

**INDEPENDENT AUDITORS' REPORT TO
THE MEMBERS OF
BEECHMONT RECREATION, ART & SPORTS ASSOCIATION INC.**

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Beechmont Recreation, Art & Sports Association Inc., which comprises the Balance Sheet as at 30 June 2014, and the Statement of Income and Expenditure for the year then ended, notes comprising a summary of significant accounting policies, other explanatory information and the Statement by Members of the Committee.

Committee's Responsibility for the Financial Report

The Committee of the Association is responsible for the preparation and fair presentation of the financial report, and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the Associations Incorporation Act 1981 (Qld) and is appropriate to meet the needs of the members. The Committee's responsibility also includes such internal control as the Committee determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those 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 judgment, 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 Association'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 Association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee, as well as evaluating the overall presentation of the financial report.

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 Australian professional ethical pronouncements.

Qualification

As is common for organisations of this type, it is not practicable for Beechmont Recreation, Art & Sports Association Inc. to maintain an effective system of internal control over receipts until their initial entry in the accounting records. Accordingly, our audit in relation to receipts was limited to amounts recorded.