

# Special Purpose Financial Report

for the year ended 30 June 2020

## Contents:

- > Statement by the Board
- > Balance Sheet
- > Summary Income and Expenditure
- > Cash Flow Statement
- > Changes in Equity
- > Notes to the Financial Statements

# Cockburn Basketball Association

## Statement by the Board

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

In the opinion of the board the financial report as set here:

1. Presents a true and fair view of the financial position of Cockburn Basketball Association as at 30 June 2020 and its performance for the year ended on that date.
2. At the date of the this statement there are reasonable grounds to believe that the Cockburn Basketball Association will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the board is signed on behalf of the board.

Travis French (President)



Christian Bauer (Finance Director)



30 September 2020

# Balance Sheet

As of June 2020

	30-Jun-20	30-Jun-19
<b>Assets</b>		
Current Assets		
Cash at Bank	\$139,785	\$109,667
Cash on Hand	\$300	\$0
Cash Floats	\$1,900	\$2,450
Accounts Receivable	\$56,391	\$68,795
Inventory on Hand	\$10,673	\$12,796
Other/Sundry Income	\$0	(\$400)
Non Current Assets		
Equipment at Cost	\$107,169	\$87,878
Less Accum Depn Equipment	(\$79,730)	(\$76,967)
Leasehold Improvements at Cost	\$263,565	\$261,874
Less Accum Dpn Leasehold	(\$71,050)	(\$62,926)
Machinery	\$24,255	\$28,512
Less Accum Dpn Machinery	(\$24,255)	(\$27,355)
<b>Total Non Current Assets</b>	<b>\$219,954</b>	<b>\$211,017</b>
<b>Total Assets</b>	<b>\$429,003</b>	<b>\$404,325</b>
<b>Liabilities</b>		
Current Liabilities		
Accounts Payable	\$27,232	\$75,047
ATO Payable	\$11,671	\$18,545
Superannuation Payable	\$3,785	\$5,059
Employee Provisions	\$2,800	\$6,302
Other Current Liabilities	\$38,206	\$2,124
<b>Total Liabilities</b>	<b>\$83,695</b>	<b>\$107,078</b>
<b>Net Assets</b>	<b>\$345,308</b>	<b>\$297,247</b>
Accumulated Funds		
Retained Surplus/(Deficit)	\$297,247	\$234,872
Current Year Surplus/(Deficit)	\$48,061	\$62,376
<b>Total Accumulated Funds</b>	<b>\$345,308</b>	<b>\$297,247</b>

# Income and Expenditure Statement

	2019/20	2018/19
Income		
Court Hire	49,181	55,605
Door Sales	166,264	216,068
Fees, Nominations, Registratio	285,037	350,867
Fundraising	19,931	29,002
Grants Received	10,990	227
Membership Fees	420	440
Other Income	36,459	9,015
Trading Activites	62,373	158,113
Sponsorship	33,713	52,762
<b>Total Income</b>	<b>664,368</b>	<b>872,100</b>
Cost Of Goods Sold		
Purchases	41,607	91,054
<b>Total Cost Of Goods Sold</b>	<b>41,607</b>	<b>91,054</b>
<b>Gross Profit</b>	<b>622,760</b>	<b>781,046</b>

	2019/20	2018/19
Expenses		
Advertising/Marketing	9,419	7,564
Assets Purchased<\$1,000	8,085	8,167
Audit Fees	4,700	5,500
Aussie Hoops Kits	6,475	6,914
Bad Debts	5,026	48
Bank Charges	1,885	2,788
Board/Governance Expense	0	193
Box Hire Expense	1,163	6,188
Catering	6,139	11,726
Cleaning/Pest Control	26,869	24,859
Computer Expenses	6,220	1,533
Court Hire Expenses	2,045	3,068
Depreciation	16,397	24,628
Equipment Hire/Lease	6,142	5,646
Fees & Permits	918	425
Fees - BWA	21,935	62,250
Fees - Sporting Pulse	5,258	5,173
Fundraising & Gaming Expense	4,380	6,823
Health & Safety	3,119	2,738
Imports Expenses	12,401	17,050
Insurance	4,665	5,182
Interest Paid	0	636
Loss on Sale of Assets	679	3,899
Merchandise Used	6,734	4,966
Postage, Freight & Courier	293	163
Printing & Stationery	1,025	1,677
Rates & Taxes	6,524	6,306
Repairs & Maintenance	20,475	17,130
Salaries & Wages	25,117	15,128
S&W - Salaries & Wages	203,630	210,153
S&W - Fees Paid	116,389	177,270
Workers Comp Insurance Premium	2,782	2,870
Security Expenses	1,203	970
Sponsorship Expenses	4,178	2,772
Sundry Expenses	13,146	19,390
Telephone & Internet	2,395	3,144
Training & Development (Staff)	995	84
Travel & Accomodation	0	7,518
Uniforms	5,897	8,074
Utilities	26,332	27,405
Volunteer Costs	603	657
<b>Total Expenses</b>	<b>591,638</b>	<b>718,670</b>
<b>Operating Profit</b>	<b>31,123</b>	<b>62,376</b>
Other Income		
Total Other Income	16,938	0
<b>Net Profit/(Loss)</b>	<b>48,061</b>	<b>62,376</b>

