

EQUESTRIAN AUSTRALIA LIMITED

ABN 19 077 455 755



**EQUESTRIAN
AUSTRALIA**

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2011

EQUESTRIAN AUSTRALIA LIMITED

ABN 19 077 455 755

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2011

CONTENTS

	Page
Directors' Report	1 to 7
Auditor's Independence Declaration	8
Statement of Comprehensive Income	9
Statement of Financial Position	10
Statement of Changes in Equity	11
Statement of Cash Flows	12
Notes to the Financial Statements	13 to 22
Directors' Declaration	23
Independent Auditor's Report	24 to 25
Statement of Income and Expenditure - Consolidated	26 to 27
Statement of Income and Expenditure - EA Business	28 to 29
Statement of Income and Expenditure - High Performance	30
Statement of Income and Expenditure - ICDF	31

EQUESTRIAN AUSTRALIA LIMITED

ABN 19 077 455 755

DIRECTORS' REPORT

The Directors present this report on the company for the year ended 30 June 2011.

Directors

The names of directors in office at any time during or since the end of the year are:

Mr Paul Cargill	<i>(appointed 24th October 2009)</i>
Mr Graeme Bowker	<i>(appointed 14 November 2008)</i>
Mrs Natalie Nichols	<i>(appointed 14 November 2008)</i>
Mr William Fell	<i>(appointed 24th October 2009)</i>
Ms Robynne McTaggart	<i>(appointed 24th October 2009)</i>
Ms Mary-Louise Ganter	<i>(appointed 24th October 2009)</i>
Mr Graham Sharley	<i>(appointed 24th October 2009)</i>
Ms Nicole Chapman	<i>(appointed 6th February 2010)</i>

Company Secretary

Mr Grant Baldock - Bachelor of Science (Aviation)

Mr Grant Baldock was appointed company secretary on 5 June 2010.

Principal Activities

The principal activity of the company in the course of the financial year remained unchanged and was that of being the National Sporting Organisation for Equestrian Sport in Australia, recognised by the International Equestrian Federation (FEI), the Australian Sports Commission and the Australian Olympic Committee.

Results and Review of Operations

The operating profit earned by the company during the year was \$65,007 (2010: \$109,859 deficit).

Significant Changes in the State of Affairs

There were no significant changes in the company's state of affairs that occurred during the financial year.

After Balance Date Events

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

EQUESTRIAN AUSTRALIA LIMITED

ABN 19 077 455 755

DIRECTORS' REPORT (continued)

Future Developments

Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

Board Committees

Remuneration Committee:

- Recommends to the Board the remuneration package for the CEO and the remuneration policy for other senior management

Finance & Audit Committee:

- Reviews finances, policies, procedures, controls and makes recommendations to the Board
- Recommends the appointment of external Auditors

ICDF and High Performance Committee:

- Reviews funding applications and recommends to the Board payments from the International Competition & Development Fund.
- Considers and recommends the policies & procedures of the High Performance program

Information on Directors

Mr Paul Cargill

Chairperson

Qualifications

University of Melbourne LLB

Experience

Appointed Director 24th October 2009
Appointed Chairperson 14th November 2009
Paul is a former senior partner (over 30 years) at a leading Australian and International Law Firm based in Sydney. He continues to advise clients on major development projects in the Asia-Pacific region. Paul was formerly the President of Eventing NSW, the Sydney International 3DE and Equestrian NSW and has been a member of the National Eventing Committee. He has been appointed by the Executive Board of the International Equestrian Federation (FEI) to its Constitutional Task Force reviewing the FEI's governance structures.

Special Responsibilities

Remuneration Committee
ICDF & High Performance Committee

EQUESTRIAN AUSTRALIA LIMITED

ABN 19 077 455 755

DIRECTORS' REPORT (continued)

Information on Directors cont.

Mr Graeme Bowker	Director
Qualifications	Member of the Australian Institute of Chartered Accountants and the Australian Institute of Directors.
Experience	Appointed Director November 2008. Started with Deloitte as an accountant and rising to NZ and subsequently Victorian managing partner Graeme currently holds and has held directorships in a variety of companies and other enterprises including Victorian Government audit committees. Graeme has also had long-term involvement in a number of sports, including club-secretarial roles and directorships and has a good record of personal achievement in ball sports such as tennis and golf
Special Responsibilities	Finance & Audit Committee Remuneration Committee
Ms Natalie Nichols	Director
Qualifications	Bachelor of Business degree and other certificates
Experience	Appointed Director November 2008. Director of a business and technology consulting company Natalie has had long-term involvement in equestrian sport. This has covered positions such as rider, owner, official, sponsor, organiser, commercial operator, breeder and crisis manager.
Special Responsibilities	ICDF & High Performance Committee
Mr William Fell	Director
Qualifications	Diploma Agriculture Science (NZ)
Experience	Appointed Director 24 October 2009 Past Board Member of Murray Business Network Group and the Campaspe Business Advisory Board. Involved with the Agricultural and Equine Industry throughout SE Asia over the last 15 years, establishing business relationships with numerous equestrian centres in Hong Kong, Singapore and throughout Malaysia. Currently a principal of NEM Group, a leader in the transformation of organisations assisting them to achieve strategic change effectively and completely.
Special Responsibilities	Remuneration Committee

EQUESTRIAN AUSTRALIA LIMITED

ABN 19 077 455 755

DIRECTORS' REPORT (continued)

Information on Directors cont.

