

NETBALL WA (INC)

ABN: 36 657 982 648

**ANNUAL
FINANCIAL REPORT**

FOR THE YEAR ENDED 31 DECEMBER 2018

CONTENTS

	Page No.
Declaration by Board of Management	2
Statement of Profit or Loss and Other Comprehensive Income	3
Statement of Financial Position	4
Statement of Cash Flows	5
Statement of Changes in Equity	6
Notes to the Financial Statements	7
Audit Report	14

Corporate Information

Name: Netball WA (Inc)
ABN: 36 657 982 648
Address: 200 Selby Street, Jolimont WA 6014
Entity: Incorporated Association in Western Australia, Australia

The Board present this report to the members of Netball WA (Inc) for the year ended 31 December 2018.

The names of each person who has been a director during the year are:

		BOARD MEETINGS	
		1 Jan 2018 - 31 Dec 2018	
		TOTAL NUMBER OF MEETINGS	NUMBER OF MEETINGS ATTENDED
Deane Pieters (President)		8	8
Julie Beeck		8	7
Darren Shillington	(resigned 9 July 2018)	3	3
Clare Bond	(resigned 31 December 2018)	7	7
Marita Somerford		8	8
Emma Chinnery		8	6
Jill Powell		8	8
Grant Robinson	(appointed 9 July 2018)	3	2

Principal activities

Netball WA (Inc) is the governing body for netball in Western Australia, incorporating 11 affiliated Regions and 72 affiliated Associations. The organisation's vision to be 'One Netball Community driving Western Australia's leading sport' is reflective in our delivery of our strategic plan.

Netball is the highest female participation sport in Western Australia and played in every major city and town across the State. From the grassroots to the elite, Netball WA (Inc) has a holistic approach to the growth and development of the sport of netball.

REVIEW OF OPERATIONS

Netball WA (Inc) incurred a total surplus of \$205,552 that includes a non-cash depreciation charge of \$53,998, which has been included in Corporate Services. The whole 2018/19 grant funding received from the Department of Local Government, Sport and Cultural Industries of \$400,000 has been included as revenue in the 2018 year as per the treatment required by the new Australian Accounting Standards.

A review was undertaken of the treatment of funding in 2016 and 2017 and it was found that a misinterpretation had occurred. As a consequence, the Department of Local Government, Sport and Cultural Industries grant had been incorrectly accounted for which affected the amount disclosed in grant income and therefore the statement of financial performance for the year ended 31 December 2017 and the statement of financial position as at 31 December 2017. A restatement of the prior year balances has resulted.

A reclassification of the Bette Allison Estate Scholarship fund, received by the Association as a bequest in 2015, was undertaken from equity to Income in Advance - Liability, to ensure the correct accounting treatment when the scholarship funding is used.

2018 saw the commencement of Netball WA's new Strategic Plan to advance netball. The focus is on 4 Pillars - People and Culture; Participation; Pathway and Business Performance.

A new Netball WA Constitution was adopted at the 2018 Annual General meeting, which resulted in the 11 Netball WA regions voting to accept that as of 1 January 2019, those 11 Regions would dissolve. This follows a long consultation and education process. The new regional structure within NWA allow for Tier 1 Associations to hold voting rights.

In line with this reform the WA Netball League has also restructured at the conclusion of its 30th year of operations with 7 new licenses issued for 2019. NetSetGO, Membership, our inclusive participant programs and pathway remain the key drivers of Netball WA's focus in advancing Netball and advancing Communities.

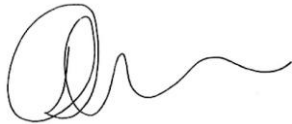
DECLARATION BY THE BOARD OF NETBALL WA (INC)

The Board 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 Board:

- 1 The Financial Statements and Notes presents fairly the Association's financial position as at 31 December 2018 and it's performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the Financial Statements.
- 2 In the Board's opinion there are reasonable grounds to believe that the 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 and is signed for and on behalf of the Board by:



Signature: _____

Date: 11 March 2019

Name: Deane Pieters

Position: President



Signature: _____

Date: 11 March 2019

Name: Simon Taylor

Position: CEO

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	\$	\$
		Restated
Revenues from Operating Activities		
Community Engagement	1,043,033	1,000,706
Game Development	464,397	552,653
Member Services	2,202,760	2,360,460
Corporate Services	1,033,829	792,611
Shared Services (Marketing, Commercial, Media & Events)	1,335,139	834,872
State Netball Centre	541,012	744,269
Total Revenue	<u>6,620,170</u>	<u>6,285,571</u>
Expenditure Relating to Operations		
Community Engagement	482,817	551,320
Game Development	475,127	487,288
Member Services	1,690,008	1,620,849
Corporate Services	2,093,005	2,071,342
Shared Services (Marketing, Commercial, Media & Events)	1,125,576	1,023,448
State Netball Centre	548,085	716,295
Total Expenditure	<u>6,414,618</u>	<u>6,470,542</u>
Surplus/(Deficit) from operations before Income Tax	<u>205,552</u>	<u>(184,971)</u>
Income Tax	-	-
Net surplus/(deficit) from operations	<u>205,552</u>	<u>(184,971)</u>
Other Comprehensive Income for the year net of tax	<u>-</u>	<u>-</u>
Total Comprehensive Income for the year	<u>205,552</u>	<u>(184,971)</u>

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2018

	Note	2018 \$	2017 \$ Restated	1/1/17 \$ Restated
CURRENT ASSETS				
Cash and cash equivalents	2	1,008,170	1,302,984	1,296,188
Inventories	4	21,162	23,566	19,030
Prepayments	4	95,760	29,291	65,465
Trade and other receivables	3	684,348	196,751	478,648
TOTAL CURRENT ASSETS		<u>1,809,440</u>	<u>1,552,592</u>	<u>1,859,331</u>
NON-CURRENT ASSETS				
Property Plant & Equipment	5	241,997	247,595	341,075
TOTAL NON CURRENT ASSETS		<u>241,997</u>	<u>247,595</u>	<u>341,075</u>
TOTAL ASSETS		<u>2,051,437</u>	<u>1,800,187</u>	<u>2,200,406</u>
CURRENT LIABILITIES				
Trade and Other Payables	6	223,160	270,918	214,568
Income received in Advance	7	329,150	241,840	493,630
Provisions	8	275,521	208,312	177,205
Borrowings - Motor Vehicle HP		-	25,798	71,842
TOTAL CURRENT LIABILITIES		<u>827,831</u>	<u>746,868</u>	<u>957,245</u>
NON - CURRENT LIABILITIES				
Provisions	8	-	29,765	25,049
Bette Allison Scholarship		76,955	82,455	92,042
TOTAL NON - CURRENT LIABILITIES		<u>76,955</u>	<u>112,220</u>	<u>117,091</u>
TOTAL LIABILITIES		<u>904,786</u>	<u>859,088</u>	<u>1,074,336</u>
NET ASSETS		<u>1,146,651</u>	<u>941,099</u>	<u>1,126,070</u>
EQUITY				
Retained earnings		1,146,651	941,099	1,126,070
TOTAL EQUITY		<u>1,146,651</u>	<u>941,099</u>	<u>1,126,070</u>

STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 \$	2017 \$
Cash Flows from Operating Activities			
Receipts from grants and Sponsors		1,747,902	2,062,606
Receipts from Members		1,996,409	2,108,224
Receipts from Other activities		2,242,637	2,125,225
Payments to Suppliers and Employees		(6,222,052)	(6,223,252)
Interest Received		14,796	10,036
	9	<u>(220,308)</u>	<u>82,839</u>
Cash Flow from Investing Activities			
Purchase of Property Plant & Equipment		(48,708)	(30,000)
Proceeds from sale of property, plant and equipment		-	-
Net Cash Flows from Investing Activities		<u>(48,708)</u>	<u>(30,000)</u>
Cash Flow from Financing Activities			
Repayment of Borrowings		(25,798)	(46,043)
Net Cash Flows from Financing Activities		<u>(25,798)</u>	<u>(46,043)</u>
Net Increase for the Year			
		<u>(294,814)</u>	<u>6,796</u>
Cash at the Beginning of the Year		<u>1,302,984</u>	<u>1,296,188</u>
Cash at the End of the Year	9	<u>1,008,170</u>	<u>1,302,984</u>

STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	Retained Earnings	Reserves	Total equity
		\$	\$	\$
Opening Balance at 1 January 2017		926,070	92,042	1,018,112
Adjustment from prior year error	14	200,000	(92,042)	107,958
Balance at 1 January 2017		<u>1,126,070</u>	<u>-</u>	<u>1,126,070</u>
Deficit after income tax expense for the year		(184,971)	-	(184,971)
Other comprehensive income for the year, net of tax		-	-	-
Total comprehensive income for the year		<u>(184,971)</u>	<u>-</u>	<u>(184,971)</u>
Balance at 31 December 2017		<u>941,099</u>	<u>-</u>	<u>941,099</u>
Profit after income tax expense for the year		205,552	-	205,552
Other comprehensive income for the year, net of tax		-	-	-
Total comprehensive income for the year		<u>205,552</u>	<u>-</u>	<u>205,552</u>
Balance at 31 December 2018		<u>1,146,651</u>	<u>-</u>	<u>1,146,651</u>

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

1. Statement Of Significant Accounting Policies

Basis of preparation

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

The financial report has been prepared on an accruals basis of accounting, including the historical cost convention and the going concern assumption.

