

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

FINANCIAL REPORT
FOR THE YEAR ENDED
31 OCTOBER 2019

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

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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 2019.

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:

James Dunell - President
Jane O'Connell - Secretary
Matthew Foster - Treasurer
Brenten Coulthard
Tom Crowley
Matthew Henderson
Michele Henderson
Naomi Pickford
Greg Purser
Stuart Young

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 profit of the association for the year ended 31 October 2019 amounted to \$25,070.

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:

James Dunell
Committee Member: _____

James Dunell - President

Matthew Foster
Committee Member: _____

Matthew Foster - Treasurer

Dated this 27th **day of** November 2019

GREENSBOROUGH HOCKEY CLUB INCORPORATED
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INCOME STATEMENT

INCOME STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2019

	Note	2019 \$	2018 \$
SALES			
Bar & Canteen Sales		62,557	48,991
Uniform & Hockey Shop		16,144	23,990
		78,701	72,981
LESS: COST OF GOODS SOLD			
Opening Stock		15,142	3,943
Purchases - Canteen		30,695	21,801
Purchases - Clothing		15,927	24,088
Purchases - Just Hockey		2,041	8,255
Closing Stock		(16,783)	(15,142)
		47,022	42,945
GROSS PROFIT FROM TRADING		31,679	30,036
OTHER INCOME			
Social Functions		12,256	9,349
Sponsorship		27,751	12,763
Ground Hire		40,222	41,352
Player Fees		130,212	122,019
Other Income		2,038	1,940
		212,479	187,423
		244,158	217,459

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 2019

	Note	2019 \$	2018 \$
EXPENSES			
Accountancy Fees		661	705
Advertising		-	348
Affiliation Fees		33,013	32,064
Auditor's Remuneration		1,500	1,500
Bad Debts		675	1,470
Bank Charges		560	522
Cleaning		7,016	6,116
Coaching Fees		42,449	40,913
Coaching Fees - NDHL School Coaching		4,638	-
Depreciation		44,002	47,240
Doubtful Debts		(443)	(275)
Electricity & Gas		16,896	17,009
Equipment Purchases		2,873	2,394
Fines		409	(109)
General Expenses		951	8,221
Ground Hire Expense		2,231	2,962
Insurance		4,005	4,463
Interest Paid		17,908	21,367
Leasing Fees		2,349	2,281
Merchant Fees		1,850	1,568
Postage		118	115
Printing & Stationery		209	82
Rates & Taxes		1,355	1,669
Repairs & Maintenance		2,465	2,211
Social Function Expenses		8,985	10,163
Sponsorship Costs		1,009	793
Telephone & Internet		914	956
Trophies		1,795	1,560
Umpires		18,695	17,900
Uniforms		-	2,418
		<u>219,088</u>	<u>228,626</u>
Profit (Loss) before income tax		<u>25,070</u>	<u>(11,167)</u>

The accompanying notes form part of these financial statements.

GREENSBOROUGH HOCKEY CLUB INCORPORATED
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BALANCE SHEET
AS AT 31 OCTOBER 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	21,121	18,476
Trade and other receivables	5	8,159	15,474
Inventories	6	16,783	15,142
Other current assets	7	682	1,001
TOTAL CURRENT ASSETS		<u>46,745</u>	<u>50,093</u>
NON-CURRENT ASSETS			
Property, plant and equipment	9	691,699	728,120
TOTAL NON-CURRENT ASSETS		<u>691,699</u>	<u>728,120</u>
TOTAL ASSETS		<u>738,444</u>	<u>778,213</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	5,269	15,468
TOTAL CURRENT LIABILITIES		<u>5,269</u>	<u>15,468</u>
NON-CURRENT LIABILITIES			
Borrowings	10	307,383	373,209
TOTAL NON-CURRENT LIABILITIES		<u>307,383</u>	<u>373,209</u>
TOTAL LIABILITIES		<u>312,652</u>	<u>388,677</u>
NET ASSETS		<u>425,792</u>	<u>389,536</u>
EQUITY			
Reserves	11	34,502	23,316
Retained earnings	12	391,290	366,220
TOTAL EQUITY		<u>425,792</u>	<u>389,536</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 2019

	Note	Retained earnings \$		Total \$
Balance at 1 November 2017		377,387		377,387
Profit attributable to members		(11,167)		(11,167)
Balance at 31 October 2018		366,220		366,220
Profit attributable to members		25,070		25,070
Sinking Fund Levy		34,502		34,502
Balance at 31 October 2019		425,792		425,792