Ms Robynne McTaggart **Director**

Qualifications

Experience

Appointed Director 24 October 2009
Past CEO of Equestrian Western Australia, providing a sound financial grounding and strong management framework.
Robynne has been owner/ director of a number of companies including the Park Group of Companies and Noblewood Park Stud, overseeing substantial turnover per annum and expansion into a variety of areas.

Special Responsibilities

ICDF & High Performance Committee

Ms Mary-Louise Ganter **Director**

Qualifications

Experience

Appointed Director 24 October 2009
Mary-Louise has an enduring interest in equestrian activities having competed in Pony Club, Interschool and adult competition. She is an executive level employee of the Australian public service and is currently responsible for the development of business reform within the infrastructure planning and delivery division for Defence. She has previous experience developing strategic assessments of infrastructure initiatives in support of Defence capability and strategic policy development associated with long-term basing and infrastructure options for Navy at both Commonwealth and private sector owned facilities. She has worked as a management consultant on business improvement activities for a number of public sector organisations. Mary-Louise also served ten years as an officer within the Royal Australian Navy. She has broad skills and experience in strategic analysis and policy development, public sector governance, business process improvement and training delivery.

Special Responsibilities

Finance & Audit Committee

EQUESTRIAN AUSTRALIA LIMITED

ABN 19 077 455 755

DIRECTORS' REPORT (continued)

Information on Directors cont.

Mr Graham Sharley

Director

Qualifications

Tertiary qualifications in Science, Law and Business management.

Experience

Appointed Director 24 October 2009

Graham is a director of corporate governance and public officer on the board of management of five national and two state organisations. Graham has recently completed thirteen years as a senior manager with the Attorneys General Department in SA and fifteen years as head of the Energy department. Since 1965 Graham has been the managing director of several companies and remains in this role to date. Graham is a former director of ESA and Adelaide International Three Day Event. Graham's interests are flying and historic car restoration and racing.

Special Responsibilities

Finance & Audit Committee

Ms Nicole Chapman

Athlete Director

Qualifications

Bachelor of Business - Sports Management & NCAS Level 1

Experience

Appointed Athlete Director 6 February 2010.

Niki has competed at International level in Eventing and also actively participates in Dressage and Jumping competition
Niki worked as a Sports Consultant at the National Office for four years dealing with international events, entries to and schedules for these and, among other duties, as secretary to the National Eventing Committee. Niki now is the Program Coordinator - Equestrian for the NSW Institute of Sport, which administers a National Equestrian program in conjunction with Equestrian Australia and the NSW Branch. Niki is also a member of the Eventing Equestriad committee which runs several events throughout the year.

Special Responsibilities

Chairperson - Riders representative committee

EQUESTRIAN AUSTRALIA LIMITED

ABN 19 077 455 755

DIRECTORS' REPORT (continued)

Information on Directors cont.

Mr Grant Baldock **CEO, Appointed 14 April 2010**
Company Secretary Appointed 5 June 2010

Qualifications Bachelor of Science - Aviation

Experience Grant started his career at Palm Beach (qld.) Surf Life Saving Club, having been Australian Surf Life Saving Champion in three consecutive years and then moved to join Surf Life Saving Australia (SLSA). There he held various positions interlaced with sport management assignments at Commonwealth Games and World Swimming Championships. His most recent position before joining EA was that of general manager surf sport with SLSA, where he controlled a budget of \$4.9 million and was responsible for the management of surf sports national partnerships worth in excess of \$3 million per annum.

Special Responsibilities: ICDF & High Performance Committee (non-voting)

Meetings of Directors

During the financial year, 6 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings		Committee Meetings		
	# held	# attended	ICDF & High Performance Committee	Audit & Governance Committee	Remuneration Committee
Mr P Cargill	6	5	2		1
Mrs N Nichols	6	6	2		
Mrs M-L Ganter	6	5		2	
Mr G Sharley	6	6		2	
Mr G Bowker	6	5		2	1
Mr W Fell	6	6			1
Ms R Mc Taggart	6	4	2		
Ms N Chapman	6	3			
Mr G Baldock	6	6	2	2	1

EQUESTRIAN AUSTRALIA LIMITED

ABN 19 077 455 755

DIRECTORS' REPORT (continued)

Environmental Issues

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Options

No options to shares in the company have been granted during the financial year and there were no options outstanding at the end of the financial year.

