

GREENSBOROUGH HOCKEY CLUB INCORPORATED
A.B.N. 11 869 083 688

FINANCIAL REPORT
FOR THE YEAR ENDED
31 OCTOBER 2018

GREENSBOROUGH HOCKEY CLUB INCORPORATED
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GREENSBOROUGH HOCKEY CLUB INCORPORATED
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COMMITTEE'S REPORT

The committee presents this report on the association for the financial year ended 31 October 2018.

Information on the Committee

The names of each person who has been a committee member during the year and to the date of this report are:

Mr James Dunell - President
Mr Stuart Young - Vice President
Mr Greg Purser - Secretary
Mr Defrim Kutrolli - Treasurer
Mrs Tegan de Man
Mr Trent Wells
Mrs Amy Heritage

The committee members have been in office since the start of the financial year to the date of this report unless otherwise stated.

Operating Results

The loss of the association for the year ended 31 October 2018 amounted to \$11,167.

Principal Activities

The principal activities of the association during the financial year were to operate a hockey club with a focus on hockey development and providing players, of all levels a playing experience, an environment that is welcoming and inclusive. No significant changes in the nature of the association's activity occurred during the financial year.

Events After the Reporting Date

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.

Signed in accordance with a resolution of the Members of the Committee:

Committee Member: James Dunell

Mr James Dunell - President

Committee Member: Defrim Kutrolli

Mr Defrim Kutrolli - Treasurer

Dated this 11th day of December, 2018

GREENSBOROUGH HOCKEY CLUB INCORPORATED
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INCOME STATEMENT

INCOME STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2018

	Note	2018 \$	2017 \$
SALES			
Bar & Canteen Sales		48,991	61,345
Uniform & Hockey Shop		23,990	18,959
		72,981	80,304
LESS: COST OF GOODS SOLD			
Opening Stock		3,943	7,085
Purchases - Canteen		21,801	27,063
Purchases - Clothing		24,088	4,785
Purchases - Just Hockey		8,255	13,748
Closing Stock		(15,142)	(3,943)
		42,945	48,738
GROSS PROFIT FROM TRADING		30,036	31,566
OTHER INCOME			
Social Functions		9,349	14,629
Sponsorship		12,763	12,900
Ground Hire		41,352	46,152
Interest Received		-	481
Player Fees		122,019	126,779
Other Income		1,940	910
		187,423	201,851
		217,459	233,417

The accompanying notes form part of these financial statements.

GREENSBOROUGH HOCKEY CLUB INCORPORATED
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INCOME STATEMENT

INCOME STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2018

	Note	2018 \$	2017 \$
EXPENSES			
Accountancy Fees		705	712
Advertising		348	-
Affiliation Fees		32,064	31,185
Auditor's Remuneration		1,500	1,650
Bad Debts		1,470	5,858
Bank Charges		522	624
Cleaning		6,116	6,610
Coaching Fees		40,913	53,105
Depreciation		47,240	31,371
Doubtful Debts		(275)	(3,693)
Electricity & Gas		17,009	16,390
Equipment Purchases		2,394	3,188
Fines		(109)	150
General Expenses		8,221	5,539
Ground Hire Expense		2,962	4,578
Insurance		4,463	4,575
Interest Paid		21,367	12,699
Leasing Fees		2,281	2,436
Merchant Fees		1,568	980
NDHL School Coaching		-	1,971
NHL Internal Expenses		-	4,525
Postage		115	124
Printing & Stationery		82	50
Rates & Taxes		1,669	1,200
Repairs & Maintenance		2,211	13,403
Security Costs		-	297
Social Function Expenses		10,163	12,073
Sponsorship Costs		793	330
Telephone & Internet		956	1,926
Transport		-	720
Trophies		1,560	2,365
Umpires		17,900	18,475
Uniforms		2,418	690
		<u>228,626</u>	<u>236,106</u>
Loss before income tax		<u>(11,167)</u>	<u>(2,689)</u>

The accompanying notes form part of these financial statements.