# Cash Flow Statement

Cash Flow from Operating Activities	2019/20	2018/19
<b>Net Income</b>	<b>\$48,061</b>	<b>\$62,376</b>
Petty Cash	-\$300	\$300
Canteen Float	\$400	
Door Float	-\$1,100	\$90
Camp Float		-\$100
Canteen Coin Float - SBL/WABL		\$500
SBL/WABL Float	\$1,100	\$70
Extra Float	\$150	-\$150
Trade Debtors	\$8,636	-\$28,583
Less Provision for Doubtful Db	\$3,768	
Kidsport		-\$200
Stock on Hand - Bar	\$1,966	-\$2,404
Stock on Hand - Canteen	\$2,540	-\$1,273
Stock on Hand - Merchandise	-\$2,382	-\$1,485
Other/Sundry Income	-\$400	\$400
Less Accum Depn Equipment	\$2,764	\$11,395
Leasehold Improvements at Cost	-\$1,691	
Less Accum Dpn Leasehold	\$8,125	\$7,891
Machinery	\$4,257	\$11,570
Less Accum Dpn Machinery	-\$3,100	-\$8,909
Motor Vehicles		\$2,614
Less Accum Dpn MV's		-\$738
Trade Creditors	-\$59,753	-\$23,256
Accrued Expenses	\$11,938	-\$93
GST Payable	-\$12,989	-\$1,956
less GST receivable	\$6,149	\$11,803
PAYG Withholding	-\$34	-\$7,338
Superannuation Payable	-\$1,274	-\$533
Provision for Annual Leave	-\$1,815	-\$3,735
Provision for Long Service Lea	-\$1,687	-\$2,848
Repayable Bonds	\$1,100	-\$1,000
Grants Received in Advance		\$341
Grants Repayable	-\$2,640	\$2,783
Unearned Revenue	\$37,622	
<b>Net Cash Flow from Operating Activities</b>	<b>\$49,410</b>	<b>\$27,532.24</b>
Equipment at Cost	-\$19,291	-\$4,352
<b>Net Cash Flow from Investing Activities</b>	<b>-\$19,291</b>	<b>-\$4,351.83</b>
Cash Flow from Financing Activities	\$0	
<b>Net Cash Flow from Financing Activities</b>	<b>\$0</b>	<b>\$0.00</b>
<b>Net Increase/Decrease for the period</b>	<b>\$30,118</b>	<b>\$23,180</b>
<b>Cash at the Beginning of the period</b>	<b>\$112,117</b>	<b>\$89,931</b>
<b>Increase/Decrease in Floats</b>	<b>-\$250</b>	<b>-\$710</b>
<b>Prior Year adjustment</b>		<b>-\$285</b>
<b>Cash at the End of the period</b>	<b>\$141,985</b>	<b>\$112,116</b>

# Changes in Equity

	<b>Retained Earnings</b>	<b>Total</b>
<b>Opening Balance at 1 Jul 2019</b>	<b>\$297,247</b>	<b>\$297,247</b>
Accumulated Funds		
Prior Year adjustment		
Current Year Surplus/(Deficit)	\$48,061	\$48,061
<b>Balance at 30 Jun 2020</b>	<b>\$345,308</b>	<b>\$345,308</b>

	<b>Retained Earnings</b>	<b>Total</b>
<b>Opening Balance at 1 Jul 2018</b>	<b>\$235,156.58</b>	<b>\$235,156.58</b>
Accumulated Funds		
Prior Year adjustment	(\$285.00)	(\$285.00)
Current Year Surplus/(Deficit)	\$62,375.70	\$62,375.70
<b>Balance at 30 Jun 2020</b>	<b>\$297,247.28</b>	<b>\$297,247.28</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2020

The financial statements cover Cockburn Basketball Association Incorporated as an individual entity. Cockburn Basketball Association Incorporated is a not-for-profit association incorporated in Western Australia under the Association Incorporations Act (WA) 2015 ('The Act').

The functional and presentation currency Cockburn Basketball Association Incorporated is Australian dollars.

