

Townsville Hockey Association Inc

ABN: 94 920 839 303

Financial Statements

For the Period Ended 30 June 2019

Townsville Hockey Association Inc

ABN: 94 920 839 303

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For the Period Ended 30 June 2019

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Townsville Hockey Association Inc

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Statement of Profit or Loss and Other Comprehensive Income For the Period From 1 October 2018 to 30 June 2019

		30 June 2019	30 September 2018
	Note	\$	\$
Association fees		184,628	255,788
Championships Income		500	11,850
Clubhouse income		49,793	129,294
Competitions income		2,423	15,814
Flood recovery claims received		1,100,000	-
Grants and sponsorship		2,025,059	236,495
Hockey development income		8,649	14,024
Representative team income		81,146	84,842
Turf hire		2,345	38,423
Other income	3	101,711	13,750
Total income		3,556,254	800,280
Expenditure			
Audit fees		2,480	2,400
Costs of Goods Sold		31,193	83,413
Depreciation expense		61,367	136,141
Employment costs		116,969	99,555
Flood recovery repair expenses		205,868	-
Hockey development expenses		5,108	24,971
Mini sticks program expenses		14,375	21,326
Registration and insurance fees		25,926	14,006
Rep team expenses		88,295	80,650
Utilities expense		39,647	68,160
Volunteer pass reward payments		12,691	17,950
Other expenses	4	120,064	160,139
Total expenditure		723,983	708,711
Surplus before income tax		2,832,271	91,569
Income tax expense		-	-
Surplus for the year		2,832,271	91,569
Other comprehensive income, net of income tax			
Other comprehensive income for the year		-	-
Total comprehensive income for the year		2,832,271	91,569

The accompanying notes form part of these financial statements.

Townsville Hockey Association Inc

ABN: 94 920 839 303

Statement of Financial Position

As At 30 June 2019

		30 June 2019	30 September 2018
	Note	\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	1,087,096	277,389
Trade and other receivables	6	94,405	11,658
Inventories		31,964	21,027
Prepayments		-	6,276
TOTAL CURRENT ASSETS		1,213,465	316,350
NON-CURRENT ASSETS			
Property, plant and equipment	7	2,360,522	348,649
TOTAL NON-CURRENT ASSETS		2,360,522	348,649
TOTAL ASSETS		3,573,987	664,999
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	282,642	57,124
Provisions		298	298
Borrowings		-	39,803
TOTAL CURRENT LIABILITIES		282,940	97,225
NON-CURRENT LIABILITIES			
Borrowings		-	108,997
TOTAL NON-CURRENT LIABILITIES		-	108,997
TOTAL LIABILITIES		282,940	206,222
NET ASSETS		3,291,047	458,777
EQUITY			
Retained surplus		3,291,047	458,777
TOTAL EQUITY		3,291,047	458,777

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Period From 1 October 2018 to 30 June 2019

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

In the opinion of the Committee, the association is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the *Associations Incorporation Act (Qld) 1981*.

The financial statements have been prepared on an accruals basis and are based on historical costs.

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the association's accounting policies.

During the current reporting period the committee made a determination to change the associations financial year end to 30 June. The comparative balances disclosed in the financial statements represent the period 1 October 2017 to 30 September 2018. The current reporting period reflects only nine months of transactions from 1 October 2018 to 30 June 2019.

2 Significant Accounting Policies

(a) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the association and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Players registrations

Players fees are recognised at the time they are received.

Sales revenue

Events, membership fees, nominations, fundraising and raffles are recognised when received or receivable.

Grant revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the association obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

Other income

Other income is recognised on an accruals basis when the association is entitled to it.

(b) Income Tax

The association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

Notes to the Financial Statements

For the Period From 1 October 2018 to 30 June 2019

2 Significant Accounting Policies

(c) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the association's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the association's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

(d) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand and deposits held at call with financial institutions.

(e) Trade and other receivables

Trade and other receivables are recognised at amortised cost, less any provision for impairment.

(f) Property, plant and equipment

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

Property, plant and equipment is depreciated on straight-line and diminishing value basis over the assets useful life to the association, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Land and buildings	2.5%
Plant and Equipment	2.5% - 50%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(g) Trade and other payables

These amounts represent liabilities for goods and services provided to the association prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

(h) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Townsville Hockey Association Inc

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Notes to the Financial Statements For the Period From 1 October 2018 to 30 June 2019

2 Significant Accounting Policies

(h) Goods and services tax (GST)

Receivables and payable are stated inclusive of GST.