GREENSBOROUGH HOCKEY CLUB INCORPORATED
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BALANCE SHEET
AS AT 31 OCTOBER 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	18,476	28,700
Trade and other receivables	5	15,474	11,689
Inventories	6	15,142	3,943
Other current assets	7	1,001	1,320
TOTAL CURRENT ASSETS		<u>50,093</u>	<u>45,652</u>
NON-CURRENT ASSETS			
Property, plant and equipment	9	728,120	774,902
TOTAL NON-CURRENT ASSETS		<u>728,120</u>	<u>774,902</u>
TOTAL ASSETS		<u>778,213</u>	<u>820,554</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	15,468	13,807
TOTAL CURRENT LIABILITIES		<u>15,468</u>	<u>13,807</u>
NON-CURRENT LIABILITIES			
Borrowings	10	373,209	417,360
TOTAL NON-CURRENT LIABILITIES		<u>373,209</u>	<u>417,360</u>
TOTAL LIABILITIES		<u>388,677</u>	<u>431,167</u>
NET ASSETS		<u>389,536</u>	<u>389,387</u>
EQUITY			
Reserves	11	23,316	12,000
Retained earnings	12	366,220	377,387
TOTAL EQUITY		<u>389,536</u>	<u>389,387</u>

The accompanying notes form part of these financial statements.

GREENSBOROUGH HOCKEY CLUB INCORPORATED
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2018

	Note	Retained earnings \$	Total \$
Balance at 1 November 2016		380,076	380,076
Profit attributable to members		<u>(2,689)</u>	<u>(2,689)</u>
Balance at 31 October 2017		<u>377,387</u>	<u>377,387</u>
Profit attributable to members		(11,167)	(11,167)
Sinking Fund Levy		<u>23,316</u>	<u>23,316</u>
Balance at 31 October 2018		<u><u>389,536</u></u>	<u><u>389,536</u></u>

The accompanying notes form part of these financial statements.

GREENSBOROUGH HOCKEY CLUB INCORPORATED
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CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2018

	2018	2017
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	266,740	290,909
Payments to suppliers and employees	(211,307)	(213,515)
Net cash provided by operating activities	55,433	77,394
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	(139)	(497,479)
Net cash used in investing activities	(139)	(497,479)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	-	477,566
Repayment of borrowings	(44,151)	(73,307)
Interest received	-	481
Interest paid	(21,367)	(12,699)
Net cash provided by (used in) financing activities	(65,518)	392,041
Net decrease in cash held	(10,224)	(28,044)
Cash at beginning of financial year	28,700	56,744
Cash at end of financial year	4 18,476	28,700

The accompanying notes form part of these financial statements.

GREENSBOROUGH HOCKEY CLUB INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018

1 Summary of Significant Accounting Policies

The financial statements cover Greensborough Hockey Club Incorporated as an individual entity. Greensborough Hockey Club Incorporated is a not for profit Association incorporated in Victoria under the Associations Incorporation Reform Act 2012.

The principal activities of the Association for the year ended 31 October 2018 were to operate a hockey club with a focus on hockey development and providing players, of all levels a playing experience, an environment that is welcoming and inclusive.

Comparatives are consistent with prior years, unless otherwise stated.

2 Basis of Preparation

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Reform Act 2012. The committee has determined that the association is not a reporting entity.

In the opinion of the Members of the Committee, the Association is not a reporting entity since there are unlikely to exist users of the financial report 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 Act.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 Presentation of Financial Statements, AASB 107 Statement of Cash Flows, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors and AASB 1054 Australian Additional Disclosures.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

3 Summary of Significant Accounting Policies

Inventories

Inventories are measured at the lower of cost and net realisable value with costs assigned on a first-in first-out basis.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018

Property, Plant and Equipment

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

Property, plant and equipment, excluding freehold land, is depreciated on a straight line basis over the assets useful life to the Association, commencing when the asset is ready for use.

Land and buildings

Land and buildings are measured using the cost model.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

The depreciable amount of all fixed assets including capitalised leased assets, is depreciated on a straight line basis over the asset's useful life commencing from the time the asset is held ready for use.

Impairment of Non-Financial Assets

At the end of each reporting period the association determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

Cash and Cash Equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018

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.

Sale of goods

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue

Interest revenue is recognised using the effective interest rate method.

Rendering of services

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period. If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

Revenue from training services is generally recognised once the training has been delivered.

Other income

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

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.

