

NETBALL WA (INC)

ABN: 36 657 982 648

**ANNUAL
FINANCIAL REPORT**

For the Year Ended 31 December 2019

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DIRECTORS' REPORT

For The Year Ended 31 December 2019

The Board presents this report to the members of Netball WA (Inc) for the year ended 31 December 2019.

Directors

The following persons were directors of Netball WA (Inc) during the financial year and up to the date of this report, unless otherwise stated:

	BOARD MEETINGS	
	1 Jan 2019 - 31 Dec 2019	
	TOTAL NUMBER OF MEETINGS	NUMBER OF MEETINGS ATTENDED
Grant Robinson (President)	6	6
Julie Beeck	6	6
Jill Powell	6	6
Marita Somerford	6	6
Emma Chinnery	6	6
Natasha Aristei (Appointed 6 April 2019)	4	4
Deane Peters (Retired 18 May 2019)	3	3

Principal activities

Netball WA (Inc) is the governing body for netball in Western Australia. The Association's vision 'To be the sport of choice in Western Australia' is reflected in the 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 \$616,741. This is a reflection of the Association exceeding expected performance in a number of delivery areas, resulting in an increase in Net Set Go participation, memberships and sponsorships; in particular the Gold Industry Group sponsorship.

A review of the Association's operations during the financial year, and the results of those operations, is that the Association operations during the year performed better than expected in the opinion of the directors.

Registered office and principal place of business

200 Selby Street
Jolimont WA 6014

Banker

ANZ	Westpac
6/464 Hay Street	Cnr The Boulevard & Howtree PI
Subiaco WA 6008	Floreat WA 6014

Auditor

PKF Perth
Level 4, 35 Havelock Street
West Perth WA 6005

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this director's report.

Auditor

PKF Perth continues in office in accordance with section 327 of the Corporations Act 2001.

DIRECTORS' REPORT

For The Year Ended 31 December 2019

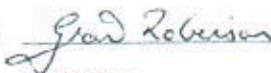
After reporting date events

There is increasing disruption to normal economic and business activity as a result of the COVID 19 pandemic announced by the World Health Organisation in March 2020 and the subsequent Federal Government's announcements of protocols that have already been instigated and the potential for others. This creates a material uncertainty about the future trading outlook for all organisations in Australia and Netball WA Inc. is no exception. It is not possible to reliably assess the potential impacts at the present time.

Other than the matter noted above, there are no other matters or circumstances that 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.

Likely developments in the operations of the Association, and the expected results of those operations in future financial years, have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Association.

Signed in accordance with a resolution of the directors

Signature:  Date: 24 March 2020
Name: Grant Robinson
Position: Director

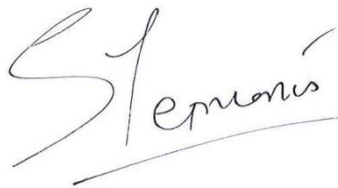
Signature:  Date: 24 March 2020
Name: Marita Somerford
Position: Director

**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 2019, 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 or any other code of professional conduct.



PKF PERTH



SIMON FERMANIS
PARTNER

24 MARCH 2020
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WESTERN AUSTRALIA

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Year Ended 31 December 2019

	2019	2018
	\$	\$
Revenues from Operating Activities		
Grants	547,827	532,426
Interest	25,611	14,796
Membership	2,654,038	1,982,155
Other	3,402,859	2,926,101
Sponsorship	2,029,719	1,128,983
Total Revenue	<u>8,660,054</u>	<u>6,584,461</u>
Expenditure Relating to Operations		
Administration	147,149	141,783
Depreciation and Amortisation	102,522	53,998
Employee Benefits	4,177,874	3,019,645
Finance Expenses	50,721	-
Impairment Losses	34,312	-
Occupancy Expenses	18,228	70,028
Other	3,512,507	3,093,455
Total Expenditure	<u>8,043,313</u>	<u>6,378,909</u>
Surplus/(Deficit) from operations before Income Tax	<u>616,741</u>	<u>205,552</u>
Income Tax	-	-
Net Surplus/(Deficit) from Operations	<u>616,741</u>	<u>205,552</u>
Other Comprehensive Income for the year net of tax	<u>-</u>	<u>-</u>
Total Comprehensive Income for the year	<u>616,741</u>	<u>205,552</u>

STATEMENT OF FINANCIAL POSITION

As At 31 December 2019

	Note	2019 \$	2018 \$
CURRENT ASSETS			
Cash and Cash Equivalents	2	2,079,386	1,008,170
Inventories		33,172	21,162
Prepayments		160,026	95,760
Other assets		35,000	-
Trade and Other Receivables	3	431,071	684,348
TOTAL CURRENT ASSETS		<u>2,738,655</u>	<u>1,809,440</u>
NON-CURRENT ASSETS			
Right-of-use Assets	4	804,415	-
Property Plant & Equipment	5	189,751	241,997
TOTAL NON CURRENT ASSETS		<u>994,166</u>	<u>241,997</u>
TOTAL ASSETS		<u>3,732,821</u>	<u>2,051,437</u>
CURRENT LIABILITIES			
Trade and Other Payables	6	569,214	223,160
Income Received in Advance	7	267,712	329,150
Provisions	8	211,430	275,521
Lease Liability		21,455	-
TOTAL CURRENT LIABILITIES		<u>1,069,811</u>	<u>827,831</u>
NON - CURRENT LIABILITIES			
Provisions	8	8,921	-
Income Received in Advance Bette Allison Scholarship		71,955	76,955
Lease Liability		818,742	-
TOTAL NON - CURRENT LIABILITIES		<u>899,618</u>	<u>76,955</u>
TOTAL LIABILITIES		<u>1,969,429</u>	<u>904,786</u>
NET ASSETS		<u>1,763,392</u>	<u>1,146,651</u>
EQUITY			
Retained Earnings		1,763,392	1,146,651
TOTAL EQUITY		<u>1,763,392</u>	<u>1,146,651</u>