The financial statements were authorised for issue on 11 March 2019.

In the Director's opinion, the incorporated association is not a reporting entity because there are no users dependent on general purpose financial statements.

These special purpose financial statements that have been prepared for the purposes of complying with the Associations Incorporation Act 2015 (WA), and associated regulations. The Directors have determined that the accounting policies adopted are appropriate to meet the needs of the members of Netball WA (Inc).

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') 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', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for-profit oriented entities.

New or amended Accounting Standards and Interpretations adopted

The incorporated association has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australia Accounting Standards Board ('AASB') that are mandatory for the current reporting period. There has not been financial impact in this regard.

AASB 1058 and AASB 15, while not mandatory, have been early adopted. There was no impact on early adoption. However there is a prior year error as detailed in note 14 that did require the restatement of the prior year.

Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Significant accounting estimates and assumptions

The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Estimation of useful lives of assets

The incorporated association determines the estimated useful lives and related depreciation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

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

Other long-term employee benefits

The liability for long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification. An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the incorporated association's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the incorporated association's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Property, Plant and Equipment

All property, plant and equipment is measured at cost less, where applicable, accumulated depreciation. Depreciation is provided using the diminishing value method at rates that provide for the writing down from cost, after allowing for estimated residual values, over the anticipated period of each asset's working remaining service potential as follows:

- Vehicles	3 - 5 years
- Furniture, Fittings and Equipment	3 - 8 years

Derecognition and disposal

An item of property, plant and equipment is derecognised upon disposal when the item is no longer used in the operations of the association or when it has no sale value. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

Leased assets and liabilities

All leases the organisation enters into are operating leases. Operating lease payments are recognised as long term liabilities with the associated interest charges applicable, are treated as expense.

Taxation

Income tax

Netball WA is a not-for-profit organisation for the purposes of Australian taxation legislation and is therefore exempt from Income Tax. This exemption has been confirmed by the Australian Taxation Office.

Goods and Services Tax

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 which case it is recognised as part of the cost of acquisition of an asset or as part of an item of expense.

Receivables and payables are recognised inclusive of GST.

The net amount of GST recoverable from or payable to the Australian Taxation Office is included as part of receivables or payables.

Events after the reporting period

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

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

Revenue

Revenue from contracts with stakeholders (includes sponsors)

Revenue is recognised at an amount that reflects the consideration to which the Association is expected to be entitled in exchange for transferring goods or services to a stakeholder. For each contract with a stakeholder, the company: identifies the contract with a stakeholder; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Grants

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the organisation obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the association and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the association incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Fees

Fees charged for services provided are recognised when the service is provided.

Sale of goods

Revenue from sales of goods comprises revenue earned from the sale of goods purchased for resale.

Sales revenue is recognised when the control of goods passes to the customers.

Events, fundraising and raffles are recognised when received or receivable.

Asset sales

The gain or loss on disposal of all non-current assets is determined as the difference between the carrying amount of the asset at the time of the disposal and the net proceeds on disposal.

Donations

Donations are recognised at the time it is received.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

In-kind Sponsorship

In-kind Sponsorship is recognised based on invoices and other documentation received, once the service is received.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to a particular category they have been allocated to activities on a basis consistent with use of the resources.

Other overheads have been allocated on the basis of the percentage of income and ability to pay.

Overhead costs are those costs directly incurred in supporting the objectives of the organisation and include management carried out by central administration.

Management and administration costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

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

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purposes of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined.

Trade and other receivables

Trade receivables comprise of amounts due from sales of merchandise, memberships and grants, are recognised and carried at original invoice amount.

Trade creditors and other payables

Trade payables and other payables represent liabilities for goods and services provided to the company prior to the end of the financial year that are unpaid. These amounts are usually settled in 30 days. The carrying amount of the creditors and payables is deemed to reflect fair value.