Cash flows in the cash flow statement are included on a gross basis and the GST component of cash flows arising from investing or financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

GREENSBOROUGH HOCKEY CLUB INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018

	2018	2017
	\$	\$
4 Cash and Cash Equivalents		
Trading Account	17,588	26,704
Canteen Account	888	969
Junior Account	-	1,027
	<u>18,476</u>	<u>28,700</u>
5 Trade and Other Receivables		
Current		
Trade Debtors	16,989	13,479
Less: Provision for Doubtful Debts	(1,515)	(1,790)
	<u>15,474</u>	<u>11,689</u>
	<u>15,474</u>	<u>11,689</u>
6 Inventories		
Current		
Stock on Hand - Canteen	2,094	980
Stock on Hand - Hockey Shop	3,566	2,963
Stock on Hand - General	9,482	-
	<u>15,142</u>	<u>3,943</u>
	<u>15,142</u>	<u>3,943</u>
7 Other Assets		
Current		
Borrowing Expenses	1,595	1,595
Less Amortisation	(594)	(275)
	<u>1,001</u>	<u>1,320</u>
	<u>1,001</u>	<u>1,320</u>
8 Accounts Payable and Other Payables		
Current		
Trade Creditors	11,302	13,807
GST Payable	4,166	-
	<u>15,468</u>	<u>13,807</u>
	<u>15,468</u>	<u>13,807</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018

	2018	2017
	\$	\$
9 Property, Plant and Equipment		
BUILDINGS		
Buildings		
At cost	308,318	308,318
Total Buildings	<u>308,318</u>	<u>308,318</u>
TURF FACILITIES		
Turf Facilities - Purser Field		
At cost	475,971	475,971
Accumulated depreciation	(72,361)	(27,515)
Total Turf Facilities	<u>403,610</u>	<u>448,456</u>
PLANT AND EQUIPMENT		
Plant and Equipment		
At cost	21,648	21,508
Accumulated depreciation	(5,456)	(3,380)
Total Plant and Equipment	<u>16,192</u>	<u>18,128</u>
Total Property, Plant and Equipment	<u><u>728,120</u></u>	<u><u>774,902</u></u>
10 Borrowings		
Non-Current		
Loan - Bendigo Bank	<u>373,209</u>	<u>417,360</u>
11 Reserves		
Sinking Fund - Pitch Replacement	<u>23,316</u>	<u>12,000</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018

	2018	2017
	\$	\$
12 Retained Earnings		
Retained earnings at the beginning of the financial year	377,387	380,076
Net loss attributable to the association	<u>(11,167)</u>	<u>(2,689)</u>
Retained earnings at the end of the financial year	<u><u>366,220</u></u>	<u><u>377,387</u></u>

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COMMITTEE MEMBERS' DECLARATION

The committee members have 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 described in Note 2 to the financial statements.

The members of the committee declare that:

1. The financial statements and notes, as set out on pages 1 to 12, present fairly the Association's financial position as at 31 October 2018 and its performance for the year ended on that date in accordance with the accounting policies described in Note 2 to the financial statements; and
2. In the committee members' opinion there are reasonable grounds to believe that the association will be able to pay its debts as and when they become due and payable.

Committee
member:

James Dunell
Mr James Dunell - President

Committee
member:

Defrim Kutrolli
Mr Defrim Kutrolli - Treasurer

Dated this 11th day of December, 2018

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREENSBOROUGH HOCKEY CLUB INCORPORATED

We have audited the accompanying special purpose financial report of Greensborough Hockey Club Incorporated ('the Association'), which comprises the balance sheet as at 31 October 2018, the income statement for the year then ended and the declaration by members of the Committee of the Association.

The Committee's Responsibility for the Financial Report

The Committee of the Association is responsible for the preparation of the financial report and has determined that the basis of preparation is appropriate to meet the requirements of the *Associations Incorporation Reform Act 2012* and to meet the needs of the members. The Committee's responsibility also includes such internal control as it determines is necessary to enable the preparation 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 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 our 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, we consider 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 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 the Australian professional accounting bodies.

Basis for Qualified Opinion

Proceeds from cash sales, such as bar and canteen takings, are a significant source of revenue. The Association has determined that it is impracticable to establish control over the collection of such cash proceeds prior to entry into its financial records. Accordingly, our audit procedures with respect to cash proceeds from these sources had to be restricted to the amounts recorded in the financial records. We therefore are unable to express an opinion whether these cash proceeds obtained by the Association are complete.

Auditor's Qualified Opinion

In our opinion, except for the effects on the financial statements of such adjustments, if any, as might have been required had the limitation on our audit procedures referred to in the preceding paragraph not existed, the financial report presents fairly, in all material respects, the financial position of Greensborough Hockey Club Incorporated as of 31 October 2018 and of its financial performance for the year then ended.

Basis of Preparation

The financial report has been prepared for distribution to members and for the purpose of fulfilling the Committee's financial reporting responsibilities under the *Associations Incorporation Reform Act 2012*. As a result, the financial report may not be suitable for another purpose.



PKF Melbourne Audit & Assurance Pty Ltd
Melbourne, 11 December



George Athans
Director

