

# Adelaide University Scuba Club

## Finance Report

### Year to 31 December, 2022

v1.2

#### Introduction

This report is based on AUSC - Financial Statements - Jan-Dec 2022 - v1.2.xlsx.

This report consists of several sections:

1. A summary of the major points described in the Finance Report for the 6 months to 30 June 2022.<sup>1</sup>
2. Finance Report for the 6 months to 31 Dec 2022.<sup>2</sup>
3. Finance Report for the 12 months to 31 Dec 2022.

The following terminology is used:

1. **Trading Profit or Loss** represents the financial result of the club's ordinary business of diving, equipment hire etc.
2. **Extraordinary Items** are activities outside the usual trading activities of the club, such as sale or write down of equipment.

#### SECTION 1. Summary of Financial Report for 6 months to 30 June 2022

The club's overall **Net Profit for the half-year was \$6,887.**

**Trading Profit or Loss** was a **Net Profit of \$6,218.**

The following extraordinary (i.e. outside the club's usual business activities) were recorded:

1. **Write-off Regulators.** 12 sets were written off in the year at a loss of \$1,531.
2. **Sale of Aluminium Cylinders.** The club sold 21 of its 24 aluminium breathing gas cylinders for a total of \$855 and an accounting profit of \$252 arose from the sale.
3. **Bauer Mariner etc.** The 'old' Bauer compressor, the air storage banks, Fill Panel and whips have been taken out of service and await sale at a combined price of up to \$10,500. The conversion of these items from a depreciating asset to items for sale at a conservative total value of \$9,000 generated an accounting profit of \$1,006.
4. **Write Back Accounts Payable.** An accrued expense (Accounts Payable) was waived and written back. The result is a \$1,000 contribution to profit and this is included in Extraordinary Items.

**New Compressor.** The club purchased a 'new' second-hand compressor for \$9,511 including transport to be depreciated over 10 years with a salvage value of \$2,000.

**Undifferentiated Income – AUSF.** AUSF records render it difficult to allocate transactions to reporting periods and hence there is a residual undifferentiated item of \$33 loss. The amount is insignificant and does not represent any error in the overall P&L figures. Note that the previous version of the P&L for this period did not have this income split between categories as the information was not available.

**Square.** The club adopted a new payment portal (Square) in 2022 to replace the fee-heavy alternative offered by AUSF. Square charged the club \$275 for its services over the period. This represents 2.4% of \$13,393 Gross Sales.

**Club Trips.** A profit of \$1,424 appears against this item. Trips to Coobowie continue to be a strong contributor to the club's trading result.

**New Compressor System.** The new air storage banks, fill panel and whips remain subject to finalisation of the AUSF capital grant and lease process. The club is enjoying the new assets but accounting for purchase and consequent depreciation will not commence until ownership of the items passes to the club.

**Net Profit.** The club made a Net Profit of \$6,887 for the period, 90% of which arose from usual club activities (i.e. rather than extraordinary items and grants).

**Trading.** The club made a Net Trading Profit for the period of \$6,218 against trading revenues of \$11,541.

**Liquid Assets.** The club's cash at Bank position is:

|                                  | 31 Dec 2021     | 30 Jun 2022     |
|----------------------------------|-----------------|-----------------|
| Cash at Bank – Transaction       | \$25,580        | \$30,810        |
| Cash at Bank – Transaction – UWR | \$ 73           | \$ 152          |
| Cash at Bank – Saving            | \$29,284        | \$29,289        |
| <b>Total</b>                     | <b>\$54,938</b> | <b>\$60,251</b> |

<sup>1</sup> As amended for differentiated income via AUSF.

<sup>2</sup> The P&L distributed in July 2022 had the correct overall P&L but some income received via AUSF had not been differentiated. This differentiation of income incurred in the Excel spreadsheet forming the 12 month FinStats.

Apart from the sale of aluminium cylinders for \$855 and purchase of storage shelves for \$702 (net inflow of \$153), this \$5,313 increase in cash at bank arose almost entirely from trading activities, which is a very good sign.

## SECTION 2. Finance Report for the 6 months to 31 Dec 2022

### Part I. Profit & Loss

The club's overall **Net Profit for the half-year was \$1,608**. This includes 2 significant Extraordinary Items netting off to \$15 profit.

**Trading Profit or Loss** represents the financial result of the club's ordinary business of diving, which was a **Net Loss of \$346**. This result is due to reduced operating tempo over winter and large routine expenditures such as boat servicing and dive cylinder hydro testing.

### Part II. Extraordinary Items

The following extraordinary (i.e. outside the club's usual business activities) were recorded:

1. **Sale of Fill Panel & Bans.** The club in Aug 2022 received \$2,000 for these items. These were sold at written down ('book') value so neither a loss nor profit was made on the sale.
2. **Write Down 'old' Bauer Compressor.** This asset has been offered for sale for most of the year and only moderate interest has been received from potential purchasers. The asset has been written down from \$7,000 to \$6,000, resulting in an Extraordinary Items loss item of \$1,000.
3. **Accounts Payable – Grant.** The club had been carrying \$1,015 in Accounts Payable as a result of grant disbursements, which had not been identified in the accounts. The treasurer has been advised that all club grants have been acquitted and that no monies are outstanding. The \$1,015 was written back as an Extraordinary Item (\$1,015 profit).