Income received in Advance

The liability for income in advance is the unutilised amounts of grants and sponsorship received on the condition that specified services are delivered or conditions are fulfilled. The services are usually provided or the conditions usually fulfilled within 12 months of receipt of the grant and sponsorship. Where the amount received is in respect of services to be provided over a period that exceeds 12 months after the reporting date or the conditions will only be satisfied more than 12 months after the reporting date, the liability is discounted and presented as non-current.

Contract assets

Contract assets are recognised when the incorporated association has transferred goods or services to the customer but where the incorporated association is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the incorporated association for the annual reporting period ended 31 December 2018. The incorporated association has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
 FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	\$	\$
2. Cash and Cash Equivalents		
Cash at Bank	1,001,815	1,292,611
Cash on Hand	6,355	10,373
Total Cash assets	<u>1,008,170</u>	<u>1,302,984</u>
3. Trade and Other Receivables		
Sundry Debtors	624,348	196,751
Other receivables	60,000	-
Total Receivables	<u>684,348</u>	<u>196,751</u>
4. Other Assets		
Inventory	21,162	23,566
Prepayments	95,760	29,291
Total Current Other Assets	<u>116,922</u>	<u>52,857</u>
5. Property, Plant and Equipment		
Motor Vehicles at Cost	291,421	242,713
Less: Motor Vehicles Accumulated Depreciation	<u>(151,397)</u>	<u>(124,314)</u>
Total Motor Vehicles	<u>140,024</u>	<u>118,399</u>
Plant and Equipment at Cost	350,632	363,461
Less: Plant and Equipment Accumulated Depreciation	<u>(256,239)</u>	<u>(246,760)</u>
Total Plant and Equipment	<u>94,393</u>	<u>116,701</u>
Computer Equipment at Cost	83,082	83,082
Less: Computer Equip Accumulated Depreciation	<u>(75,502)</u>	<u>(70,587)</u>
Total Computer Equipment	<u>7,580</u>	<u>12,495</u>
State Netball Centre Equipment	24,980	24,980
Less: Accumulated Depreciation State Netball Centre Equipment	<u>(24,980)</u>	<u>(24,980)</u>
Total State Netball Centre Equipment	<u>-</u>	<u>-</u>
Total Property, Plant and Equipment	<u>241,997</u>	<u>247,595</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)
 FOR THE YEAR ENDED 31 DECEMBER 2018

5. Property, Plant and Equipment (continued)

Movements in carrying amounts

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

	Vehicles	Plant & Equipment	Computer Equipment	State Netball Equipment	Total \$
Balance at 1/1/2017	152,837	167,350	20,888	-	341,075
Additions	30,000	-	-	-	30,000
Disposals	-	(20,795)	-	-	(20,795)
Additional Depreciation on Disposal	-	(5,190)	-	-	(5,190)
Depreciation	(64,438)	(24,664)	(8,393)	-	(97,495)
Balance at 31/12/2017	118,399	116,701	12,495	-	247,595
Additions	48,708	-	-	-	48,708
Disposals	-	(308)	-	-	(308)
Depreciation	(27,083)	(22,000)	(4,915)	-	(53,998)
Balance at 31/12/2018	140,024	94,393	7,580	-	241,997

NOTES TO THE FINANCIAL STATEMENTS (Continued)
 FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	\$	\$
6. Trade and other payables		
Trade Creditors	126,621	201,241
Other payables	86,804	52,560
GST payable	9,735	17,117
Total Payables	<u>223,160</u>	<u>270,918</u>
7. Income received in Advance		
Grants	205,664	163,093
Other	123,486	78,747
Total Income in Advance	<u>329,150</u>	<u>241,840</u>
8. Provisions		
Provision for Employee Benefits	150,565	122,426
Other Provisions	124,956	85,886
Non-current provision for employee benefits	-	29,765
Total Provisions	<u>275,521</u>	<u>238,077</u>
9. Cash Flows Information		
(a) Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to related items in the statement of financial position as follows:		
Cash on hand	8,605	10,373
Cash at bank	129,827	603,295
Cash at deposit	869,738	689,316
	<u>1,008,170</u>	<u>1,302,984</u>
(b) Reconciliation of Surplus from Ordinary Activities to		restated
Net Cash from Operating Activities		
Surplus from ordinary activities	205,552	(194,558)
Non-cash flows in surplus from		
Depreciation	53,998	102,684
Gain/Loss on disposal of assets	308	20,795
Changes in Assets and Liabilities		
(Increase)/decrease in receivables	(487,597)	281,897
(Increase)/decrease in prepayments	(66,470)	36,174
Increase/(decrease) in payables	(47,758)	56,350
Increase/(decrease) in provisions	37,445	35,823
(Increase)/decrease in inventory	2,404	(4,536)
Increase/(decrease) in income in advance	81,810	(251,790)
Net Cash provided by operating activities	<u>(220,308)</u>	<u>82,839</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)
 FOR THE YEAR ENDED 31 DECEMBER 2018

10. Depreciation

A total of \$53,998 depreciation expense for the year 31st December 2018 is included in the expenditure relating to operations. (2017: \$102,684)

11. Contingencies

There are no known contingencies at reporting date.