Proceedings on Behalf of the Company

No persons have applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility of behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Indemnification of Officers

The company paid a premium during the year in relation to an Association Liability policy which indemnifies the Directors and Officers of the company for losses which the Director or Office may become liable to pay on account of any claim made against the Director or Officer during the period of the policy for a wrongful act committed during the period of the policy. The Directors have not included details of the nature of the liabilities covered nor the amount of the premium paid as such disclosure is prohibited under the terms of the contract.

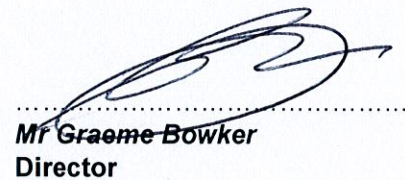
Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2011 has been received and can be found on page 8.

Signed in accordance with a resolution of the Board of Directors.



.....
Mr Paul Cargill
Director



.....
Mr Graeme Bowker
Director

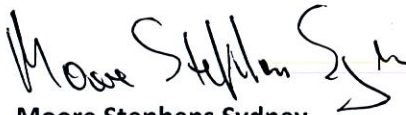
Dated this 15th day of October, 2011

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AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
EQUESTRIAN AUSTRALIA LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2011 there have been:

- i. No contraventions of the auditor independence requirements as set out in the Corporations Act 2011 in relation to the audit; and
- ii. No contraventions of any applicable code of professional conduct in relation to the audit.



Moore Stephens Sydney
Chartered Accountants



Spiro Tzannes
Partner

Dated this 14th day of October 2011

EQUESTRIAN AUSTRALIA LIMITED

ABN 19 077 455 755

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2011

	Note	2011	2010 \$
Revenue			
Revenue from operations	2	3,549,999	2,250,275
Other revenue	2	<u>1,535,672</u>	<u>1,333,927</u>
		<u>5,085,671</u>	<u>3,584,202</u>
Expenses			
Depreciation expenses	3	73,017	71,059
Employee benefits expense	3	1,051,098	933,988
Insurance administration expenses		487,580	471,826
Equestrian Competition Expenses		2,645,514	1,817,576
Other expenses		<u>763,455</u>	<u>399,612</u>
		<u>5,020,664</u>	<u>3,694,061</u>
Net surplus / (deficit) for the year		<u>65,007</u>	<u>(109,859)</u>
OTHER COMPREHENSIVE INCOME			
Other Comprehensive Income for the year;			
Cancellation of issued capital		<u>-</u>	<u>(7)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>65,007</u>	<u>(109,866)</u>

EQUESTRIAN AUSTRALIA LIMITED

ABN 19 077 455 755

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011**

	Note	2011	2010 \$
CURRENT ASSETS			
Cash and cash equivalents	5	1,287,982	1,314,253
Receivables	6	141,831	34,699
Inventories	7	48,008	28,852
Other assets	8	303,473	8,590
Total Current Assets		<u>1,781,294</u>	<u>1,386,394</u>
NON CURRENT ASSETS			
Property, plant and equipment	9	790,395	830,678
Total Non Current Assets		<u>790,395</u>	<u>830,678</u>
TOTAL ASSETS		<u>2,571,689</u>	<u>2,217,072</u>
CURRENT LIABILITIES			
Payables	10	304,441	299,821
Financial Liabilities	11	7,720	15,459
Employee benefits	12	90,632	96,714
Other liabilities	13	1,017,224	718,413
Total Current Liabilities		<u>1,420,017</u>	<u>1,130,407</u>
TOTAL LIABILITIES		<u>1,420,017</u>	<u>1,130,407</u>
NET ASSETS		<u>1,151,672</u>	<u>1,086,665</u>
EQUITY			
Retained surplus		<u>1,151,672</u>	<u>1,086,665</u>
TOTAL EQUITY		<u>1,151,672</u>	<u>1,086,665</u>

EQUESTRIAN AUSTRALIA LIMITED

ABN 19 077 455 755

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2011

	Retained Surplus \$	Contributed Equity \$	Reserves \$	Total Equity \$
At 30 June 2009	1,196,524	7	-	1,196,531
(Deficit) for the year	(109,859)	-	-	(109,859)
Cancellation of Issued Capital	-	(7)	-	(7)
At 30 June 2010	1,086,665		-	1,086,665
Surplus / (Deficit) for the year	65,007			65,007
As at June 2011	<u>1,151,672</u>	-	-	<u>1,151,672</u>