### Part III. Other Notes.

**New Regulator Consoles.** In August 2022 the club purchased 5 new consoles (SPG, hose, dive computer etc) for a total of \$1,290. These are being depreciated over 5 years with a salvage value of \$50 each. This is an aggressive depreciation schedule but experience has shown that hire equipment does not last as long as personally owned equipment.

**GST.** It is noted that Square 'deducted' \$7.09 GST, although I believe this was remitted to the club. It is further presumed that this arose from club products being set up in square as taxable items.

**Club Trips.** A profit of \$2,612 appears against this cost centre. Club trips continue to be a strong contributor to the club's trading result.

**New Compressor System.** The new air storage banks, fill panel and whips remain subject to finalisation of the AUSF capital grant and lease process. The club is enjoying the new assets but accounting for purchase and consequent depreciation will not commence until ownership of the system passes to the club.

## SECTION 3. Finance Report for the 12 months to 31 Dec 2022

### Part I. Profit & Loss

The club's overall **Net Profit for the year was \$8,496** on Total Revenues (Trading, net Extraordinary Items and Grants) of \$20,785. This includes several significant Extraordinary Items, which netted off to \$744 profit.

**Trading Profit or Loss** was a **Net Profit of \$5,872** on Trading Revenues of \$18,041. Note that this result does not include annual depreciation of approximately \$4,500 for the new fill station (not yet a club asset) and annual servicing cost of same (not conducted in the year). Inclusion of these two items and an estimate of lost membership income would reduce this Net Trading Profit to approximately \$1,300, which is marginal.

**Square.** The platform charged AUSC fees of \$504 on sales of \$21,887, being 2.3%.

**Recurrent Grant.** It is noted that AUSC received \$1,900 in 2021 and just \$1,500 in 2022.

**Membership Receipts.** AUSF extension of club memberships meant that the club received just \$1252 in membership fees for the calendar year. Noting that membership income in 2021 was \$2,090 and that the club's membership base has increased, this has caused:

1. A loss of reported income during the year of perhaps \$900 (a rough estimate).
2. A 13% reduction in reported Trading Profit (from estimated \$6,772 to \$5,872).
3. A contribution to the decline of Cash at Bank.

It should be noted that this is not just a deferral of income, but includes lost income arising from members who do not renew later but might have done earlier.

The club received membership income in two ways

1. 12 mths to Dec 2022, payments to AUSC bank acc with description 'Perpetual Au Scuba Diving' \$620
2. Until May 2022, from AUSF ('old system') in the form of remittances to AUSC bank account \$632.

## Part II. Balance Sheet

1. **Balance Sheet.** The club's assets exceed its liabilities by \$138,560. This means little in a club context other than, should the club fold, AUSF would not inherit a deficit.
2. **Loans.** The club has 2 outstanding loans, being Portable Compressors (Balance \$4,223, 2 years to run) and Vitamin Sea (Balance \$17,342, 4 years to run). The useful life of each asset is very likely to exceed its respective loan term.

## Part III. Conclusions & Recommendations

The following conclusions are drawn and recommendation made:

1. **Membership Income.** Membership Officer might investigate with AUSF/RevSport regarding whether the income deferred due to extended memberships is significant enough to warrant asking members for a catch-up payment.
2. **Profit.** Notwithstanding the membership income situation, club profit appears adequate and it is good that most income (87%) and profit (69%) is derived from trading activities, rather than relying on grants and Extraordinary Items.
3. **New Banks and Fill Equipment.** The club's cash position will be heavily drawn down when the capital grant and lease process is finalised for the new fill equipment. This will result in an additional loan.
4. **Liquid Assets.** The club's Cash at Bank position is:

|                                  | 31 Dec 2021     | 31 Dec 2022     |
|----------------------------------|-----------------|-----------------|
| Cash at Bank – Transaction       | \$ 25,580       | \$ 5,651        |
| Cash at Bank – Transaction – UWR | \$ 73           | \$ 152          |
| Cash at Bank – Saving            | \$ 29,284       | \$ 48,456       |
| <b>Total</b>                     | <b>\$54,938</b> | <b>\$54,259</b> |

Noting that the club received reduced membership income over the year, this modest decline appears reasonable.

5. **Club Trips.** A profit of \$4,036 appears against this cost centre. Club trips continue to be a strong contributor to the club's trading result, particularly if one takes into account equipment hire, fills and boat diving income arising from such trips but which are not represented in the cost centre. Indeed, Club Trips contributed 69% of the club's annual Trading Profit. The club should continue to conduct trips whenever possible. It is noted that continued delay in repairing Coobowie Marine Research Station will affect the club's income significantly. It is also noted that the club relies very heavily on Club Trips, which presents a downside risk if a future committee does not continue the tempo of these activities or if Coobowie RS becomes permanently unavailable.
6. **Compressor.** This cost centre carries revenue received (Fills) and costs incurred in running the club's air fill station and the portable compressors. The cost centre generated a profit of \$58 for the year. If the main fill station grant had been finalised and the asset was an AUSC asset, then depreciation of approximately \$4,500 (less \$590 old compressor depreciation) would be added. The additional depreciation and an estimated conservative service fee of \$1,000 and the cost centre would suffer a loss of of approximately \$3,700. The new compressor was not serviced in the 12 months to 31 Dec 2022 and this is expected to be a major cost in 2023.
7. **Main Compressor Fill Cost.** Noting that main compressor Fill income for the year was \$2,328 (not sure why this is not a multiple of \$5), it is estimated that the compressor produced 466 fills that were paid for. Full year main compressor expenses might be projected as Depreciation on New Comp \$4,500 (estimate) + Annual Servicing \$1,000 (estimate) + Expenses \$600 (estimate) = \$6,100. A very rough cost per fill can be calculated at \$6,100 / 466 = \$13.
8. **Portable Compressors Fill Cost.** Full year compressor expenses might be projected as Depreciation on Portables \$880 + Annual Servicing \$500 (estimate) + Expenses \$200 (estimate) = \$1,580. A very rough cost per fill can be calculated at \$1,580 / 53 = \$30.
9. **Fill Prices.** Noting the club prices of just \$5 for main compressor fills and \$8 for portable compressor fills, other club activities (e.g. Club Trips) and revenue (e.g. Grants) are extremely heavily subsidising air fills. It is recommended that the committee review the price charged for air fills, especially for non-student members.

