

**ACT Squash Rackets Association Incorporated (Squash ACT)**

**ABN: 12 482 954 150**

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
31 December 2016**

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**Board of Director's Report**

Your Directors submit the financial report of the ACT Squash Rackets Association Incorporated (Squash ACT) for the financial year ended 31 December 2016.

Board of Directors

The names of the Directors throughout the year and at the date of this report are:

President	Robert McComas
Vice President	Michael Nuttall
Director Finance	Russell Weatherburn
Director	Elizabeth Smit
Director	Ross Reid
Director	Michael Hill
Director	Scott Kennedy

Principal Activities

The principal activity of Squash ACT Incorporated during the financial year was to foster and control the game of squash throughout the Australian Capital Territory. In conducting its affairs, the Association manages and controls representative squash teams, conducts various tournaments, matches, competitions and exhibitions in the ACT. It also arranges and controls other related activities, provides recreational sports and other facilities for members together with generally promoting the welfare of its members.

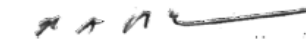
Significant changes

No significant change in the nature of these activities occurred during the year.

Operating result

The operating surplus for the year amounted to \$30,213 [2015: surplus \$45,170]

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



.....  
Director



.....  
Director

Dated this 15th day of March 2017.



CANBERRA SYDNEY GOLD COAST

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*Professional Standards Legislation*

## **Independent audit report**

I have audited the accompanying financial report of ACT Squash Rackets Association Incorporated (Squash ACT) which comprises the statement of financial position at 31 December 2016, the statement of comprehensive income, statement of changes in equity and the statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by Directors.

## **Director's Responsibility for the Financial Report**

The Directors of the Association are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Associations Incorporation Act (ACT) 1991*. This responsibility includes establishing and maintaining internal control 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**

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I 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 assessments 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

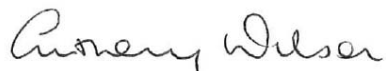
### **Independence**

In conducting my audit, I have complied with the independence requirements of Australian professional ethical pronouncements.

### **Audit opinion**

In my opinion the financial report of the ACT Squash Rackets Association Incorporated (Squash ACT) gives a true and fair view of the Association's financial position as at 31 December 2016 and of its performance for the year ended on that date.

### **AccountAbility**

A handwritten signature in cursive script that reads "Anthony Wilson".

Anthony Wilson  
Registered Company Auditor  
Canberra, ACT  
Date: 15 March 2017

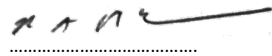
**ACT Squash Rackets Association Incorporated (Squash ACT)**  
**ABN: 12 482 954 150**

**Statement by Directors**

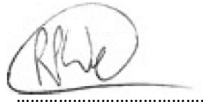
In the opinion of the Directors the financial report:

1. Present fairly the financial position of the ACT Squash Rackets Association Incorporated (Squash ACT) as at 31 December 2016 and its performance for the year ended on that date in accordance with the accounting policies as detailed in the notes to the financial statements.
2. At the date of this statement, there are reasonable grounds to believe that the ACT Squash Rackets Association Incorporated (Squash ACT) will be able to pay its debts as and when they fall due.

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



.....  
Director



.....  
Director

Dated this 15th day of March 2017.

ACT Squash Rackets Association Incorporated (Squash ACT)  
ABN: 12 482 954 150

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 \$	2015 \$
Income		368,818	419,184
Expenses		338,605	374,015
Net result from ordinary activities		<u>30,213</u>	<u>45,170</u>

The accompanying notes form part of these financial statements.

**ACT Squash Rackets Association Incorporated (Squash ACT)**  
**ABN: 12 482 954 150**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2016**

