



The Wagner Society

in N.S.W. Inc.

(Patron — Sir Charles Mackerras)

Postal Address: Box 4574 GPO Sydney 2001

ANNUAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2007

THE WAGNER SOCIETY IN NEW SOUTH WALES INCORPORATED

**INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2007**

	2007	2006
	\$	\$
INCOME		
Membership	8,650	12,385
Administration charges	1,200	1,000
Lectures and functions	3,705	3,436
Donations	10,915	13,480
Bayreuth ticket sales	21,282	14,696
Interest	51	68
Other fundraising income	255	417
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Total Income	46,058	45,484
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EXPENDITURE		
Newsletter	4,897	5,934
Stationery and postage	615	330
Function catering expense	2,620	3,849
Function room hire	2,882	3,100
Payments to presenters	2,082	765
Bayreuth ticket expense	21,487	16,222
Sponsorships	9,234	15,616
Other Operating Expenses	2,742	1,943
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Total Expenditure	46,559	47,759
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DEFICIT FOR THE YEAR	(501)	(2,277)
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Retained Profits at Beginning of Year	5,314	7,591
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Retained Profits at End of Year	4,813	5,314
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The accompanying notes form part of this financial report.

THE WAGNER SOCIETY IN NEW SOUTH WALES INCORPORATED

BALANCE SHEET
AS AT 31 DECEMBER 2007

	2007 \$	2006 \$
CURRENT ASSETS		
Cash Assets – Working Account	11,137	25,384
– Donation Account	827	700
Inventory	2,115	2,200
Prepaid Bayreuth expenses	<u>20,966</u>	<u>-</u>
TOTAL CURRENT ASSETS	<u>35,045</u>	<u>28,284</u>
TOTAL ASSETS	<u>35,045</u>	<u>28,284</u>
CURRENT LIABILITIES		
Bayreuth revenue received in advance	20,966	19,200
Refunds payable	5,284	2,250
Trade payables	1,267	1,470
Membership revenue received in advance	<u>2,715</u>	<u>50</u>
TOTAL CURRENT LIABILITIES	<u>30,232</u>	<u>22,970</u>
TOTAL LIABILITIES	<u>30,232</u>	<u>19,250</u>
NET ASSETS	<u>4,813</u>	<u>5,314</u>
EQUITY		
Retained Surplus	<u>4,813</u>	<u>5,314</u>
TOTAL EQUITY	<u><u>4,813</u></u>	<u><u>5,314</u></u>

The accompanying notes form part of this financial report.

THE WAGNER SOCIETY IN NEW SOUTH WALES INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007

Note 1: Statement Of Significant Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the *Associations Incorporated Act (NSW) 1984*. The Committee has determined that the Society is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the *Associations Incorporated Act (NSW) 1984* and the following Australian Accounting Standards:

AASB 1031 – Materiality

No other Accounting Standards, Urgent Issues Group Consensus Views or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values, with the exception of interest revenue which is recognised on receipt.

The following is a summary of the material accounting policies, which have been adopted in the preparation of this financial report. The accounting policies are consistent with the previous period and comparative balances have been restated where necessary to be compliant with the accrual basis of accounting and adopted accounting policies. Other than the following, no other significant accounting policies require disclosure in this report.

(a) Income Tax

The Society is exempt from income tax under Section 50-5 of the *Income Taxation Act 1997*.

(b) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Society and the revenue can be reliably measured.

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

Income from donations is recognised when the amount is received.

Membership revenue is recognised in the year membership relates to.

Bayreuth ticket deposits are received as security for Bayreuth tickets until the Bayreuth festival the following year. These amounts are initially recognised as a liability and revenue is recognised when the event is held. Provisions for refunds are recognised when deposits exceed the total tickets available and such refunds are subsequently offset against ticket income in the year for which they relate.

c) Prepayments

Prepayments relate to the purchase of tickets in the year prior to the Bayreuth festival being held. This amount will be recognised as an expense in the year to which it relates, that is when the event is held.