10. **Club & Diving Activities.** This cost centre includes memberships, boat diving, gear hire and associated expenses. The cost centre generated a profit for the year of \$2,567, which was affected by a possible membership shortfall arising from AUSF membership extensions.

It is recommended that the committee consider a framework for pricing before reviewing product prices.

Examples (not recommendation) include:

1. Club & Diving Activities should run a profit sufficient to offset Finance & Admin. Air Fills should cover compressor expenses. Club Trips should run a profit of 20% to finance future major projects.
2. Club & Diving Activities should break even. Air Fills should cover compressor expenses. Club Trips should run a profit of 10% to finance social activities.
3. Club & Diving Activities should make sufficient profit to offset Compressor and Finance & Admin. Air Fills for non-students should be charged at full cost. Club Trips should run a profit of 20% to offset free air fills for students.

A framework will provide an agreed set of principles on which pricing and other decisions can be based.

Prepared by

**Tim Brown**

AUSC Treasurer

12 Jan, 2023

**Annexes:**

- A. Profit & Loss Statement
- B. Balance Sheet
- C. Notes to Accounts
- D. Journal entries – 6 Months to 31 Dec 2022
- E. Depreciation Schedule – 6 Months to 31 Dec 2022

**Profit & Loss Statement**  
**12 Months to 31 Dec 2022**

| <b>Adelaide University Scuba Club<br/>Profit &amp; Loss Statement</b> | <b>Year to<br/>31 Dec 2021</b> | <b>Notes</b> | <b>6 Months to<br/>30 Jun 2022</b> | <b>Notes</b> | <b>6 Months to<br/>31 Dec 2022</b> | <b>Year to<br/>31 Dec 2022</b> |
|---|--------------------------------|--------------|------------------------------------|--------------|------------------------------------|--------------------------------|
| <b>Undifferentiated Bank Items</b>                                    |                                |              |                                    |              |                                    |                                |
| Undifferentiated Income - AUSF  | (588.00)                       | 15           | 33.00                              |              |                                    | 33.00                          |
| Undifferentiated Income - Square                                      |                                | 12,13        | (41.12)                            | 6            | (16.87)                            | (57.99)                        |
| <b>Net</b>  | <b>(588.00)</b>                |              | <b>(8.12)</b>                      |              | <b>(16.87)</b>                     | <b>(24.99)</b>                 |
| <b>Club &amp; Diving Activities</b>                                   |                                |              |                                    |              |                                    |                                |
| Membership  | (2,090.00)                     | 15           | (992.00)                           | 6            | (260.00)                           | (1,252.00)                     |
| Boat Diving Fees  | (5,522.30)                     | 7,11,13,15   | (4,940.00)                         | 6            | (1,530.00)                         | (6,470.00)                     |
| Boat Repairs  | 2,334.17                       |              |                                    |              |                                    |                                |
| Boat Expenses - Other   | 1,394.00                       |              |                                    |              | 2,413.10                           | 2,413.10                       |
| Boat Towing Levy  | 130.00                         | 16           | 105.00                             |              | 30.00                              | 135.00                         |
| Ramp Fees   | 141.80                         | 16           | 111.70                             |              | 27.70                              | 139.40                         |
| Boat Fuel   | 1,214.96                       | 16           | 829.26                             |              | 218.39                             | 1,047.65                       |
| Depreciation - Boats  | 2,390.61                       | 1            | 971.74                             | 1            | 987.84                             | 1,959.58                       |
| Equipment Hire  | (2,182.20)                     | 13,15        | (2,165.00)                         | 6            | (900.00)                           | (3,065.00)                     |
| Cylinder Hydro  |                                |              |                                    |              | 825.00                             | 825.00                         |
| Equipment Repairs   | 1,721.96                       | 4,5          | 95.61                              | 4,5          | 240.00                             | 335.61                         |
| Depreciation - Scuba Equipment  | 1,178.06                       | 1            | 709.64                             | 1            | 654.47                             | 1,364.10                       |
| <b>Total</b>  | <b>711.06</b>                  |              | <b>(5,274.06)</b>                  |              | <b>2,706.50</b>                    | <b>(2,567.55)</b>              |
| <b>Club Trips</b>   |                                |              |                                    |              |                                    |                                |
| Fees & Other Received   | (6,812.00)                     | 16,13,15     | (1,494.00)                         |              |                                    | (1,494.00)                     |
| Expenses  | 7,564.39                       | 16           | 70.00                              |              |                                    | 70.00                          |
| Port Victoria - 2022  |                                |              |                                    | 6            | (430.00)                           | (430.00)                       |
| Mt Gambier - 2022   |                                |              |                                    | 6            | (552.99)                           | (552.99)                       |
| Melbourne - Dec 2022  |                                | 13,14        |                                    | 7,6,11       | (1,449.21)                         | (1,449.21)                     |
| Whyalla - 2022  |                                | 13,14        |                                    | 7,6          | (180.21)                           | (180.21)                       |
| <b>Net</b>  | <b>752.39</b>                  |              | <b>(1,424.00)</b>                  |              | <b>(2,612.41)</b>                  | <b>(4,036.41)</b>              |
