

# **Townsville Hockey Association Inc**

**ABN: 94 920 839 303**

## **Financial Statements**

**For the Year Ended 30 September 2018**

# Townsville Hockey Association Inc

ABN: 94 920 839 303

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For the Year Ended 30 September 2018

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## Townsville Hockey Association Inc

ABN: 94 920 839 303

### Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 September 2018

	Note	2018 \$	2017 \$
<b>Income</b>			
Association Fees		255,788	226,192
Clubhouse Income		129,294	158,530
Grants and Sponsorship		236,495	137,827
Hockey Development Income		14,024	20,802
Turf Hire		38,423	40,082
Competitions Income		15,814	16,114
Rep Team Income		84,842	51,156
Championships Income		11,850	14,560
Other income	3	13,749	88,080
<b>Total Income</b>		<b>800,279</b>	<b>753,342</b>
<b>Expenditure</b>			
Audit Fees		2,400	2,500
Costs of Goods Sold		83,413	108,523
Depreciation Expense		136,141	187,095
Development of Hockey - Coaching Director's expense		24,971	56,084
Rep Team Expenses		80,650	100,021
Employment Costs		99,555	87,575
Mini Sticks Program Expenses		21,326	-
Registration and Insurance Fees		14,006	13,116
Utilities Expense		68,160	57,968
Volunteer Pass Reward Payments		17,950	-
Other Expenses	4	160,138	147,803
<b>Total Expenditure</b>		<b>708,710</b>	<b>760,684</b>
<b>Surplus/(Deficit) for the year</b>		<b>91,569</b>	<b>(7,342)</b>
Other comprehensive income for the year		-	-
<b>Total comprehensive income for the year</b>		<b>91,569</b>	<b>(7,342)</b>

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 September 2018

	Note	2018 \$	2017 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	277,390	62,167
Trade and other receivables	6	11,658	29,543
Inventories	7	21,024	22,102
Prepayments		6,276	7,189
<b>TOTAL CURRENT ASSETS</b>		<b>316,348</b>	<b>121,001</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	8	348,649	446,728
<b>TOTAL NON-CURRENT ASSETS</b>		<b>348,649</b>	<b>446,728</b>
<b>TOTAL ASSETS</b>		<b>664,997</b>	<b>567,729</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	57,124	24,247
Provisions		298	578
Borrowings	10	39,803	39,803
<b>TOTAL CURRENT LIABILITIES</b>		<b>97,224</b>	<b>64,628</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	10	108,997	135,893
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>108,997</b>	<b>135,893</b>
<b>TOTAL LIABILITIES</b>		<b>206,221</b>	<b>200,521</b>
<b>NET ASSETS</b>		<b>458,776</b>	<b>367,208</b>
<b>EQUITY</b>			
Retained surplus		367,207	374,550
Surplus/(Deficit) for the year		91,569	(7,342)
<b>TOTAL EQUITY</b>		<b>458,776</b>	<b>367,208</b>

The accompanying notes form part of these financial statements.

## **Notes to the Financial Statements**

### **For the Year Ended 30 September 2018**

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.

#### **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, where applicable.

##### *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 association 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 Year Ended 30 September 2018**

#### **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:

<b>Fixed asset class</b>	<b>Depreciation rate</b>
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) Borrowings**

Borrowings are measured at amortised cost using the effective interest rate method.

# Townsville Hockey Association Inc

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## Notes to the Financial Statements For the Year Ended 30 September 2018

### 2 Significant Accounting Policies

#### (i) 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).

Receivables and payables are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

### 3 Other Income

	2018	2017
	\$	\$
Sundries	1,405	403
Rep Team Income - Travel and Accom	-	55,491
Uniform Sales	5,795	16,344
Caretakers Residence Rent	1,800	7,650
Fundraising	-	36
Merchandise Sales	4,760	8,157
Rental Income	(27)	-
Interest Income	17	-
	<u>13,749</u>	<u>88,080</u>

### 4 Other Expenses

	2018	2017
	\$	\$
Advertising	2,947	1,096
Bad Debt	7,000	-
Bank Charges	7,719	6,464
Championship Expenses	10,374	7,422
Cleaning	4,085	4,401
Competition and Officiating	22,785	16,961
Interest	12,432	17,533
Loss on Sale/Disposal of Assets	-	7,179
Other Expenses	37,665	29,270
Postage and Stationery	2,650	3,771
Relocation Expenses	700	-
Repairs and Maintenance	35,935	30,278
Security Expenses	3,747	3,749
Signage Costs	2,220	3,490
Telephone	2,824	3,433
Volunteer Expenses	7,055	12,756
	<u>160,138</u>	<u>147,803</u>