THE WAGNER SOCIETY IN NEW SOUTH WALES INCORPORATED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

Note 1: Statement Of Significant Accounting Policies (continued)

d) Inventory

Inventory is measured at the lower of cost and net realisable value. No provision for obsolescence is made on the basis that the committee expects future sales of stock. The value of inventory represents the amount of stock the committee expects to sell in the future at its realisable value. The remaining stock items that the committee expects will be unsold have been expensed in prior periods.

Note 2: Incorporation

The Association was incorporated on the 15th December 1986.

Note 3: Mortgages, Charges and Securities

There are no mortgages, charges or securities affecting any of the Society's assets.

THE WAGNER SOCIETY IN NEW SOUTH WALES INCORPORATED

STATEMENT BY MEMBERS OF THE COMMITTEE

The Committee has determined that the Society is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Committee, the financial report, being the Income and Expenditure Statement, Balance Sheet and Notes to the Financial Statements:

1. Presents fairly the financial position of the Wagner Society in New South Wales Incorporated as at 31 December 2007 and its performance for the year ended on that date and in accordance with the *Associations Incorporated Act (NSW) 1984* and the Constitution and Rules of the Association.
2. At the date of this statement, there are reasonable grounds to believe that Wagner Society in New South Wales Incorporated will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:



R.Cruickshank
President



M.Moore
Treasurer

Dated this 16thth day of May 2008



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE WAGNER SOCIETY IN NEW SOUTH WALES INCORPORATED

Scope

The special purpose financial report and Committee's responsibility

The special purpose financial report comprises the Statement of Income and Expenditure, Balance Sheet, Notes to the Financial Statements, and the Statement by Members of the Committee for the year ended 31 December 2007.

The Committee are responsible for the preparation and true and fair presentation of the financial report and have determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are consistent with financial reporting requirements of the Society's Rules and are appropriate to meet the needs of members. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

The special purpose financial report has been prepared for distribution to members for the purpose of fulfilling the Committee's financial reporting requirements under the Society's Constitution and Rules and of the *Associations Incorporated Act (NSW) 1984*. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

Audit Approach

We conducted an independent audit of the financial report in order to express an opinion on it to the members of the Society. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitation of internal control and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the accounting policies as described in Note 1, so as to present a view which is consistent with our understanding of the Society's financial position, and of its performance as represented by the results of its operations. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia. No opinion is expressed as to whether the accounting policies used, and described in Note 1, are appropriate for the needs of the members.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Committee.

Level 17
55 Clarence Street
SYDNEY NSW 2001
GPO Box 3808
SYDNEY NSW 2001
Tel 02 9299 4678
Fax 02 9299 3131
www.walturn.com.au
walturnbull@walturn.com.au
A division of
WalterTurnbull Pty Ltd
ABN 97 099 740 879

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE WAGNER SOCIETY IN NEW SOUTH WALES INCORPORATED (Continued)

While we considered the effectiveness of internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Qualification

It is not practicable for the Society to maintain an effective system of internal control over cash receipts until initial entry into the accounting records. Accordingly, our audit work in relation to receipts was limited to the amounts recorded.

The financial report for the year ended 30 June 2006 was not previously audited. Accordingly, we are unable to determine whether the balances as at 30 June 2006 have been fairly stated. As opening balances enter into the determination of the results for the current year, we are unable to determine the impact of any potential material misstatements these opening balances may have on current year results.

Due the limitation in the scope of our audit, no opinion can formed on the fairness of the 2006 comparative balances disclosed in the current year's financial report.

Audit Opinion

In our opinion, except for the effect on the financial statements of the matters referred to in the qualification paragraph, the financial report presents fairly in accordance with the accounting policies described in Note 1 to the financial statements, the financial position of the Wagner Society of New South Wales Incorporated as at 31 December 2007 and the results of its operations for the year then ended.



Mark Driessen, FCA
Executive Director
WalterTurnbull

Sydney, 16th May 2008