| <b>Compressor</b>   |                                |              |                                    |              |                                    |                                |
| Air Fills   | (2,680.00)                     | 7,11,13,15   | (1,688.00)                         | 6            | (1,064.00)                         | (2,752.00)                     |
| Compressor Expenses   | 1,438.39                       | 2,3          | 680.00                             | 2,3          |                                    | 680.00                         |
| Depreciation - Compressors  | 2,075.15                       | 1            | 1,191.62                           | 1            | 822.20                             | 2,013.82                       |
| <b>Net</b>  | <b>833.54</b>                  |              | <b>183.62</b>                      |              | <b>(241.80)</b>                    | <b>(58.18)</b>                 |
| <b>Social &amp; Fundraising</b>                                       |                                |              |                                    |              |                                    |                                |
| Sale of Goods   |                                |              |                                    |              |                                    |                                |
| Purchase of Goods for Sale  |                                |              |                                    |              |                                    |                                |
| Social Receipts   | (21.00)                        |              | (254.17)                           |              | (80.00)                            | (334.17)                       |
| Social Outgoings  | 1.55                           |              | 330.00                             |              |                                    | 330.00                         |
| <b>Net</b>  | <b>(19.45)</b>                 |              | <b>75.83</b>                       |              | <b>(80.00)</b>                     | <b>(4.17)</b>                  |
| <b>Finance &amp; Admin</b>  |                                |              |                                    |              |                                    |                                |
| Bank Interest - Transaction   |                                |              |                                    |              |                                    |                                |
| Bank Interest - Savings   | (3.53)                         | 9            | (4.67)                             | 9            | (167.64)                           | (172.31)                       |
| Depreciation - Admin Equipment  |                                | 1            | 7.31                               | 1            | 35.39                              | 42.70                          |
| Payment Platform Fees (Square)  |                                | 13           | 275.39                             | 6            | 228.76                             | 504.15                         |
| Miscellaneous   | 449.24                         | 8,13         | (50.00)                            | 6            | 494.16                             | 444.16                         |
| <b>Net</b>  | <b>445.71</b>                  |              | <b>228.03</b>                      |              | <b>590.67</b>                      | <b>818.70</b>                  |
| <b>TRADING (PROFIT) / LOSS</b>  | <b>2,135.25</b>                |              | <b>(6,218.69)</b>                  |              | <b>346.09</b>                      | <b>(5,872.60)</b>              |
| <b>Extraordinary Items</b>  |                                |              |                                    |              |                                    |                                |
| Sale of Equipment   | (1,900.00)                     |              |                                    | 10           |                                    |                                |
| Write Back Accounts Payable   |                                | 6            | (1,000.00)                         |              |                                    | (1,000.00)                     |
| Write-off Regulators  |                                | 18           | 1,530.74                           |              |                                    | 1,530.74                       |
| Mariner, Banks & Fill Panel - Out of Service                          |                                | 19           | (1,006.84)                         | 12           | 1,000.00                           | (6.84)                         |
| Write Back Accounts Payable (Dev Grant)                               |                                | 13           |                                    | 13           | (1,015.00)                         | (1,015.00)                     |
| Sale of Aluminium Cylinders   | (19,625.38)                    | 10           | (252.85)                           |              |                                    | (252.85)                       |
| <b>Net</b>  | <b>(21,525.38)</b>             |              | <b>(728.95)</b>                    |              | <b>(15.00)</b>                     | <b>(743.95)</b>                |
| <b>Grants</b>   |                                |              |                                    |              |                                    |                                |
| Development   | (1,770.00)                     |              |                                    |              |                                    |                                |
| Equipment   |                                |              |                                    |              | (500.00)                           | (500.00)                       |
| Recurrent   | (1,900.00)                     |              |                                    |              | (1,500.00)                         | (1,500.00)                     |
| Personal Development - Received                                       | (1,180.00)                     |              |                                    |              |                                    |                                |
| Personal Development - Paid & Payable                                 | 1,820.00                       | 17           | 60.00                              |              | 60.00                              | 120.00                         |
| <b>Net</b>  | <b>(3,030.00)</b>              |              | <b>60.00</b>                       |              | <b>(1,940.00)</b>                  | <b>(1,880.00)</b>              |
| <b>NET (PROFIT) / LOSS</b>  | <b>(22,420.12)</b>             |              | <b>(6,887.64)</b>                  |              | <b>(1,608.91)</b>                  | <b>(8,496.55)</b>              |