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

## **1. Basis of Preparation**

In the opinion of the committee of management, 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 Presentations of Financial Statements

AASB 107 Cash Flow Statements

AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors

AASB 1031 Materiality

AASB 1048 Interpretation and Application of Standards

AASB 1054 Australian Additional Disclosures

## **2. Summary of Significant Accounting Policies**

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of the financial report.

a) **Income Tax**

The association is exempt from income tax under division 50 of the income tax assessment act 1997.

b) **Cash and Cash Equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

c) **Accounts Payable and Other Payables**

Accounts Payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the



reporting period that remain unpaid. The balance is recognized as a current liability with the amounts normally paid within 30 days of recognition of the liability.

d) Inventories

Inventories are measured at the lower of cost and net realisable value.

e) Property, Plant and Equipment

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation. The depreciable amount of all fixed assets are depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use. Leasehold improvements are amortized over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

f) Employee Entitlements

Provision is made for the association's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year have been measured at their nominal amount. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements. Contributions are made by the association to an employee superannuation fund and are charged as expenses when incurred

g) Impairment of Assets

At the end of each reporting period, the entity 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 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. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

h) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue. Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognized when the right to receive a dividend has been established. Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt. All revenue is stated net of the amount of goods and services tax (GST).

i) 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 Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the assets and liabilities statement are shown inclusive of GST.

j) Trade and Other Receivable

Trade and other receivables are recognised initially at fair value, which is generally the original invoice amount, and subsequently measured at amortised cost using the

effective interest method, less an allowance for impairment. They generally have 30 to 60 day terms.

### 3. Cash Flow Reconciliation

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

	30-Jun-20	30-Jun-19
Cash at Bank		
BankWest Cheque Account	\$38,168	\$74,225
BankWest Telenet Saver	\$100,617	\$35,441
BankWest Debit Card Account	\$1,000	\$0
<b>Total Cash at Bank</b>	<b>\$139,785</b>	<b>\$109,667</b>
Cash on Hand		
Petty Cash	\$300	\$0
<b>Total Cash on Hand</b>	<b>\$300</b>	<b>\$0</b>
Cash Floats		
Bar Float	\$550	\$550
Canteen Float	\$0	\$400
Door Float	\$1,100	\$0
Camp Float	\$100	\$100
Sausage Sizzle Float	\$150	\$150
SBL/WABL Float	\$0	\$1,100
Extra Float	\$0	\$150
<b>Total Cash Floats</b>	<b>\$1,900</b>	<b>\$2,450</b>
<b>Cash at the end of the period</b>	<b>\$141,985</b>	<b>\$112,117</b>



Francis A Jones

Where people count.

DIRECTORS

Michael McGrath	B Bus CPA
Mark Douglas	B Bus CPA
Matthew Moonen	B Com CPA
Ben Paganoni	B Com CPA
Daniel Papaphotis	B Com CPA
Michael Basilio	B Com CPA

**INDEPENDENT AUDIT REPORT**  
**FOR THE YEAR ENDED JUNE 2020**  
**TO THE MEMBERS OF THE**  
**COCKBURN BASKETBALL ASSOCIATION INC.**

**Report on the Audit of the Financial Report**

We have audited the accompanying financial report, being a special purpose financial report of Cockburn Basketball Association, which comprises the balance sheet as at 30 June 2020, the profit and loss for the year then ended, Statement of Cash Flows, notes comprising a summary of significant accounting policies, other explanatory notes and the statement by directors.

In our opinion, the accompanying financial report of the Association for the year ended 30 June 2020 is prepared, in all material respects, in accordance with Associations Incorporation Act (WA) 2015.

**Qualification**

It is not practical for Cockburn Basketball Association to maintain an effective system of internal control over cash sales and other fund raising activities until their initial entry in the accounting records. Accordingly our audit in relation to cash receipts and fund raising was limited to the amounts recorded.

**Qualified Audit Opinion**

In our opinion, except for the qualifications and emphasis of matter paragraphs above, the financial report presents fairly, in all material respects the financial report of Cockburn Basketball Association as at 30 June 2020 and of its financial performance for the year ended in accordance with the accounting policies described in Note 1 to the financial statements, and the Associations Incorporation Act.

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

154 High Street Fremantle WA  
PO Box 39 Fremantle WA 6959

Ph 08 9335 5211  
Fx 08 9335 5478

[email@faj.com.au](mailto:email@faj.com.au)  
[www.faj.com.au](http://www.faj.com.au)

ABN 19 843 573 287  
AFSL 480497



Francis A Jones is a CPA practice

Liability limited by a scheme approved under Professional Standards Legislation.

## **Basis of Accounting**

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Cockburn Basketball Association to meet the requirements of the Associations Incorporation Act WA. 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 of this matter.

## **Responsibilities of Management and Those Charged with Governance**

The board of the Cockburn Basketball Association is responsible for the preparation and fair presentation of the financial report in accordance with Associations Incorporation Act (WA) 2015, 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.

## **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.



.....  
DANIEL PAPAPHOTIS CPA  
REGISTERED COMPANY AUDITOR  
# - 410503  
FRANCIS A. JONES PTY LTD  
154 HIGH STREET  
FREMANTLE WA 6160

Date: 9<sup>th</sup> October 2020