EQUESTRIAN AUSTRALIA LIMITED

ABN 19 077 455 755

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
Cash flows from operating activities			
Cash receipts in the course of operations		2,004,329	1,897,296
Cash payments in the course of operations		(5,088,548)	(3,614,119)
Cash receipts from government grants		3,071,393	2,008,981
Interest received		29,225	45,954
Interest paid		<u>(2,197)</u>	<u>(1,945)</u>
Net cash provided by / (used in) operating activities	15 (ii)	<u>14,202</u>	<u>336,167</u>
Cash flows from investing activities			
Payments for property, plant and equipment		<u>(32,734)</u>	<u>(3,980)</u>
Net cash provided by / (used in) investing activities		<u>(32,734)</u>	<u>(3,980)</u>
Cash flows from financing activities			
Proceeds from borrowings		50,000	50,000
Repayment of borrowings		<u>(57,739)</u>	<u>(54,188)</u>
Net cash provided by / (used in) financing activities		<u>(7,739)</u>	<u>(4,188)</u>
Net increase / (decrease) in cash held		(26,271)	327,999
Cash at the beginning of the financial year		<u>1,314,253</u>	<u>986,254</u>
Cash at the end of the financial year	15 (i)	<u><u>1,287,982</u></u>	<u><u>1,314,253</u></u>

EQUESTRIAN AUSTRALIA LIMITED

ABN 19 077 455 755

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared to satisfy the financial report preparation requirements of the Corporations Act 2001 and the needs of members. The Directors have determined that the company is not a reporting entity.

Equestrian Australia Limited (formerly 'The Equestrian Federation of Australia Limited') is a company limited by guarantee, incorporated and domiciled in Australia.

Basis of Preparation

The financial report has been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Corporations Act 2001 and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members.

The financial report has been prepared on an accruals basis, subject to revenue matters in note 1 (b), and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

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) Income Tax

The company is exempt from income tax under the current provisions of Income Tax Assessment Act (1997). Accordingly, there is no income tax expense or income tax payable recognised in the financial report.

(b) Revenue Recognition

Interest Received

Interest is recognised as it accrues, taking into account the effective yield of the financial asset.

Grants Received

Grants received on the condition that specified services be delivered, or conditions fulfilled, are considered reciprocal. Such grants are initially recognised as a liability and revenue is recognised as services are performed or conditions fulfilled.

Non-reciprocal grants

Revenue is recognised when the grant is received or receivable.

Branch Levies

Branch levies and related contributions revenue is recognised when the levies and contributions in respect of services provided are received.

Sponsorships and Donations

Sponsorships and donations revenue is recognised as and when received.

EQUESTRIAN AUSTRALIA LIMITED

ABN 19 077 455 755

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of Good and Services Tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

Receivables and payables are stated with the amounts of GST included. The net amount of GST recoverable from or payable to the ATO is included as a current asset or current liability on the balance sheet.

Cash flows are included in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities which are disclosed as operating cash flows.

(d) Inventories

Inventories are measured at the lower of cost and net realisable value.

(e) Property, Plant and Equipment

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

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over the estimated useful life of each asset as follows;

Buildings	2.5%
Plant and equipment	20% to 40%
Veterinary Equipment	20%

(f) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either purchase or sell the asset (ie trade date accounting is adopted). Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

EQUESTRIAN AUSTRALIA LIMITED

ABN 19 077 455 755

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Financial Instruments cont.

Classification and subsequent measurement

Finance instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

- (i) *Financial assets at fair value through profit or loss*
Financial assets are classified at 'fair value through profit or loss' when they are held for trading for the purpose of short-term profit taking, or where they are derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.
- (ii) *Loans and receivables*
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.
- (iii) *Held-to-maturity investments*
Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost.
- (iv) *Available-for-sale financial assets*
Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.
- (v) *Financial liabilities*
Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Amortised cost is calculated as:

- i. amount at which the financial asset or financial liability is measured at initial recognition;
- ii. less principal repayments;
- iii. plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*;
- iv. less any reduction for impairment.

EQUESTRIAN AUSTRALIA LIMITED

ABN 19 077 455 755

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Financial Instruments cont.

Impairment

At each reporting date, the entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the Income Statement.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability, which is extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(g) Impairment of Assets

At each reporting date, the Company reviews the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

(h) Leased assets

Leases of plant and equipment under which the Company assumes substantially all the risks and benefits of ownership are classified as finance leases. Other leases are classified as operating leases. Payments made under operating leases are expensed in equal instalments over the accounting periods covered by the lease term.

Finance leases are capitalised. A lease asset and a lease liability equal to the present value of the minimum lease payments are recorded at the inception of the lease. Capitalised lease assets are amortised on a straight line basis over the life of the asset. Lease liabilities are reduced by repayments of principal. The interest components of the lease payments are expensed.