Balance Sheet  
31 Dec 2022

| <b>Adelaide University Scuba Club<br/>Balance Sheet</b> | <b>31 Dec 2021</b>  | <b>Notes</b> | <b>30 Jun 2022</b>  | <b>Notes</b> | <b>31 Dec 2022</b>  |
|---|---------------------|--------------|---------------------|--------------|---------------------|
| <b>Current Assets</b>                                   |                     |              |                     |              |                     |
| Cash  |                     |              |                     |              |                     |
| Cash at Bank - Transaction                              | 25,580.51           |              | 30,810.58           |              | 5,651.06            |
| Cash at Bank - Transaction - UWR                        | 73.40               | 8            | 151.80              |              | 151.80              |
| Cash at Bank - Savings                                  | 29,284.10           | 9            | 29,288.77           | 9            | 48,456.41           |
| <b>Total Cash</b>                                       | <b>54,938.01</b>    |              | <b>60,251.15</b>    |              | <b>54,259.27</b>    |
| Accounts Receivable                                     | 1,392.00            | 10,7,11      |                     |              |                     |
| Diving & Accommodation Credits                          |                     |              |                     |              |                     |
| Inventories   | 1,525.61            | 2,3,4,5      | 1,250.00            | 2,3,4,5      | 1,150.00            |
| Prepaid Expenses  |                     |              |                     |              |                     |
| <b>Total Current Assets</b>                             | <b>57,855.62</b>    |              | <b>61,501.15</b>    |              | <b>55,409.27</b>    |
| <b>Non-Current Assets</b>                               |                     |              |                     |              |                     |
| <b>Property, Plant and Equipment</b>                    |                     |              |                     |              |                     |
| Boat - Vitamin Sea, 2015                                | 54,191.64           |              | 54,191.64           |              | 54,191.64           |
| Scuba Equipment   | 29,395.00           | 10,18        | 18,865.00           |              | 20,155.00           |
| Compressors   | 36,127.30           | 19           | 13,197.80           |              | 13,197.80           |
| Compressor - 2022                                       |                     |              | 9,511.39            |              | 9,511.39            |
| Admin & Misc Equipment                                  | 200.00              |              | 902.00              |              | 902.00              |
| Bauer Mariner, banks and old fill panel                 |                     | 19           | 9,000.00            | 10,12        | 6,000.00            |
| Provision for Accum Depreciation                        | (41,992.83)         | 10,18,19     | (21,539.69)         | 1            | (24,039.59)         |
| <b>Total Property, Plant and Equipment</b>              | <b>77,921.11</b>    |              | <b>84,128.14</b>    |              | <b>79,918.24</b>    |
| Goodwill  |                     |              |                     |              |                     |
| Other Intangible Assets                                 | 25,000.00           |              | 25,000.00           |              | 25,000.00           |
| <b>Total Non-Current Assets</b>                         | <b>25,000.00</b>    |              | <b>109,128.14</b>   |              | <b>104,918.24</b>   |
| <b>TOTAL ASSETS</b>                                     | <b>160,776.73</b>   |              | <b>170,629.29</b>   |              | <b>160,327.51</b>   |
| <b>Current Liabilities</b>                              |                     |              |                     |              |                     |
| Accounts Payable  | (2,700.08)          | 6,16,17      | (1,015.00)          | 11,13        | (201.29)            |
| Unearned Income   |                     | 14           | (4,650.00)          | 7            |                     |
| <b>Total Current Liabilities</b>                        | <b>(2,700.08)</b>   |              | <b>(5,665.00)</b>   |              | <b>(201.29)</b>     |
| <b>Non Current Liabilities</b>                          |                     |              |                     |              |                     |
| AUSA Loan - Compressors, 2020                           | (6,334.90)          |              | (6,334.90)          |              | (4,223.25)          |
| AUSA Loan - Vitamin Sea, 2015                           | (21,677.65)         |              | (21,677.65)         |              | (17,342.32)         |
| <b>Total Non Current Liabilities</b>                    | <b>(28,012.55)</b>  |              | <b>(28,012.55)</b>  |              | <b>(21,565.57)</b>  |
| <b>TOTAL LIABILITIES</b>                                | <b>(30,712.63)</b>  |              | <b>(33,677.55)</b>  |              | <b>(21,766.86)</b>  |
| <b>NET ASSETS</b>                                       | <b>130,064.10</b>   |              | <b>136,951.74</b>   |              | <b>138,560.65</b>   |
| <b>Equity</b>   |                     |              |                     |              |                     |
| Retained Earnings - Previous Period                     | (107,643.97)        |              | (130,064.09)        |              | (130,064.09)        |
| Net Result - This Period                                | (22,420.12)         |              | (6,887.64)          |              | (8,496.55)          |
| <b>TOTAL EQUITY</b>                                     | <b>(130,064.09)</b> |              | <b>(136,951.74)</b> |              | <b>(138,560.65)</b> |

Note that the Equity elements of the Balance Sheets as at 30 Jun 2022 and 31 Dec 2022 reflect changes from the Balance Sheet as at 31 Dec 2021. That is, the 31 Dec 2022 'Net Result – This Period' is for the year and not the 6 months from 30 Jun 2022.

