

**Coffs Harbour Basketball
Association Inc.**

Financial Statements

For the Year ended 31 December 2016

Coffs Harbour Basketball Association Inc.

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Coffs Harbour Basketball Association Inc.
Statement of Financial Position
As at 31 December 2016

	Note	2016 \$	2015 \$
Current Assets			
Cash and Cash Equivalents	2	67,282	88,814
Trade and Other Receivables	3	7,112	4,945
Inventories	4	6,064	1,804
Total Current Assets		<u>80,458</u>	<u>95,563</u>
Non-Current Assets			
Property, Plant and Equipment	5	4,795	3,997
Total Non-Current Assets		<u>4,795</u>	<u>3,997</u>
Total Assets		<u>85,253</u>	<u>99,560</u>
Current Liabilities			
Trade and Other Payables	6	14,212	52,030
Total Current Liabilities		<u>14,212</u>	<u>52,030</u>
Total Liabilities		<u>14,212</u>	<u>52,030</u>
Net Assets		<u>71,041</u>	<u>47,530</u>
Equity			
Reserves	7	12,908	12,908
Retained Profits		58,133	34,622
Total Equity		<u>71,041</u>	<u>47,530</u>

The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Compilation Report.

Coffs Harbour Basketball Association Inc.
Income and Expenditure Statement
For the Year ended 31 December 2016

	2016 \$	2015 \$
Revenue		
Competitions	300,329	287,720
Program Income	165,929	103,168
Administration	5,261	4,828
	<u>471,519</u>	<u>395,716</u>
Expenditure		
Uniform Costs	11,623	40,913
Administration Costs	99,016	89,552
Competition	136,493	195,798
Programs	199,341	99,837
Misappropriation of Funds	1,535	-
	<u>448,008</u>	<u>426,100</u>
Loss before Income Tax	<u><u>23,511</u></u>	<u><u>(30,384)</u></u>

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Compilation Report.*

Coffs Harbour Basketball Association Inc.
Statement of Changes in Equity
For the Year ended 31 December 2016

	2016 \$	2015 \$
Retained Earnings		
Balance at 1 January 2016	34,622	65,006
Profit Attributable to Members	23,511	(30,384)
Balance at 31 December 2016	<u>58,133</u>	<u>34,622</u>
Capital Redemption Reserve		
Balance at 1 January 2016	12,908	12,908
Balance at 31 December 2016	<u>12,908</u>	<u>12,908</u>
Total Equity at 31 December 2016	<u>71,041</u>	<u>47,530</u>

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Compilation Report.*

Coffs Harbour Basketball Association Inc.
Notes to the Financial Statements
For the Year ended 31 December 2016

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act (NSW). The committee has determined that the association is not a reporting entity.

The financial statements have been prepared on an accruals basis and are based on historic costs and do not take into account changing money values or, except where specifically stated, current valuations of non-current assets. The following material accounting policies, which are consistent with the previous period unless stated otherwise, have been adopted in the preparation of the financial statements.

(a) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(b) 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 amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

(c) Trade and Other Receivables

Trade receivables are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

At the end of each reporting period, the carrying amount of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in income and expenditure statement.

(d) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate portion of variable and fixed overheads. Overheads are applied on the basis of normal operating capacity. Costs are assigned on the basis of weighted average costs.

Coffs Harbour Basketball Association Inc.
Notes to the Financial Statements
For the Year ended 31 December 2016

(e) **Revenue and Other Income**

Revenue from the provision of membership subscriptions is recognised over the financial year.

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

All revenue is stated net of the amount of goods and services tax (GST).

(f) **Trade and Other Payables**

Trade and other payables represent the liabilities at the end of the reporting period for goods and services received by the association that remain unpaid.

Trade payables are recognised at their transaction price. Trade payables are obligations on the basis of normal credit terms.