	<b>Note</b>	<b>2016</b>	<b>2015</b>
		<b>\$</b>	<b>\$</b>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	75,342	65,202
Receivables	5	32,653	45,342
Stock on hand		<u>13,341</u>	<u>6,444</u>
<b>TOTAL CURRENT ASSETS</b>		<u><b>121,337</b></u>	<u><b>116,988</b></u>
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	6	<u>1,316,947</u>	<u>1,325,612</u>
<b>TOTAL NON CURRENT ASSETS</b>		<u><b>1,316,947</b></u>	<u><b>1,325,612</b></u>
<b>TOTAL ASSETS</b>		<u><b>1,438,284</b></u>	<u><b>1,442,600</b></u>
<b>CURRENT LIABILITIES</b>			
Creditors	7	23,369	39,381
Accrued expenses & other current	8	3,603	4,115
Employee related provisions	9	<u>12,905</u>	<u>10,590</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u><b>39,878</b></u>	<u><b>54,086</b></u>
<b>NON CURRENT LIABILITIES</b>			
Borrowings		<u>620,662</u>	<u>640,983</u>
<b>TOTAL NON CURRENT LIABILITIES</b>		<u><b>620,662</b></u>	<u><b>640,983</b></u>
<b>TOTAL LIABILITIES</b>		<u><b>660,540</b></u>	<u><b>695,069</b></u>
<b>NET ASSETS</b>		<u><b>777,744</b></u>	<u><b>747,531</b></u>
<b>EQUITY</b>			
Retained earnings		<u>777,744</u>	<u>747,531</u>
<b>TOTAL EQUITY</b>		<u><b>777,744</b></u>	<u><b>747,531</b></u>

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY  
 FOR THE YEAR ENDED 31 DECEMBER 2016

	Asset Revaluation Reserve	Retained Earnings	Total
<b>Balance at 1 January 2014</b>	333,641	368,720	702,361
Net result reported for the year ended 2015	-	45,170	45,170
<b>Balance at 31 December 2015</b>	333,641	413,890	747,531
Net result reported for the year ended 2016	-	30,214	30,214
<b>Balance at 31 December 2016</b>	<u>333,641</u>	<u>444,104</u>	<u>777,744</u>

STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 \$
<u>Operating activities</u>		
Court hire and retail sales		242,130
Government funding		48,454
Player and affiliation fees		47,384
Other		86,172
Payments to suppliers and employees		(385,873)
Net cash generated (used)	13	<u>38,267</u>
<u>Investing activities</u>		
Purchase of property, plant and equipment		(7,805)
Net cash generated (used)		<u>(7,805)</u>
<u>Financing activities</u>		
Repayment of borrowings		(20,321)
Net cash generated (used)		<u>(20,321)</u>
Net movement in cash and cash equivalents		10,140
Cash and cash equivalents at beginning of year	4	65,202
Cash and cash equivalents at end of year	4	<u>75,342</u>



NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

**1 Statement of significant accounting policies**

This financial report is a general purpose financial report that has been prepared in order to satisfy the reporting requirements of the *Associations Incorporation Act 1991* of the Australian Capital Territory.

The financial report covers the ACT Squash Rackets Association Incorporated (Squash ACT) as an individual entity which is an Association incorporated in the ACT under the *Associations Incorporation Act 1991*.

The following is a summary of the material accounting policies adopted by the Association in the preparation of the financial report. The reporting policies have been consistently applied, unless otherwise stated.

**Reporting Basis and Convention**

The financial report has been prepared on an accruals basis and is based on historical cost modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

**Accounting Policies**

**(a) Taxation**

ACT Squash Rackets Association Incorporated (Squash ACT) considers that it is exempt from income tax under Section 50-5 of the *Income Tax Assessment Act 1997*.

**(b) Property, plant & equipment**

Each class of property, plant and equipment are carried at the lower of cost or fair value less, where applicable, any accumulated depreciation. The carrying amount of property, plant and equipment is reviewed annually by the Committee to ensure it is not in excess of the recoverable amount from those assets.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each financial year end.

**(c) Depreciation**

The depreciable amount of all fixed assets are depreciated on a straight line basis over the useful lives of the assets to the Association commencing from the time the asset is held ready for use.

The depreciation rates used are:

Property, Plant and Equipment	2.5% to 40%
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**(d) Cash and cash equivalents**

For the purposes of the Statement of Cash Flows, cash includes cash on hand, at banks and on deposit.

**(e) Revenue recognition**

Fees for services

Revenue from the rendering of services is recognised upon the delivery of the service to the customer.

Other Income

All other sources of income are recognised as income when the related goods or services have been provided and the income earned.

**(f) Employee benefits**

Provision is made in respect of the liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled plus related on-costs. Employee benefits payable later than one year have been disclosed as non-current liabilities.

Contributions are made to an employee superannuation fund and are charged as expenses when incurred.