EQUESTRIAN AUSTRALIA LIMITED

ABN 19 077 455 755

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Employee Benefits

Provision has been made for employee benefits, based on current award entitlements for all staff employed by the Company. All provisions are measured at their nominal amount, including long service leave, which is provided from date of employment, being measured at the remuneration rates, including on-costs, applying at balance date. In determining these provisions it is expected that at the date of this report future increases in remuneration rates and the relevant discount factors which would be required to be applied to amounts expected to be settled beyond 12 months would be approximately equal with no material impact arising from any difference that may exist between these two aspects.

(h) Rounding & Currency

All amounts appearing in the financial report are in Australian currency and have been rounded to the nearest dollar.

(i) Comparatives

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by accounting standards or as a result of changes in accounting policy.

EQUESTRIAN AUSTRALIA LIMITED

ABN 19 077 455 755

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

	2011 \$	2010 \$
2 REVENUE		
Revenue from rendering of services		
Australian Sports Commission grants	2,438,364	1,367,666
Australian Olympic Committee grants	55,000	52,500
Branch and related contributions	610,049	625,289
Australian Paralympic Committee grants	446,586	204,820
	<u>3,549,999</u>	<u>2,250,275</u>
Other revenue from ordinary activities		
Coaches' registration fees	182,023	179,608
Sponsorship and donations	114,230	48,750
Interest received	29,225	45,954
Insurance administration revenue	602,136	579,650
FEI revenue	123,409	128,316
Medication Control	69,932	66,795
Other Programs	58,382	22,499
Contribution to Technology Project	50,000	-
Sundry revenue	306,335	262,355
	<u>1,535,672</u>	<u>1,333,927</u>
Total Revenue	<u>5,085,671</u>	<u>3,584,202</u>
3 EXPENSES		
Depreciation of:		
Buildings	18,654	18,653
Plant and equipment	54,363	52,406
	<u>73,017</u>	<u>71,059</u>
Employee Benefits Expense		
Salaries & Wages	883,741	738,684
Superannuation	83,085	72,742
Recruitment, Training, Workcover	10,586	33,798
Payroll Tax	24,309	10,172
Long term & post-employment benefits	49,377	78,592
	<u>1,051,098</u>	<u>933,988</u>
4 AUDITORS REMUNERATION		
Auditors of the company		
Audit Services	12,000	10,500
Over / (Under) provision from prior year	-	1,500
	<u>12,000</u>	<u>12,000</u>

EQUESTRIAN AUSTRALIA LIMITED

ABN 19 077 455 755

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

	2011	2010 \$
5 CASH AND CASH EQUIVALENTS		
Cash at bank	489,556	285,962
Cash on deposit	798,226	1,028,091
Cash on hand	200	200
	<u>1,287,982</u>	<u>1,314,253</u>
6 RECEIVABLES		
Trade debtors		
Receivables	129,269	30,742
Less: Provision for impairment	-	-
	<u>129,269</u>	<u>30,742</u>
Other debtors		
Sundry debtors	12,562	3,957
	<u>12,562</u>	<u>3,957</u>
	<u>141,831</u>	<u>34,699</u>
7 INVENTORIES		
Inventories, at cost	<u>48,008</u>	<u>28,852</u>
8 OTHER ASSETS		
Investment in subsidiary	1	-
ICT Project Development	257,956	-
Prepayments	45,516	8,590
	<u>303,473</u>	<u>8,590</u>
9 PROPERTY, PLANT & EQUIPMENT		
Building - at cost	746,140	746,140
Less accumulated depreciation	(86,657)	(68,003)
	<u>659,483</u>	<u>678,137</u>
Building Partitioning - at cost	106,531	106,531
Less accumulated depreciation	(39,412)	(28,759)
	<u>67,119</u>	<u>77,772</u>
Plant and equipment - at cost	131,606	100,484
Less accumulated depreciation	(93,684)	(79,759)
	<u>37,922</u>	<u>20,725</u>
Veterinary Equipment	140,868	140,868
Less accumulated depreciation	(114,998)	(86,824)
	<u>25,870</u>	<u>54,044</u>
	<u>790,394</u>	<u>830,678</u>