## Notes to Accounts

**AU Scuba Club - Notes to Accounts - 6 months to 30 June 2022**

- 1 Depreciation for 6 months to 30 Jun.
- 2 Reverse compressor filters on hand at start of period.
- 3 Compressor filters on hand at end of period.
- 4 Reverse equipment repair parts on hand at start period.
- 5 Equipment repair parts on hand and unused at end the period.
- 6 Reversal of annual Coobowie facility payment held as acc payable in 2021, but waived.
- 7 Reverse - Dec Coobowie Trip fees paid in 2022 up to 1200h 04 Jan
- 8 UWR account transactions.
- 9 Saver account transactions.
- 10 Sale of Aluminium Cylinders - Feb 2022
- 11 Reverse - Dec Coobowie Trip fees unpaid as at 1200h 04 Jan 2022
- 12 Balance represents Square deposits to AUSC bank account and not allocated to revenue items.
- 13 Transfer Square revenue items out of undifferentaited to P&L line items.
- 14 Prepaid club trip fees for trips July - Dec 2022.
- 15 AUSF deposits split between categories. Insignificant error due to poor AUSF records.
- 16 Reverse Acc Payable for Dec 2021 Coobowie Trip expenses reimbursed in 2022.
- 17 Outstanding development grant payment owed to member.
- 18 Write-off old breathing regulators.
- 19 Bauer Mariner, banks and old fill panel taken out of service and ready for resale.

**AU Scuba Club - Notes to Accounts - 6 months to 31 Dec 2022**

- 1 Depreciation for 6 months to end period.
- 2 Reverse filters on hand at start of period.
- 3 Filters on hand at end of period.
- 4 Reverse equipment repair parts on hand at start period.
- 5 Equipment repair parts on hand and unused at end the period.
- 6 Transfer Square revenue items out of undifferentaited to P&L line items.
- 7 Reversal of prepaid club trip fees for trips July - Dec 2022.
- 8 No UWR account transactions for 6 months to 31 Dec 2022.
- 9 Saver account transactions.
- 10 Part (banks and fill panel) sold 03 Aug 2022 for \$2000.
- 11 Melbourne trip expenses to be reimbursed in 2023.
- 12 Write down to \$6k value of Mariner compressor on hand and for sale.
- 13 Write back Accounts Payable being grants fully acquitted in a previous period.



## Journal Entries – 6 Months to 31 Dec 2022

| Item | Journals  | Dr               | CR                                   |
|------|---|------------------|--------------------------------------|
| 1    | Depn - Boats  | 987.84           |                                      |
|      | Depn - Scuba Equipment  | 654.47           |                                      |
|      | Depn - Compressors  | 822.20           |                                      |
|      | Depn - Admin Equipment  | 35.39            |                                      |
|      | Provn for Accum Depn  |                  | 2,499.90                             |
|      | <b>Charge depreciation - 6 months</b>   |                  |                                      |
| 2    | Compressor Expenses   | 400.00           |                                      |
|      | Inventories   |                  | 400.00                               |
|      | <b>Reverse Filters on hand at open of period.</b>   |                  |                                      |
| 3    | Inventories   | 400.00           |                                      |
|      | Compressor Expenses   |                  | 400.00                               |
|      | Filters on hand at end period.  |                  | To be reversed at start next period. |
|      | <b>8 x P21 filters (portable compressors) on hand @\$50.</b>  |                  |                                      |
| 4    | Equipment Repairs   | 850.00           |                                      |
|      | Inventories   |                  | 850.00                               |
|      | <b>Reverse equipment repair parts unused and on hand at start period.</b>                             |                  |                                      |
| 5    | Inventories   | 750.00           |                                      |
|      | Equipment Repairs   |                  | 750.00                               |
|      | Equipment repair parts unused & on hand at end period.  |                  | To be reversed at start next period. |
|      | <b>Stock of parts assumed decrease since end last period.</b>   |                  |                                      |
| 6    | Undifferentiated Income - Squa  | 10,163.15        |                                      |
|      | Boat Diving Fees  |                  | 1,530.00                             |
|      | Equipment Hire  |                  | 890.00                               |
|      | Port Victoria - 2022  |                  | 1,265.00                             |
|      | Mt Gambier - 2022   |                  | 2,600.00                             |
|      | Melbourne - Dec 2022  |                  | 3,000.00                             |
|      | Whyalla - 2022  |                  | 95.00                                |
|      | Air Fills   |                  | 1,054.00                             |
|      | Misc - Sale of SMB/spoil  |                  | 60.00                                |
|      | Payment Platform Fees (Square   | 228.76           | 10,494.00 Gross Sales                |
|      | Miscellaneous   | 7.09             | GST. Is this paid? By whom to whom?  |
|      | Boat Diving Fees  |                  |                                      |
|      | Melbourne - Dec 2022  |                  |                                      |
|      | Whyalla - 2022  | 95.00            | Refund via Square                    |
|      | <b>Transfer Square revenue items out of undifferentiated to P&amp;L line items.</b>                   |                  |                                      |
| 7    | Melbourne - Dec 2022  |                  | 3,000.00                             |
|      | Whyalla - 2022  |                  | 1,650.00                             |
|      | Unearned Income   | 3,000.00         | Melbourne                            |
|      | Unearned Income   | 1,650.00         | Whyalla                              |
|      | <b>Reverse unearned income to 30 June for trips in 2nd 1/2 year.</b>                                  |                  |                                      |
| 9    | Saver account.  | 167.64           |                                      |
|      | Bank Interest - Savings   |                  | 167.64                               |
|      | <b>Interest credits to saver account over 6 months.</b>   |                  |                                      |
| 10   | Sale of Equipment   | 2,000.00         |                                      |
|      | Bauer Mariner, banks and old fill panel   |                  | 2,000.00                             |
|      | <b>Sale of old banks and fill panel.</b>  |                  |                                      |
| 11   | Trip Expenses - Melbourne   | 201.29           |                                      |
|      | Accounts Payable  |                  | 201.29                               |
|      | <b>Dec 2022 Melbourne Trip. NYE expenses owed at year end to Jack Morelli.</b>                        |                  | To be reversed at start next period. |
| 12   | Mariner - Out of Service  | 1,000.00         |                                      |
|      | Bauer Mariner, banks and old fill panel   |                  | 1,000.00                             |
|      | <b>Write down value of Mariner compressor to \$6k.</b>  |                  |                                      |
| 13   | Accounts Payable  | 1,015.00         |                                      |
|      | Extraordinary Item - Write Back Acc Payable   |                  | 1,015.00                             |
|      | <b>Write back Accounts Payable being grants fully acquitted in a previous period.</b>                 |                  |                                      |
|      | Transactions of expenditure not identified in financial records and previously assumed still payable. |                  |                                      |
|      | <b>Journal Total</b>  | <b>24,427.83</b> | <b>24,427.83</b>                     |