**(g) Goods and services tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the assets or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

1 Statement of significant accounting policies (continued)

(g) Goods and services tax (GST)

Cash flows are included in the Statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from or payable to the Australian Taxation Office is classified as operating activities.

(h) Impairment

At each reporting date, the Association reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an 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. As a not-for-profit entity, value in use for the Association, according to AASB 136 *Impairment of Assets*, is depreciated replacement cost. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

(i) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

2 Critical accounting estimates and judgements

The Directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and other available data, obtained both externally and within the Association.

*Key estimates - impairment*

The Association assesses impairment at each reporting date by evaluating conditions specific to the group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value in use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

	2016	2015
	\$	\$
<b>3 Auditors' remuneration</b>		
Remuneration of the auditor for:		
- auditing or reviewing the financial report paid in the reporting period	630	180
	<u>630</u>	<u>180</u>

4 Cash and cash equivalents

Operating account	6,592	24,272
Maintenance account	3,445	311
Offset account	60,000	20,000
Juniors account	4,846	20,160
Cash on hand	460	460
	<u>75,342</u>	<u>65,202</u>

5 Receivables

CURRENT		
Debtors	14,224	29,354
Amount receivable from the ATO	18,429	15,988
Other	-	-
	<u>32,653</u>	<u>45,342</u>

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

<b>6 Property, plant and equipment</b>	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Property, plant and equipment	1,473,723	1,465,917
Accumulated depreciation	<u>(156,776)</u>	<u>(140,305)</u>
	<u>1,316,947</u>	<u>1,325,612</u>

*(a) Movements in carrying amounts*

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

	<b>Land, buildings &amp; improvements</b>	<b>Plant, equipment &amp; furniture</b>	<b>Computer &amp; other electrical equipment</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Opening written down value	1,325,612	-	-	1,325,612
Additions	-	4,788	3,018	7,806
Depreciation expense	(16,000)	(108)	(363)	(16,471)
Closing written down value	<u>1,309,612</u>	<u>4,680</u>	<u>2,655</u>	<u>1,316,947</u>

**7 Payables**

CURRENT

*Unsecured liabilities:*

Trade creditors and accruals	2,674	21,715
Employee benefits	20,695	17,666
	<u>23,369</u>	<u>39,381</u>

**8 Accrued expenses & other current**

Clearing account	1,387	1,899
Accrued interest	2,216	2,216
	<u>3,603</u>	<u>4,115</u>

**9 Provisions**

Annual leave	5,394	3,544
Long service leave	7,511	7,046
NON CURRENT	<u>12,905</u>	<u>10,590</u>

**10 Key management personnel**

**Compensation of key management personnel**

Key management personnel is defined by AASB 124 "Related Party Disclosures" as those persons having authority and responsibility for planning, directing and controlling the activities of the Association directly or indirectly, including any management of the Association.

The aggregate remuneration paid to key management personnel during the financial year is as follows:

	<b>2016</b>
	<b>\$</b>
Short Term Benefits	40,077

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

**11 Related parties**

The Directors did not receive any remuneration directly or indirectly from the Association, or any related body corporate, for management of the Association other than reimbursement of expenses incurred on behalf of the Association.

All transactions between the Association and the Committee members were on normal commercial terms and conditions unless otherwise stated.

**12 Association details**

*(a) Association details*

If the Association is wound up, the rules of the Association do not require members to contribute towards meeting any outstanding obligations of the Association. At 31 December 2016 the number of members was 460 (2015: 450 members).

*(b) Locations*

The registered office and principal place of business of the Association is 4 Launceston St Phillip ACT 2606.

<b>13 Cash flow information</b>	<b>2016</b>	<b>2015</b>
	\$	\$
<i>(a) Reconciliation of cash</i>		
Cash at the end of the financial year as shown in the statement of cash flows		
Cash assets	75,342	65,202
	<u>75,342</u>	<u>65,202</u>
<i>(b) Reconciliation of net cash flows from operating activities to net surplus/ (deficit)</i>		
Result from ordinary activities	30,214	
Non-cash flows in surplus/(deficit):		
- Depreciation	16,471	
Changes in assets and liabilities:		
- Receivables	12,688	
- Stock on hand	(6,897)	
- Creditors	(19,041)	
- Accrued expenses	2,518	
- Provisions	2,315	
Net cash relating to operating activities	<u>38,268</u>	

**14 Contingent assets and contingent liabilities**

There are no contingent assets or contingent liabilities of the Association at 31 December 2016.