EQUESTRIAN AUSTRALIA LIMITED

ABN 19 077 455 755

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

		2011 \$	2010 \$
10	PAYABLES		
	Current		
	Trade creditors	253,774	131,767
	Other creditors and accruals	<u>50,667</u>	<u>168,054</u>
		<u><u>304,441</u></u>	<u><u>299,821</u></u>
11	FINANCIAL LIABILITIES		
	Current		
	Bank Loan, secured	<u><u>7,720</u></u>	<u><u>15,459</u></u>
	Buildings recorded in these accounts with a carrying value of \$696,790, are provided as security by way of an unregistered charge in respect of this loan. The loan and facility is available for a fifteen year term expiring in 2022.		
	Bank and financing arrangements		
	The company has access to the following lines of credit:		
	Loan Facility	500,000	500,000
	Credit card Facility	<u>40,000</u>	<u>40,000</u>
		<u><u>540,000</u></u>	<u><u>540,000</u></u>
	Facilities not utilised at balance date:		
	Loan Facility	492,280	484,541
	Credit card Facility	<u>40,000</u>	<u>40,000</u>
		<u><u>532,280</u></u>	<u><u>524,541</u></u>
	Autopay facilities		
	An autopay facility is maintained for Electronic Funds transfer purposes.		
12	EMPLOYEE BENEFITS		
	Current		
	Annual leave	64,182	46,248
	Long service leave	<u>26,450</u>	<u>50,466</u>
		<u><u>90,632</u></u>	<u><u>96,714</u></u>
13	OTHER LIABILITIES		
	Current		
	Revenue received in advance	<u>1,017,224</u>	<u>718,413</u>
		<u><u>1,017,224</u></u>	<u><u>718,413</u></u>

EQUESTRIAN AUSTRALIA LIMITED

ABN 19 077 455 755

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

14 RELATED PARTY TRANSACTIONS

ICT Project Transactions

The Board approved Equestrian Australia entering into transactions with NTP Group, of which Natalie Nichols, a director of Equestrian Australia, is a 50 percent owner.

The transactions during the year comprised the following:

	\$
- Fees at normal commercial rates for NTP consultants (other than Natalie Nichols)	33,700
- Amounts paid to NTP Group for supply from third parties for hardware, software and related services for which NTP did not receive a margin.	54,872

Other

Graeme Bowker, an Equestrian Australia director, rented office facilities from an accounting firm which on 31 March merged with Moore Stephens Melbourne. Graeme Bowker is not an employee of Moore Stephens.

15 NOTES TO THE STATEMENT OF CASH FLOWS

	2011	2010
	\$	\$

(i) Reconciliation of cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand, cash at bank and short term deposits, net of any outstanding bank overdrafts.

Cash at bank, on deposit and on hand	<u>1,287,982</u>	<u>1,314,253</u>
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(ii) Reconciliation of operating result to net cash provided by operating activities

(Deficit) / Surplus for the year	65,007	(109,859)
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Add (less) non cash items:

Depreciation	<u>73,017</u>	<u>71,059</u>
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Net cash provided before changes in assets and liabilities	138,024	(38,800)
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Changes in assets and liabilities during the financial year

(Increase) / decrease in receivables	(107,132)	(7,035)
(Increase) / decrease in other assets	(294,883)	(7,283)
(Increase) / decrease in inventories	(19,156)	(10,246)
(Decrease) / increase in payables	4,620	50,975
(Decrease) / increase in provisions	(6,082)	9,184
(Decrease) / increase in other liabilities	<u>298,811</u>	<u>339,372</u>

Net cash provided by / (used by) operating activities	<u>14,202</u>	<u>336,167</u>
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EQUESTRIAN AUSTRALIA LIMITED

ABN 19 077 455 755

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

	2011	2010
	\$	\$
16 COMMITMENTS		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
- payable not later than 1 year	7,498	7,498
- payable later than 1 year but no later than 5 years	<u>13,121</u>	<u>20,618</u>
	<u>20,619</u>	<u>28,116</u>

Lease commitments comprise payments to be made in relation to an operating lease for a photocopier acquired on 6 April 2009.

17 MEMBER'S GUARANTEE

The Company is limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$10.00 each towards meeting any outstanding obligations of the company. At 30 June 2011 the number of members was 6 (2010 : 6).

18 ECONOMIC DEPENDENCY

The company is dependent on grants received from the Australian Sports Commission and Australian Olympic Committee for the majority of its revenue used to fund its operations 2011: 49% (2010: 45.3%). At the date of this report the Directors have no reason to believe the Government will not continue to support the Company.

19 COMPANY DETAILS

The company was incorporated on 11 February 1997 under the Corporations Act 2001. The registered office and principal place of business of the company is at Unit 7, 11-21 Underwood Road, Homebush NSW 2140.

On 23rd December 2008, the Company changed it's name from The Equestrian Federation of Australia Limited to Equestrian Australia Limited.

20 EVENTS SUBSEQUENT TO BALANCE DATE

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

EQUESTRIAN AUSTRALIA LIMITED

ABN 19 077 455 755

DIRECTORS' DECLARATION

The Directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The Directors of the company declare that:


1. The financial statements and notes, as set out on pages 9 to 22, are in accordance with the Corporations Act 2001 and:

(a) comply with Accounting Standards as set out in Note 1 to the financial statements and the Corporations Regulations 2001; and

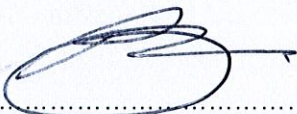
(b) give a true and fair view of the company's financial position as at 30 June 2011 and of the performance for the year ended on that date, in accordance with the accounting policies described in Note 1 to the financial statements.

