents	Page
Income Statement	1
Balance Sheet	2
Notes to the Financial Statements	3
Finance Officer's Declaration	7
Auditors Independence Declaration	8
Independent Audit Report	9

New Horizons Club Inc

ABN: 83 275 778 824

Address: PO Box 49, , MOWBRAY TAS 7248

New Horizons Club Inc

Income Statement

For the Year Ended 30 June 2017

	2017	2016
Note	\$	\$
INCOME		
Clothing sales	✓ 286	427
Donations and sponsorship	✓ 95,318 ✓	53,168
Equipment hire	✓ 4,393	6,362
Fundraising	67,491	59,776
Grants	150,291	143,051
Interest received	3,690 ✓	4,225
Member subscriptions	✓ 7,236 ✓	6,536
Other revenue	5,621	5,990
Rental income	✓ 3,491 ✓	3,491
Sports and activities fees	✓ 26,724 ✓	34,299
Total Income	<u>364,541</u>	<u>317,325</u>
EXPENSES		
Accountancy and audit	2,270	2,200
Administration costs	36,675	36,426
Employment costs	148,441	143,494
Fundraising expenses	29,394	38,152
Insurance	14,721	10,391
Motor vehicle expenses	3,007	5,439
Occupancy costs	8,283	8,704
Other expenses	3,810	3,883
Sports and activities expenses	52,396	44,932
Uniforms and badges	729	1,023
	<u>299,726</u>	<u>294,644</u>
NET SURPLUS/(DEFICIT)	<u>64,815</u>	<u>22,681</u>

The accompanying notes form part of these financial statements.

New Horizons Club Inc

Balance Sheet
30 June 2017

	Note	2017 \$	2016 \$
ASSETS			
Current Assets			
Cash	2	209,060	213,066
Trade and other receivables	3	5,648	14,778
Total Current Assets		<u>214,708</u>	<u>227,844</u>
Non-Current Assets			
Property, plant and equipment	4	284,326	199,142
Total Non-Current Assets		<u>284,326</u>	<u>199,142</u>
TOTAL ASSETS		<u>499,034</u>	<u>426,986</u>
LIABILITIES			
Current Liabilities			
Trade and other payables	5	24,829	16,468
Borrowings	6	4,224	950
Provisions	7	37,082	28,953
Total Current Liabilities		<u>66,135</u>	<u>46,371</u>
Non-Current Liabilities			
Long-term provisions	7	-	12,535
Total Non-Current Liabilities		<u>-</u>	<u>12,535</u>
TOTAL LIABILITIES		<u>66,135</u>	<u>58,906</u>
NET ASSETS		<u>432,899</u>	<u>368,080</u>
EQUITY			
Accumulated funds		<u>432,898</u>	<u>368,080</u>
TOTAL EQUITY		<u>432,898</u>	<u>368,080</u>

New Horizons Club Inc

Notes to the Financial Statements

For the Year Ended 30 June 2017

1 Summary of Significant Accounting Policies

These financial statements are a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Australian Charities and Not-for-profits Commission Act 2012.

The committee has determined that the not-for-profit Association is not a reporting entity and therefore there is no need to apply Australian Accounting Standards or other mandatory professional reporting requirements in the preparation and presentation of the financial statements.

The financial report has been prepared on an accruals basis and is based on historic costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report:

(a) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from investment properties is recognised on an accruals basis or straight-line basis in accordance with lease agreements.

Revenue from the rendering of services is recognised upon the delivery of the service to the customers.

Government grants are recognised as revenue in the period in which control is obtained over the assets comprising the grant.

(b) 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 Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

New Horizons Club Inc

Notes to the Financial Statements

For the Year Ended 30 June 2017

1 Summary of Significant Accounting Policies

(c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

The depreciable amount of all fixed assets, including buildings and capitalised leased assets, is depreciated on a straight-line basis over their useful lives commencing from the time the asset is held ready for use.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

(d) Employee benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits expected to be settled later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

New Horizons Club Inc

Notes to the Financial Statements
For the Year Ended 30 June 2017

	2017	2016
	\$	\$
2 Cash		
Cash on hand	146	284
Cheque accounts	42,442	5,309
ANZ online saver accounts	11,884	55,917
Pay Pal	-	258
ANZ term deposit 26391	41,818	41,110
ANZ term deposit 26535	105,070	102,707
Tasmanian Perpetual Trustees - Adaptive Rowing	7,700	7,481
	<u>209,060</u>	<u>213,066</u>
3 Trade and other receivables		
Trade debtors	5,648	14,778
	<u>5,648</u>	<u>14,778</u>
4 Property, plant and equipment		
Buildings	66,850	66,850
Improvements	108,721	107,722
Accumulated depreciation	(9,884)	(8,382)
	<u>165,687</u>	<u>166,190</u>
Plant and equipment	8,144	7,508
Accumulated depreciation	(6,913)	(6,678)
	<u>1,231</u>	<u>830</u>
Wheelchairs	23,825	23,825
Accumulated depreciation	(20,119)	(18,973)
	<u>3,706</u>	<u>4,852</u>
Motor vehicles	149,703	46,422
Accumulated depreciation	(39,489)	(23,155)
	<u>110,214</u>	<u>23,267</u>
Office equipment	12,757	11,135
Accumulated depreciation	(9,271)	(7,132)
	<u>3,486</u>	<u>4,003</u>
Total property, plant and equipment	<u>284,324</u>	<u>199,142</u>