### Depreciation Schedule 6 Months to 31 Dec 2022

| <b>Depreciation Schedule</b> <span style="float: right; font-weight: normal; font-size: small;">                     Financial Period Start Date: 01 Jul 2022<br/>                     Financial Period End Date: 31 Dec 2022                 </span>   |   |      |               |     |                         |                     |                         |                         |                            |               |                |                                       |   |  |   |  |  |   |
|---|---|------|---------------|-----|-------------------------|---------------------|-------------------------|-------------------------|----------------------------|---------------|----------------|---------------------------------------|---|--|---|--|--|---|
|   | Note  | Year | Purchase Date | Qty | Purchase Price per Unit | Purchase Value Open | Salvage Estimated Value | Asset Useful Life Years | Depreciation per Full Year | Disposal Date | Disposal Value | Purchase Value Closing<br>31 Dec 2022 | Accumulated Depreciation Opening<br>01 Jul 2022 | Depreciation Current Period<br>(Based on Days) | Accumulated Depreciation Closing<br>31 Dec 2022 | Depreciated Value Closing<br>31 Dec 2022 |  |   |
| Boats   |   |      |               |     |                         | 54,191.64           |                         |                         | 1,959.58                   |               |                | 54,191.64                             |   | 987.8441                                       |   | 40,474.57                                |  |   |
| Vitamin Sea   |   | 2015 |               | 1   | 54,191.64               | 54,191.64           | 15,000.00               | 20                      | 1,959.58                   |               |                | 54,191.64                             | 12,729.23                                       | 987.84   | 13,717.07                                       |  |  |   |
| Scuba equipment   |   |      |               |     |                         | 20,155.00           |                         |                         | 1,647.67                   |               |                | 20,155.00                             |   | 654.4676                                       |   |  |  |   |
| BCDs  |   |      |               | 8   | 250.00                  | 2,000.00            | 50.00                   | 8                       | 200.00                     |               |                | 2,000.00                              | 1,899.18  | 100.82   | 2,000.00  |  |  |   |
| Sharkshield   | 2   | 2021 | 19 May 21     | 1   | 280.00                  | 280.00              | -                       | 5                       | 56.00                      |               |                | 280.00                                | 62.60   | 28.23  | 90.83   | 189.17                                   |  |   |
| Regulators  | 10  | 2020 |               | 5   | 500.00                  | 2,500.00            | 50.00                   | 5                       | 450.00                     |               |                | 2,500.00                              | 495.65  | 226.95   | 712.50  | 1,787.50                                 |  |   |
| Consoles w Puck Pro DC  | 4   | 2022 | 25 Aug 22     | 3   | 430.00                  | 1,290.00            | 50.00                   | 5                       | 228.00                     |               |                | 1,290.00                              | -   | 80.58  | 80.58   | 1,209.42                                 |  |   |
| Tanks - Aluminium   |   | 2007 |               | 3   | 330.00                  | 990.00              | 50.00                   | 15                      | 56.00                      |               |                | 990.00                                | 923.77  | 28.23  | 952.00  | 38.00                                    |  |   |
| Tanks - Steel 12L   | 7   | 2021 | 11 Oct 21     | 25  | 399.00                  | 9,975.00            | 100.00                  | 20                      | 373.75                     |               |                | 9,975.00                              | 269.30  | 188.41   | 457.72  | 9,517.28                                 |  |   |
| Weight belts  |   |      |               | 2   | 60.00                   | 120.00              | 40.00                   | 15                      | 2.67                       |               |                | 120.00                                | 43.99   | 1.34   | 45.33   | 74.67                                    |  |   |
| Wet suits   |   |      |               | 15  | 200.00                  | 3,000.00            | 50.00                   | 8                       | 281.25                     |               |                | 3,000.00                              | 3,000.00  | -  | 3,000.00  | -  |  |   |
| Compressors   |   |      |               |     |                         | 22,709.19           |                         |                         | 1,630.99                   |               |                | 22,709.19                             |   | 822.1989                                       |   |  |  |   |
| Bauer Compressor - 2022   | 3   | 2022 | 13 Apr 22     | 1   | 9,511.39                | 9,511.39            | 2,000.00                | 10                      | 751.14                     |               |                | 9,511.39                              | 162.58  | 378.66   | 541.23  | 8,970.16                                 |  |   |
| Portable Compressors #1   | 6   | 2020 |               | 1   | 6,599                   | 6,599               | -                       | 15                      | 439.93                     |               |                | 6,598.90                              | 878.05  | 221.77   | 1,099.82  | 5,499.08                                 |  |   |
| Portable Compressors #2   | 6   | 2020 |               | 1   | 6,599                   | 6,599               | -                       | 15                      | 439.93                     |               |                | 6,598.90                              | 878.05  | 221.77   | 1,099.82  | 5,499.08                                 |  |   |