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 2019

	2019	2018
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	309,448	266,740
Payments to suppliers and employees	<u>(215,807)</u>	<u>(211,307)</u>
Net cash provided by operating activities	<u>93,641</u>	<u>55,433</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	<u>(7,262)</u>	<u>(139)</u>
Net cash used in investing activities	<u>(7,262)</u>	<u>(139)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	10,000	-
Repayment of borrowings	(75,826)	(44,151)
Interest paid	<u>(17,908)</u>	<u>(21,367)</u>
Net cash used in financing activities	<u>(83,734)</u>	<u>(65,518)</u>
Net increase (decrease) in cash held	2,645	(10,224)
Cash at beginning of financial year	<u>18,476</u>	<u>28,700</u>
Cash at end of financial year	<u>4</u> <u>21,121</u>	<u>18,476</u>

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 2019

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 2019 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.

GREENSBOROUGH HOCKEY CLUB INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019

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.

GREENSBOROUGH HOCKEY CLUB INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019

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.

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 2019

	2019	2018
	\$	\$
4 Cash and Cash Equivalents		
Trading Account	20,504	17,588
Canteen Account	617	888
	<u>21,121</u>	<u>18,476</u>
5 Trade and Other Receivables		
Current		
Trade Debtors	9,232	16,989
Less: Provision for Doubtful Debts	(1,073)	(1,515)
	<u>8,159</u>	<u>15,474</u>
	<u>8,159</u>	<u>15,474</u>
6 Inventories		
Current		
Stock on Hand - Canteen	1,665	2,094
Stock on Hand - Hockey Shop	320	3,566
Stock on Hand - General	14,798	9,482
	<u>16,783</u>	<u>15,142</u>
7 Other Assets		
Current		
Borrowing Expenses	1,595	1,595
Less Amortisation	(913)	(594)
	<u>682</u>	<u>1,001</u>
8 Accounts Payable and Other Payables		
Current		
Sundry Creditors	16	-
Trade Creditors	50	11,302
GST Payable	5,203	4,166
	<u>5,269</u>	<u>15,468</u>

GREENSBOROUGH HOCKEY CLUB INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019

	2019	2018
	\$	\$
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	<u>(112,722)</u>	<u>(72,361)</u>
Total Turf Facilities	<u>363,249</u>	<u>403,610</u>
PLANT AND EQUIPMENT		
Plant and Equipment		
At cost	28,909	21,648
Accumulated depreciation	<u>(8,777)</u>	<u>(5,456)</u>
Total Plant and Equipment	<u>20,132</u>	<u>16,192</u>
Total Property, Plant and Equipment	<u><u>691,699</u></u>	<u><u>728,120</u></u>
10 Borrowings		
Non-Current		
Loan - Bendigo Bank	<u>307,383</u>	<u>373,209</u>
11 Reserves		
Sinking Fund - Pitch Replacement	<u>34,502</u>	<u>23,316</u>

GREENSBOROUGH HOCKEY CLUB INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019

	2019	2018
	\$	\$
12 Retained Earnings		
Retained earnings at the beginning of the financial year	366,220	377,387
Net profit (Net loss) attributable to the association	<u>25,070</u>	<u>(11,167)</u>
Retained earnings at the end of the financial year	<u><u>391,290</u></u>	<u><u>366,220</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 2019 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
James Dunell - President

Committee member: Matthew Foster
Matthew Foster - Treasurer

Dated this 27th **day of** November 2019

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GREENSBOROUGH HOCKEY CLUB INCORPORATED
A.B.N. 11 869 083 688**

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a special purpose financial report, of Greensborough Hockey Club Incorporated (the association), which comprises the balance sheet as at 31 October 2019, and the income and expenditure statement, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information, and management's assertion statement.

In our opinion, the accompanying financial report of the association for the year ended 31 October 2019 is prepared, in all material respects, in accordance with the Associations Incorporation Reform Act 2012.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Report section of our report. We are independent of the association in accordance with the auditor independence requirements of 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 is prepared to assist the association in meeting the requirements imposed in accordance with the Associations Incorporations Reform Act 2012. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the association and should not be distributed to or used by parties other than the association. Our opinion is not modified in respect to this matter.

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with the Associations Incorporation Reform Act 2012 and for such internal control as management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the association's financial reporting process.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GREENSBOROUGH HOCKEY CLUB INCORPORATED
A.B.N. 11 869 083 688**

Auditors' Responsibility 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 auditors' 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.

Name of Firm: PKF Melbourne Audit & Assurance Pty Ltd

Name of Partner: *George Athans*

Mr George Athans

Address: Level 12, 440 Collins Street, Melbourne VIC 3000

Dated this 27th **day of** November 2019