New Horizons Club Inc

Notes to the Financial Statements
For the Year Ended 30 June 2017

	2017	2016
	\$	\$
5 Trade and other payables		
Trade creditors	3,226	13,368
Sundry creditors	8,640	-
Net GST payable	4,659	2,119
Payroll clearing	7,086	503
Superannuation clearing	1,217	478
	<u>24,828</u>	<u>16,468</u>
6 Borrowings		
ANZ credit card	4,224	950
	<u>4,224</u>	<u>950</u>
7 Provisions		
Current liabilities		
Current employee entitlements	37,082	28,953
	<u>37,082</u>	<u>28,953</u>
Non-current liabilities		
Non-current employee entitlements	-	12,535
	<u>-</u>	<u>12,535</u>

New Horizons Club Inc

Finance Officer's Declaration

In the opinion of the finance officer the financial report as set out on pages 1-6:

1. presents fairly the financial position of New Horizons Club Inc as at 30 June 2017 and its performance for the year ended on that date in accordance with the accounting policies outlined in Note 1 to the financial statements;
2. satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012 to prepare accounts; and
3. at the date of this statement, there are reasonable grounds to believe that New Horizons Club Inc will be able to pay its debts as and when they fall due.

Finance Officer
Justin Marshall

Dated 7 November 2017



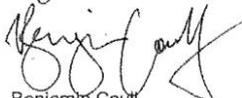
AUDITOR'S INDEPENDENCE DECLARATION

To the board of New Horizons Club Inc

In accordance with the requirements of section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012, as auditor of New Horizons Club Inc for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been:

- a) No contraventions of the auditor independence requirements of section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- b) No contraventions of any applicable code of professional conduct in relation to the audit.


Synectic Audit & Assurance Pty Ltd


Benjamin Coull
Director

Date: 3 November 2017

Independent Auditor's Report

To the members of New Horizons Club Inc

Report on the Audit of the Financial Report

We have audited the financial report, being a special purpose financial report of New Horizons Club Inc, which comprises the balance sheet as at 30 June 2017, the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the finance officer's statement.

Qualified Auditor's Opinion

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to satisfy ourselves as to the completeness of revenue, the accompanying financial report of New Horizons Club Inc has been prepared in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

- (a) giving a true and fair view of the entity's financial position as at 30 June 2017 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the Australian Charities and Not-for-profits Commission Regulations 2013.

Basis for Qualified Auditor's Opinion

Donations and fundraising is a significant source of revenue for New Horizons Club Inc. The committee has determined that it is impracticable to establish control over the collection of this revenue prior to its entry into the financial records. Accordingly, as the evidence available to us regarding revenue from this source was limited, our audit procedures with respect to donations and fundraising was restricted to the amounts recorded in the financial records. We therefore are unable to express an opinion as to the completeness of the association's revenue.

Basis of Accounting

Without modifying our opinion, 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 committee's financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose.

Synectic Audit & Assurance Pty Ltd

ABN 29 146 228 217 Australian Business Number 251 21
info@synecticgroup.com.au www.synecticgroup.com.au
Postal PO Box 6097, Devonport TAS 7310 Phone 03 6424 1451
49 Picta St, Devonport Suite E, First Floor, 99-101 Central North Queensland Blvd 2, Mackay QLD 4740

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 Association in accordance with the auditor independence requirements of the ACNC Act and the ethical 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.

Responsibilities of the Committee for the Financial Report

The committee of the Association are responsible for the preparation of the financial report that gives a true and fair view in accordance with the ACNC Act 2012 and for such internal control as the committee determine is necessary to enable the preparation of the 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 committee is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the committee either intends to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's 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.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit.

We also:

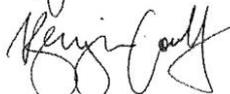
- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the association's ability to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The logo for Synectic, featuring a stylized 'S' icon composed of three vertical bars of varying heights to the left of the word 'Synectic' in a sans-serif font.
Synectic Audit & Assurance Pty Ltd

A handwritten signature in black ink, appearing to read 'Benjamin Coull'.

Benjamin Coull
Director

Date: 3 November 2017