12. Subsequent Events

No matter or circumstances have arisen subsequent to the reporting date that has significantly affected or may significantly affect the Association's operations, results or state of affairs in future financial years.

13. Auditors Remuneration

During the financial year ended 31 December 2018, the auditor PKF Perth earned the following remuneration: 2018: \$20,000 (2017: \$12,000 auditor Butler Settineri)

14. Restatement

Some of the amounts reported for the previous period have been restated to correct an error.

A review was undertaken of the treatment of funding in 2016 and 2017 and it was found that a misinterpretation had occurred. As a consequence, revenue had been incorrectly accounted for which affected the amount disclosed in grant income and therefore the statement of financial performance for the year ended 31 December 2017 and the statement of financial position as at 31 December 2017.

A restatement of the prior year balances has resulted. See below.

A reclassification of the Bette Allison Estate Scholarship fund, received by the Association as a bequest in 2015, was undertaken from equity to Income in Advance - Liability to ensure the correct accounting treatment when scholarship funding is utilised.

Balance Sheet (extract)	31 December 2017 Reported	Adjustment Increase / (Decrease)	31 December 2017 (Restated)
Non-current Liabilities	29,765	82,455	122,220
Total Liabilities	776,633	82,455	859,088
Net Assets	1,023,554	82,455	941,099
Retained Earnings	1,023,554	82,455	941,099
Total Equity	1,023,554	82,455	941,099
Statement of profit or loss (extract)	2017	Increase / (Decrease)	2017 (Restated)
Game Development	543,066	9,587	552,653
Corporate Services (funding)	992,611	(200,000)	792,611
Total Revenue	6,475,984	(190,413)	6,285,571
Surplus/(Deficit) for the period	5,442	(190,413)	(184,971)
Other comprehensive income for the period	-	-	-
Total Comprehensive Income for the year	5,442	(190,413)	(184,971)

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF NETBALL WA (INC)

Report on the Financial Report

Opinion

We have audited the special purpose financial report of Netball WA (Inc). ("the Association"), which comprises the statement of financial position as at 31 December 2018, the income statement, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Director's Declaration.

In our opinion, the accompanying special purpose financial report presents fairly in all material respects the Association's financial position as at 31 December 2018 and its financial performance and its cash flows for the year then ended in accordance with note 1 to the special purpose financial report and the Western Australia Associations Incorporation Act 2015.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Association in accordance with 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 have provided the Board with a signed copy of our independence declaration.

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 has been prepared for the purpose of fulfilling the Board of Management's financial reporting responsibilities under the Western Australia Associations Incorporation Act 2015. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Board for the Financial Report

The Board of Management of the Association is responsible for the preparation of the financial report that presents fairly and has determined that the basis of preparation described in Note 1 to the financial report is appropriated to meet the requirements of the Western Australia Associations Incorporation Act 2015 and the needs of the members.

The Board of Management's responsibility also includes such internal control as the Board of Management determines necessary to enable the preparation of the financial report that presents fairly and it is free of material misstatement, whether due to fraud or error.

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In preparing the financial report, the Board 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 the Board 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- a) Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) Obtain an understanding of internal control relevant to the audit 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.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- d) Conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



PKF PERTH



SIMON FERMANIS
PARTNER

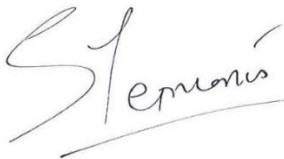
11 MARCH 2019
WEST PERTH,
WESTERN AUSTRALIA

AUDITOR'S INDEPENDENCE DECLARATION
TO THE BOARD OF NETBALL WA (INC)

In relation to our audit of the financial report of Netball WA (Inc) for the year ended 31 December 2018, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Accounting Professional and Ethical Standard Board's APES 110 Code of Ethics for Professional Accountants.

PKF Perth

PKF PERTH



SIMON FERMANIS
PARTNER

11 MARCH 2019
WEST PERTH,
WESTERN AUSTRALIA

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