**15 Subsequent events**

The financial report of the Association was authorised for issue on the date of the attached statement by the Board.

There have been no events after the reporting date which have had a material impact on the Association.

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

**16 Financial instruments**

**(a) Financial Risk Management**

The Association's financial instruments consist mainly of deposits with banks, short term investments, accounts receivable and payable.

The Association does not have any derivative financial instruments at 31 December 2016.

**(i) Financial Risks**

The main risks the Association is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

**(ii) Liquidity Risk**

The Association manages liquidity risk by monitoring forecast cash flows and ensuring that adequate cash balances are maintained.

**(iii) Credit Risk**

The Association does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Association.

**(b) Interest Rate Risk**

The Association's exposure to interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates.

Financial Liabilities: The Association has no interest rate risk on any liabilities.

**INDEPENDENT REVIEW REPORT**

To the Members of the ACT Squash Rackets Association Incorporated (Squash ACT)

**Scope of Review**

We have reviewed the detailed income statement of the ACT Squash Rackets Association Incorporated (Squash ACT) (the Association) for the year ended 31 December 2016.

The Directors of the Association are responsible for the preparation and presentation of the detailed income statements and the information contained therein. We have performed a review of the detailed income statement in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that it is not presented fairly in accordance with the accounting policies adopted in the financial report of the Association.

The detailed income statement has been prepared for distribution to the Members of the Association. We disclaim any assumption of responsibility for any reliance on this review report or on the detailed income statement to which it relates to any person other than the Members of the Association.

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements. A review is limited primarily to inquiries of Association representatives and analytical procedures and limited sample testing applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than given in an audit. We have not performed an audit on the detailed income statement and, accordingly, we do not express an audit opinion.

**Statement**

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the detailed income statement of the ACT Squash Rackets Association Incorporated (Squash ACT) for the year ended 31 December 2016 does not present fairly the financial performance of the Association for the year then ended in accordance with the accounting policies adopted in the annual financial report of the Association.

Anthony Wilson  
AccountAbility

Dated this 15th day of March 2017.

**ACT Squash Rackets Association Incorporated (Squash ACT)**  
**ABN: 12 482 954 150**

**Detailed Income Statement**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>Income</b>		
Court hire	166,936	168,433
Inform Connection Sales	14,727	3,691
Cost of sales (inform)	(11,283)	(3,695)
Woden shop sales	60,468	60,950
Opening stock	6,444	1,830
Woden shop - purchases	(38,247)	(28,792)
Less closing stock	(13,341)	(6,444)
Yowie Sales	-	16,697
Yowie Profit -Share	-	422
Yowie - Cost of sales	36	(17,550)
	36	(431)
Interest	-	56
Player and affiliation fees	47,384	57,027
Junior competitions	40,922	66,835
Sponsorship	3,719	9,847
Miscellaneous Income	3,006	5,594
<b>Total income</b>	<u>368,818</u>	<u>419,184</u>
<b>Expenses</b>		
Accounting fees	13,959	11,753
Advertising and marketing	386	41
Audit fees	630	180
Bank fees	1,927	2,200
Computer, web and internet expenses	1,198	1,012
Depreciation	16,471	16,000
Electricity and gas	10,261	10,776
Employment expenses	122,554	120,633
Insurance expense	12,557	14,972
GST interest expense	(4,668)	-
Interest expense	27,048	28,443
Brindabella Loan Interest	4,601	6,600
ATO Sperannuation expense	-	2,511
Junior expenses	64,638	76,397
Licensing fees	2,027	1,923
Miscellaneous expenditure	1,312	2,102
Office supplies	953	643
Postage	33	-
Tournament/comp expenses	29,667	19,914
Rates, Land and Water expenses	11,650	10,287
Repairs and maintenance	6,241	26,165
Security	415	515
Storage expenses	-	4,907
Telephone	1,400	3,323
Travel and accommodation	3,322	1,251
Waste removal and cleaning expenses	10,023	11,467
<b>Total expenses</b>	<u>338,604</u>	<u>374,015</u>
<b>Net profit/Loss</b>	<u><u>30,214</u></u>	<u><u>45,170</u></u>