2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors made pursuant to s.295(5) of the Corporations Act 2001.



.....
Mr Paul Cargill
Director



.....
Mr Graeme Bowker
Director

Dated this 15th day of October, 2011.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
EQUESTRIAN AUSTRALIA LIMITED**

Level 7, 20 Hunter Street
Sydney NSW 2000

GPO Box 473, Sydney NSW 2001

T +61 (0)2 8236 7700

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www.moorestephens.com.au

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Equestrian Australia Limited, which comprises the statement of financial position as at 30 June 2011, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the requirements of the *Corporations Act 2001* and are appropriate to meet the needs of the members.

The directors' responsibility also includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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

The financial report has been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting under the *Corporations Act 2001*. 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.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of Equestrian Australia Limited on 14th October 2011, would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's Opinion

In our opinion the financial report of Equestrian Australia Limited is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2011 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 and complying with the *Corporations Regulations 2001*.

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 directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose.



MOORE STEPHENS SYDNEY
Chartered Accountants



S. TZANNES
Partner

Dated in Sydney this 17th day of October, 2011

EQUESTRIAN AUSTRALIA LIMITED

ABN 19 077 455 755

**STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2011**

CONSOLIDATED		
	2011	2010
	\$	\$
Income from ordinary activities		
<i>Australian Sports Commission Grants</i>		
Sports Management	85,000	85,000
High Performance Management	77,000	77,000
Coaching - General	395,000	175,000
Officiating	41,197	10,000
High Performance Program	1,840,167	1,020,666
	2,438,364	1,367,666
<i>Australian Olympic Committee Grants</i>		
International Competition Grants	55,000	52,500
	55,000	52,500
Australian Paralympic Committee Grants	446,586	204,820
Other Programs	58,382	22,499
Sponsorship & Donations	114,230	48,750
Branch & Related Contributions	610,049	625,289
Contribution to Technology Project	50,000	-
Coaches' Registration Fee	182,023	179,608
FEI Income	123,409	128,316
Insurance Administration	602,136	579,650
Interest	29,225	45,954
Medication Control	69,932	66,795
<i>Sundry Income</i>		
Competitors' Documents	13,545	13,814
Judicial Income	-	13,023
Officiating	33,997	59,940
Sale of Stock	164,872	169,919
Special Projects	36,859	800
Schools, Clinics & Workshops	57,062	4,859
	306,335	262,355
TOTAL INCOME	5,085,671	3,584,202

EQUESTRIAN AUSTRALIA LIMITED

ABN 19 077 455 755

**STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2011**

CONSOLIDATED (cont)

	2011	2010
	\$	\$
Expenses from ordinary activities		
Affiliation Fees and Subscriptions	39,958	41,146
Elite Coaching	326,078	227,138
International Competitions	5,799	320,278
ICDF Grants		
National Disciplines	104,100	133,873
Coaching & Officiating	133,662	133,755
Medication Control	80,737	78,998
Competitors Documents	-	-
Depreciation	73,017	71,059
FEI Expenses	98,140	105,395
Financial & Bank Fees	9,579	11,864
Internet - Website / E-mail	28,864	23,150
Insurance	487,580	471,826
Board & Committee Expenses	110,663	76,806
National Forum		
Office Costs	83,890	60,248
Olympic Games	-	-
Elite Athlete Program	628,247	571,231
Sale of stock costs	64,402	59,201
Trans-Tasman	-	15,353
World Championships	1,447,628	172,354
Professional Fees	36,345	25,325
Promotion & Representation	53,891	16,232
Special Projects	74,765	67,562
Selectors' Expenses	-	-
Shrinkage / Spoilage on Stock		880
Staffing Expenses	1,051,098	933,988
Technology	36,183	24,803
Telecommunication	21,141	14,352
Travel & Accommodation	24,897	37,244
TOTAL EXPENDITURE	<u>5,020,664</u>	<u>3,694,061</u>
NET (DEFICIT) / SURPLUS FOR THE YEAR	<u>65,007</u>	<u>(109,859)</u>