| Administration Equipment  |   |      |               |     |                         | 902.00              |                         |                         | 90.20                      |               |                | 902.00                                |   | 35.39  |   |  |  |   |
| Shelving - 2022   |   | 2022 | 24 May 22     | 2   | 351.00                  | 702                 | -                       | 10                      | 70.20                      |               |                | 702.00                                | 7.31  | 35.39  | 42.70   | 659.30                                   |  |   |
| BBQ   | 1   |      |               | 1   | 200.00                  | 200.00              | -                       | 10                      | 20.00                      |               |                | 200.00                                | 200.00  | -  | 200.00  | -  |  |   |
| Asset balance   |   |      |               |     |                         | 97,957.83           |                         |                         | 5,328.44                   |               |                | 97,957.83                             | 21,539.69                                       | 2,499.90                                       | 24,039.59                                       | 73,918.24                                |  |   |
| Check Values  |   |      |               |     |                         | 96,667.83           |                         |                         |                            |               |                | -                                     | 76,418.14                                       | 73,918.24                                      | 24,039.59                                       | 73,918.24                                |  |   |
| Net Assets =>   |   |      |               |     |                         |                     |                         |                         |                            |               |                |                                       |   |  |   |  |  |   |
| 73,918.24   |   |      |               |     |                         |                     |                         |                         |                            |               |                |                                       |   |  |   |  |  |   |
| <table style="width: 100%; border: none;"> <tr> <td style="width: 45%; vertical-align: top;"> <b>Notes:</b> <ol style="list-style-type: none"> <li>1 Purchase price unknown. Representative value inserted July 2021.</li> <li>2 Purchased from Jack Morelli (Prez)</li> <li>3 Secondhand. Estimated salvage and life is a conservative estimate.</li> <li>4 3 x new consoles @\$430 from Diving Adelaide.</li> <li>6 Brought into accounts at GST-inclusive invoice amount, incl AUSF 20% contribution.</li> <li>7 25 new Faber 12L cylinders. Club purchase. GST inclusive.</li> <li>8 Old regulators written-off as at 30 June 2022.</li> <li>9 Pre-2022 Compressor, Fill Panel await disposal and do not appear in depreciation schedule.</li> <li>10 Regulator lifespan reduced from 10 years to 6 years. Salvage value reduced to \$50.</li> </ol> </td> <td style="width: 55%; vertical-align: top;"> <b>Instructions:</b> <p>Assumes no assets are purchased and disposed of in the same financial period.</p> <p>Copy the previous period's sheet and create a new one to use for the current period.</p> <p>Delete assets disposed of in the previous period.</p> <p>Copy 'Accumulated Depreciation Closing' values to 'Accumulated Depreciation Opening'</p> <p>Change Financial Period Start and End dates.</p> <p>Check: Accum Depn Opening (schedule) = Provn for Accum Depn (Bal Sheet close of previous period)</p> <p>Do a manual calculation and over-write value in 'Depreciation Current Period' if:</p> <p style="padding-left: 20px;">Assets is purchased and disposed of in the financial period.</p> <p style="padding-left: 20px;">'Depreciated Value Closing' is negative (i.e. asset is fully depreciated).</p> <p>Add new assets.</p> <p>Check: Check Values balance as appropriate.</p> </td> </tr> </table> |   |      |               |     |                         |                     |                         |                         |                            |               |                |                                       |   |  |   |  | <b>Notes:</b> <ol style="list-style-type: none"> <li>1 Purchase price unknown. Representative value inserted July 2021.</li> <li>2 Purchased from Jack Morelli (Prez)</li> <li>3 Secondhand. Estimated salvage and life is a conservative estimate.</li> <li>4 3 x new consoles @\$430 from Diving Adelaide.</li> <li>6 Brought into accounts at GST-inclusive invoice amount, incl AUSF 20% contribution.</li> <li>7 25 new Faber 12L cylinders. Club purchase. GST inclusive.</li> <li>8 Old regulators written-off as at 30 June 2022.</li> <li>9 Pre-2022 Compressor, Fill Panel await disposal and do not appear in depreciation schedule.</li> <li>10 Regulator lifespan reduced from 10 years to 6 years. Salvage value reduced to \$50.</li> </ol> | <b>Instructions:</b> <p>Assumes no assets are purchased and disposed of in the same financial period.</p> <p>Copy the previous period's sheet and create a new one to use for the current period.</p> <p>Delete assets disposed of in the previous period.</p> <p>Copy 'Accumulated Depreciation Closing' values to 'Accumulated Depreciation Opening'</p> <p>Change Financial Period Start and End dates.</p> <p>Check: Accum Depn Opening (schedule) = Provn for Accum Depn (Bal Sheet close of previous period)</p> <p>Do a manual calculation and over-write value in 'Depreciation Current Period' if:</p> <p style="padding-left: 20px;">Assets is purchased and disposed of in the financial period.</p> <p style="padding-left: 20px;">'Depreciated Value Closing' is negative (i.e. asset is fully depreciated).</p> <p>Add new assets.</p> <p>Check: Check Values balance as appropriate.</p> |
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