(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 (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Coffs Harbour Basketball Association Inc.
Notes to the Financial Statements
For the Year ended 31 December 2016

	2016 \$	2015 \$
2. Cash and Cash Equivalents		
NAB Acct	14,846	32,004
NAB Cash Maximiser	1,973	6,347
BCU Acct	303	303
BCU Member Bonus Shares	150	150
BCU Term Deposit	50,000	50,000
BCU Shares	10	10
	<u>67,282</u>	<u>88,814</u>
Reconciliation of Cash		
Cash and Cash Equivalents	<u>67,282</u>	<u>88,814</u>
	<u>67,282</u>	<u>88,814</u>
3. Trade and Other Receivables		
Current		
Trade Debtors	4,315	4,945
Provision for GST	2,797	-
	<u>7,112</u>	<u>4,945</u>
Total Trade and Other Receivables	<u>7,112</u>	<u>4,945</u>

Coffs Harbour Basketball Association Inc.
Notes to the Financial Statements
For the Year ended 31 December 2016

	2016 \$	2015 \$
4. Inventories		
Current		
Stock on Hand	6,064	1,804
	<u>6,064</u>	<u>1,804</u>
5. Property, Plant and Equipment		
Plant and Equipment		
Plant & Equipment	17,679	15,497
Less Accumulated Depreciation & Impairment	<u>(12,884)</u>	<u>(11,500)</u>
	4,795	3,997
Total Plant and Equipment	<u>4,795</u>	<u>3,997</u>
Total Property, Plant and Equipment	<u>4,795</u>	<u>3,997</u>
6. Trade and Other Payables		
Current		
Trade Creditors	11,188	14,401
Employment Liabilities		
- PAYG Withholding	2,360	9,657
- Superannuation	664	8,504
Provision for GST	-	9,468
Income received in advance	<u>-</u>	<u>10,000</u>
	14,212	52,030
Total Trade and Other Payables	<u>14,212</u>	<u>52,030</u>
7. Reserves		
Capital Redemption Reserve	12,908	12,908
	<u>12,908</u>	<u>12,908</u>

Coffs Harbour Basketball Association Inc
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 1 to the financial statements.

In the opinion of the committee the financial report:

1. Presents fairly the financial position of the Coffs Harbour Basketball Association Inc as at 31 December 2016 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Coffs Harbour Basketball 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 day of 2017

Coffs Harbour Basketball Association Inc
Certificate by Members of the Committee

I, of New South Wales, and

I, of New South Wales

Certify that:

- a) We are members of the committee of Coffs Harbour Basketball Association Inc.
- b) We attended the annual general meeting of the association held on
- c) We are authorised by the attached resolution of the committee to sign this certificate.
- d) This annual statement was submitted to the members of the association at its annual general meeting.

Dated this day of 2017

..... (Committee Member)

..... (Committee Member)

**Coffs Harbour Basketball Association Inc.
Independent Auditor's Report
to the Members of
Coffs Harbour Basketball Association Inc.**

We have audited the accompanying financial report, being a special purpose financial report, of Coffs Harbour Basketball Association Inc. (the association), which comprises the statement of financial position as at 31 December 2016, the income and expenditure statement for the year then ended, the statement of changes in equity, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee of Coffs Harbour Basketball Association Inc. is responsible for the preparation of the financial report, and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the Associations Incorporation Act (NSW) and the needs of the members. The committee's responsibility also includes such internal control as the committee 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 have conducted our audit in accordance with Australian Auditing Standards. Those 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 the auditor's judgment, including the assessment 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 of the financial report that gives a true and fair view, 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.

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

**Coffs Harbour Basketball Association Inc.
Independent Auditor's Report
to the Members of
Coffs Harbour Basketball Association Inc.**

Basis for Qualified Opinion

Due to an inability to generate sufficient, appropriate audit evidence regarding the completeness and occurrence of cash based revenue transactions, we were unable to determine if any further adjustment was necessary. Due to the nature of such an organisation, cash receipts are susceptible to fraud. We conclude that due to both a lack of internal controls during the year, as well as an identified instance of cash misappropriation, reasonable assurance cannot be obtained for revenue accounts.

Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial report presents fairly, in all material respects, the financial position of Coffs Harbour Basketball Association Inc. as at 31 December 2016 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, and the Associations Incorporation Act (NSW).

Basis of Accounting and Restriction on Distribution

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 Coffs Harbour Basketball Association Inc. to meet the requirements of the Associations Incorporation Act (NSW). As a result, the financial report may not be suitable for another purpose.

Ian Hogbin
HQB Chartered Accountants

Dated this.....day of.....2017