EQUESTRIAN AUSTRALIA LIMITED

ABN 19 077 455 755

**STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2011**

EA BUSINESS		
	2011	2010
	\$	\$
Income from ordinary activities		
<i>Australian Sports Commission Grants</i>		
Sports Management	85,000	85,000
High Performance Management	77,000	77,000
Coaching - General	395,000	175,000
Officiating	41,197	10,000
	598,197	347,000
<i>Branch and related contribution</i>		
<i>Branch levies</i>		
New South Wales	145,407	181,416
Victoria	119,286	117,033
Queensland	70,753	69,054
South Australia	30,970	28,871
Western Australia	64,398	49,253
Tasmania	13,059	13,745
Northern Territory	3,382	2,979
Research Levies	14,615	16,986
Branch Affiliations	13,500	13,500
<i>National Affiliations</i>	4,521	10,731
Affiliations & Levies	479,891	503,568
Sponsorship	114,230	48,750
Coaches Registration Fee	182,023	179,608
Contribution to Technology Project	50,000	-
Competitors' Documents	13,545	13,814
<i>Sundry Income</i>		
FEI	123,409	128,316
Insurance Administration	602,136	579,650
Interest	29,225	34,466
Judicial Income	-	13,023
Medication Control	69,932	66,795
Officiating	33,997	59,940
Special Projects	36,859	800
Sales - Stock	164,872	169,919
Schools, Clinics & Workshops	57,062	4,859
	1,117,492	1,057,768
TOTAL INCOME	2,559,899	2,161,239

EQUESTRIAN AUSTRALIA LIMITED

ABN 19 077 455 755

**STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2011**

EA BUSINESS (cont)		
	2011	2010
	\$	\$
Expenses from ordinary activities		
Affiliation Fees and Subscriptions	39,958	41,146
Depreciation	73,017	42,885
Financial & Bank Fees	9,579	11,853
Office & General Expenses	83,890	60,248
Internet - Website / E-mail	28,864	23,150
Professional Fees	36,345	25,325
Promotion & Representation	53,891	16,232
<i>Special Projects</i>		
Corporate Governance	-	6,080
Contract Works	-	31,350
Event Management	68,218	28,132
Equitana	4,133	-
Patrons Club	1,000	-
Safety Survey	-	2,000
WEG Bid 2018	1,414	-
Staffing Costs	1,051,098	933,988
Stock - EFA	32,349	27,264
Loss on Stock Write Off	777	880
Technology	36,183	24,803
Telecommunication	21,141	14,352
FEI Expenses	98,140	105,395
FEI Stock	31,276	31,937
Insurance Administration	487,580	471,826
Board and Committee Meetings	110,663	76,806
Coaching	91,495	69,533
Medication Control	80,737	78,998
Officiating	42,167	64,222
Competitors Documents	-	-
Travel & Accomodation	24,897	37,244
International Competition - General	5,799	10,766
TOTAL EXPENDITURE	2,514,611	2,236,415
NET (DEFICIT) / SURPLUS FOR THE YEAR	45,288	(75,176)

EQUESTRIAN AUSTRALIA LIMITED

ABN 19 077 455 755

**STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2011**

EA HIGH PERFORMANCE		
	2011	2010
	\$	\$
Income - High Performance only		
<i>Government Grants</i>		
ASC - High Performance Programme	1,840,167	1,020,666
AOC	55,000	52,500
<i>Other Grants</i>		
APC	446,586	204,820
AIS		-
ICDF	25,000	
<i>Other Programs</i>		
Aust Talent Search Program		6,091
Clinics and Camps		16,408
WEG Prizemoney	33,382	
TOTAL INCOME	2,400,135	1,300,485
Expenses - High Performance only		
<i>Elite Athlete Program</i>		
Athlete Development / Daily Training Environment	134,173	88,491
Elite Coaching	326,078	227,138
International Competition	317,863	309,512
Trans-Tasman	-	15,353
Other Programs	-	167,018
Camps	-	100,332
Veterinary	-	127,028
Depreciation - Veterinary	-	28,174
Sports Science	156,211	41,239
World Equestrian Games	1,447,628	172,354
WEG Event expenses	218,858	
- Entries, Camps, Coaches, Physio, Grooms		
Horse transport	847,096	
Airtfares, Accm, Meals	233,527	
Insurance	56,678	
Veterinary Expenses	91,469	
Research	20,000	
<i>Other Programs</i>		
Aust Talent Search Program		5,259
Eventing - YR		41,864
TOTAL EXPENDITURE	2,401,953	1,323,762
NET (DEFICIT) / SURPLUS FOR THE YEAR	(1,818)	(23,277)

EQUESTRIAN AUSTRALIA LIMITED

ABN 19 077 455 755

STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2011

INTERNATIONAL COMPETITION AND DEVELOPMENT FUND

	2011 \$	2010 \$
Income from ordinary activities		
<i>Affiliations & Levies</i>		
New South Wales	39,111	49,312
Victoria	30,343	29,688
Queensland	17,900	17,765
South Australia	8,236	7,755
Western Australia	17,317	13,073
Tasmania	3,323	3,364
Northern Territory	845	764
<i>Other Income</i>		
Interest	13,083	11,488
TOTAL INCOME	130,158	133,209
Expenses from ordinary activities - ICDF		
Funding - Competition & Development	104,100	133,873
Bank Fees	0	11
TOTAL EXPENDITURE	104,100	133,884
NET (DEFICIT) / SURPLUS FOR THE YEAR	26,058	(675)