## Townsville Hockey Association Inc

ABN: 94 920 839 303

### Notes to the Financial Statements For the Year Ended 30 September 2018

#### 5 Cash and Cash Equivalents

	2018	2017
	\$	\$
Cash Floats	1,100	720
Deposits Paid (Ergon Deposit)	104	103
Cash at bank - General Account	119,582	54,739
Cash at bank	145,042	1,600
Prepaid Visa Cards	11,173	4,720
Cash clearing account	122	225
Gift Cards	266	59
<b>Total cash and cash equivalents</b>	<b>277,390</b>	<b>62,167</b>

#### 6 Trade and Other Receivables

	2018	2017
	\$	\$
Accounts Receivable	13,658	29,543
less Provision for Doubtful Debts	(2,000)	-
<b>Total trade and other receivables</b>	<b>11,658</b>	<b>29,543</b>

#### 7 Inventories

	2018	2017
	\$	\$
Stock on hand - Merchandise	1,576	2,345
Stock on hand - Canteen & Bar	4,846	6,260
Stock on hand - Uniforms	14,602	13,497
	<b>21,024</b>	<b>22,102</b>

#### 8 Property, plant and equipment

	2018	2017
	\$	\$
Land and buildings at cost	2,791,206	2,761,206
Accumulated Depreciation	(2,564,485)	(2,447,690)
<b>Total land and buildings</b>	<b>226,721</b>	<b>313,516</b>
Plant and equipment	427,007	418,945
Accumulated Depreciation	(305,079)	(285,733)
<b>Total plant and equipment</b>	<b>121,928</b>	<b>133,212</b>
<b>Total property, plant and equipment</b>	<b>348,649</b>	<b>446,728</b>



# Townsville Hockey Association Inc

ABN: 94 920 839 303

## Notes to the Financial Statements For the Year Ended 30 September 2018

### 9 Trade and Other Payables

	2018	2017
Note	\$	\$
Accounts payable	5,097	10,979
ANZ Credit Card	8	111
Credits owed to Members	24,526	-
GST payable	20,189	5,952
PAYG Payable	4,715	2,566
Superannuation payable	2,589	4,640
<b>Total trade and other payables</b>	<b>57,124</b>	<b>24,247</b>

### 10 Borrowings

	2018	2017
	\$	\$
CURRENT		
ANZ Turf Loan	39,803	39,803
NON-CURRENT		
ANZ Turf Loan	108,997	135,893

### 11 Contingencies

In the opinion of the Committee, the association did not have any contingencies at 30 September 2018 (30 September 2017: None).

### 12 Commitments

In the opinion of the Committee, the association did not have any commitments as at 30 September 2018 (30 September 2017: None).

### 13 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

ABN: 94 920 839 303

### Statement by Members of the Committee

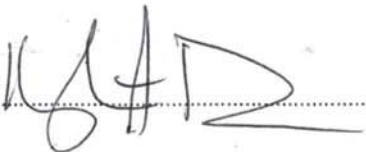
The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 2 to the financial statements.

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 September 2018 and its performance for the year 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 21<sup>ST</sup> day of NOVEMBER 2018

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

**Qualified Opinion**

We have audited the financial report of Townsville Hockey Association Inc. (the Association), which comprises the statement of financial position as at 30 September 2018, the statement of profit or loss and other comprehensive income for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by the members of the committee.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial report presents fairly, in all material respects, the financial position of the Association as at 30 September 2018 and of its financial performance for the year then ended in accordance with Australian Accounting Standards to the extent described in Note 1 to the financial report and the *Associations Incorporation Act (Qld) 1981*.

**Basis for Qualified Opinion**

It is not practicable for the association to establish accounting control over all sources of income prior to its receipt and accordingly it is not possible for our examination to include audit procedures to extend beyond the amounts of income recorded in the accounting records of the Association.

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 qualified 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.

*Crowe Horwath NQ*

#### **CROWE HORWATH NQ**



**Mark Andrejic**

Partner

Townsville, 21 / 11 / 2018.

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 Horwath 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**

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

**Disclaimer on Additional Information**

The additional financial data presented on page 12 is in accordance with the books and records of the entity which have been subjected to the auditing procedures applied in our statutory audit of the entity for the year ended 30 September 2018. It will be appreciated that our statutory audit did not cover all details of the additional financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Townsville Hockey Association Inc.) in respect of such data, including any errors of omissions therein however caused.

*Crowe Horwath NQ*

**CROWE HORWATH NQ**



**Mark Andrejic**

Partner

Townsville, 21 / 11 / 2018.

## Townsville Hockey Association Inc

ABN: 94 920 839 303

For the Year Ended 30 September 2018

### Trading Account

	2018 \$	2017 \$
<b>CLUBHOUSE TRADING ACTIVITIES</b>		
Clubhouse Sales	129,294	158,530
<b>Cost of Goods Sold</b>		
Opening Stock	6,260	6,036
Purchases	66,641	67,038
	<hr/>	<hr/>
Closing Stock	72,901	73,074
	<hr/>	<hr/>
Cost of Goods Sold	4,846	6,260
	<hr/>	<hr/>
Gross Profit	68,055	66,814
	<hr/>	<hr/>
	61,239	91,716
	<hr/>	<hr/>