3 Other Income

	30 June 2019	30 September 2018
	\$	\$
Caretakers residence rent	4,950	1,800
Donations	84,022	-
Interest income	1,138	17
Uniform and merchandise sales	7,095	10,555
Rental income	-	(27)
Sundries	4,506	1,405
	101,711	13,750

4 Other Expenses

	30 June 2019	30 September 2018
	\$	\$
Advertising	1,497	2,947
Bad debt	(850)	7,000
Bank charges	8,859	7,719
Championship expenses	316	10,374
Cleaning	6,154	8,455
Competition and officiating	2,814	23,082
Female facilities project	10,087	-
Interest	10,224	12,432
Loss on Sale/Disposal of Assets	2,227	-
Motor vehicle expenses	7,027	3,172
Other expenses	14,225	29,827
Postage and stationery	1,470	2,650
Relocation expenses	-	700
Repairs and maintenance	46,455	35,935
Security expenses	3,088	3,747
Signage costs	2,400	2,220
Telephone	1,459	2,824
Volunteer expenses	2,612	7,055
	120,064	160,139

Townsville Hockey Association Inc

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Notes to the Financial Statements For the Period From 1 October 2018 to 30 June 2019

5 Cash and Cash Equivalents

	30 June 2019	30 September 2018
	\$	\$
ANZ cheque account	31,790	119,582
ANZ credit card	977	-
ANZ online saver	-	145,042
Cash clearing account	4,345	122
Cash floats	4,884	1,100
Deposits paid (ergon deposit)	108	104
Fundraising account	(1,746)	-
Gift cards	13	266
Prepaid visa cards	5,087	11,173
Westpac cheque account	1,005	-
Westpac facility provisions	748,461	-
Westpac flood recovery donation	5,938	-
Westpac grant funds account	286,234	-
	<u>1,087,096</u>	<u>277,389</u>

6 Trade and Other Receivables

	30 June 2019	30 September 2018
	\$	\$
Accounts receivable	68,793	13,658
Less provision for doubtful debts	(1,589)	(2,000)
GST receivable	27,201	-
	<u>94,405</u>	<u>11,658</u>

7 Property, plant and equipment

	30 June 2019	30 September 2018
	\$	\$
Capital works in progress	56,636	-
Total capital works in progress	<u>56,636</u>	<u>-</u>
Plant and equipment	366,566	365,550
Accumulated depreciation	(241,234)	(267,750)
Total plant and equipment	<u>125,332</u>	<u>97,800</u>
Land, buildings, playing surfaces and infrastructure	\$ 2,979,985	\$ 2,852,662
Accumulated depreciation	<u>(801,431)</u>	<u>(2,601,814)</u>
Total land, buildings, playing surfaces and infrastructure	<u>\$ 2,178,554</u>	<u>\$ 250,848</u>
	<u>2,360,522</u>	<u>348,648</u>

Notes to the Financial Statements

For the Period From 1 October 2018 to 30 June 2019

8 Trade and Other Payables

	30 June 2019	30 September 2018
	\$	\$
Accounts payable	266,217	5,097
ANZ credit card	-	8
Credits owed to members	6,490	24,526
GST payable	-	20,189
PAYG payable	5,781	4,715
Superannuation payable	4,154	2,589
	282,642	57,124

9 Contingencies

In the opinion of the Committee, the association did not have any contingencies at 30 June 2019 (30 September 2018: None).

10 Commitments

In the opinion of the Committee, the association did not have any commitments as at 30 June 2019 (30 September 2018: None).

11 Events after the reporting period

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

Townsville Hockey Association Inc

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Statement by Members of the Committee


The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 2 to the financial statements.

In the opinion of the committee the financial report as set out on pages 1 to 7:

1. Presents fairly the financial position of Townsville Hockey Association Inc as at 30 June 2019 and its performance for the period ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Townsville Hockey Association Inc 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:

President 

Treasurer 

Dated this 20th day of September 2019

Townsville Hockey Association Inc.
Independent Auditor's Report to the Members of
Townsville Hockey Association Inc.

Opinion

We have audited the financial report of Townsville Hockey Association Inc (the Association), which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income for the period then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by members of the committee.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Association as at 30 June 2019, and of its financial performance for the period then ended in accordance with the accounting policies described in Note 2 to the financial report and the *Associations Incorporation Act (Qld) 1981*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the committee's financial reporting responsibilities under the *Associations Incorporation Act (Qld) 1981*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Committee for the Financial Report

The members of the committee are responsible for the preparation and fair presentation of the financial report and has determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the financial reporting responsibilities under the *Associations Incorporation Act (Qld) 1981* and for such internal control as the committee determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the committee either intend to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Townsville Hockey Association Inc.
Independent Auditor's Report to the Members of
Townsville Hockey Association Inc. (Cont.)

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by those charged with governance.
- Conclude on the appropriateness of those charged with governance's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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Mark Andrejic

Partner

Townsville, 04 / 10 / 2019.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Townsville Hockey Association Inc

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For the Period Ended 30 June 2019

Trading Account

	30 June 2019	30 September 2018
	\$	\$
CLUBHOUSE TRADING ACTIVITIES		
Clubhouse Sales	49,793	129,294
Cost of Goods Sold		
Opening Stock	4,846	6,260
Purchases	27,019	66,641
	<hr/>	<hr/>
Closing Stock	31,865	72,901
	<hr/>	<hr/>
	4,861	4,846
	<hr/>	<hr/>
Cost of Goods Sold	27,004	68,055
	<hr/>	<hr/>
Gross Profit	22,789	61,239
	<hr/>	<hr/>