STATEMENT OF CASH FLOWS
 For the Year Ended 31 December 2019

	Note	2019 \$	2018 \$
Cash Flows from Operating Activities			
Receipts from Grants and Sponsors		2,275,440	1,747,902
Receipts from Members		2,673,402	1,996,409
Receipts from Other Activities		3,533,913	2,242,637
Payments to Suppliers and Employees		(7,336,935)	(6,222,052)
Interest Received		25,611	14,796
	9	<u>1,171,431</u>	<u>(220,308)</u>
Cash Flow from Investment Activities			
Purchase of Assets		-	(48,708)
Payment for Security Deposit		(35,000)	-
Net Cash Flows from Investing Activities		<u>(35,000)</u>	<u>(48,708)</u>
Cash Flow from Financing Activities			
Repayment of Leasing		(65,215)	-
Repayment of Borrowings		-	(25,798)
Net Cash Flows from Financing Activities		<u>(65,215)</u>	<u>(25,798)</u>
Net Increase for the Year			
		<u>1,071,216</u>	<u>(294,814)</u>
Cash at the Beginning of the Year		<u>1,008,170</u>	<u>1,302,984</u>
Cash at the End of the Year	2	<u>2,079,386</u>	<u>1,008,170</u>

STATEMENT OF CHANGES IN EQUITY

For the Year Ended 31 December 2019

	Retained Earnings	Total equity
	\$	\$
Opening Balance at 1 January 2018	941,099	941,099
Surplus 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>205,552</u>
Balance at 31 December 2018	<u>1,146,651</u>	<u>1,146,651</u>
Surplus after income tax expense for the year	616,741	616,741
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	<u>616,741</u>	<u>616,741</u>
Balance at 31 December 2019	<u>1,763,392</u>	<u>1,763,392</u>

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2019

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 24 March 2020.

In the directors' opinion, the Association is not a reporting entity because there are no users dependent on general purpose financial statements.

These special purpose financial statements 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 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.

AASB 16 was adopted using the modified retrospective approach and as such comparatives have not been restated. The impact of adoption on opening retained profits as at 1 January 2019 was as follows:

	1/01/2019
	\$
Right of Use Assets	854,691
Lease Liabilities (Current)	(17,181)
Lease Liabilities (Non-Current)	(837,510)
Effect on Net Retained Earnings	-

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 judgements, 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 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 (continued)

For the Year Ended 31 December 2019

1. Statement Of Significant Accounting Policies (continued)

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 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 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 & 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.

Right of Use Assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Association expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Association has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Additions to the right-of-use assets for the year was \$854,691. The Association leases part of a building for its office for a maximum term of 21 years inclusive of options to extend.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the Year Ended 31 December 2019

1. Statement Of Significant Accounting Policies (continued)

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Association's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Taxation

Income tax

Netball WA (Inc) 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

Revenue, expenses and assets are recognised net of the amount of GST except where the amount of GST 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.

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 Association: 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 Association 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, 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the Year Ended 31 December 2019

1. Statement Of Significant Accounting Policies (continued)

Revenue (continued)

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 Association and compliance with constitutional and statutory requirements.

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 (less any impairments), memberships and grants, and 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 Association 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 Association has transferred goods or services to the customer but where the Association is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

Contract liabilities

Contract liabilities represent the Association's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Association recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Association has transferred the goods or services to the customer.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the Year Ended 31 December 2019

1. Statement Of Significant Accounting Policies (continued)

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 Association for the annual reporting period ended 31 December 2019. The Association has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Classification of Income and Expenditure

Income and expenditure is classified in the Statement of Profit or Loss and Other Comprehensive Income as follows:

Income

Sponsorship, Grants, Membership and Interest are the total of those income types. Other consists of program/participation fees, contributions, stock sales, ticketing and entry fees, fundraising and court hire. In this statement the 2018 comparatives have been re-classified consistent with the descriptions above. Last year income was classified as community engagement, game development, member services, corporate services, shared services and gold netball centre.

Expenditure

Employee Benefits, Administration, Finance Expenses, Depreciation & Amortisation, Occupancy Expenses and Impairment Losses are the total of those expense types. Other consists of contractors, program costs, utilities, affiliation, human resource costs, sponsorship servicing and venue hire costs. In this statement the 2018 comparatives have been re-classified consistent with the descriptions above. Last year expenditure was classified as community engagement, game development, member services, corporate services, shared services and gold netball centre.

Going Concern

The financial report has been prepared on a going concern basis, which contemplates the continuity of normal business and economic activities and the realisation of assets and discharge of liabilities in the normal course of business. In arriving at this position, in the opinion of the directors the association will, based on varying cash flow forecasts which, as best as reasonably possible, reflect potential scenarios that may arise for the matter noted below, have access to sufficient funds to meet administrative and other committed expenditure for a period of not less than 12 months from the date of this report.

With the increasing disruption to normal economic and business activity as a result of the COVID19 pandemic announced by the World Health Organisation in March 2020, and the Federal Government's subsequent announcements of protocols that have already been instigated and the potential for others, the likelihood of normal business operating conditions prevailing in the near term is uncertain. This creates a level of uncertainty about the future trading outlook for all organisations in Australia and Netball WA inc. is no exception. It is not possible to reliably assess the potential impacts at the present time. Consequently the directors believe that this represents a material uncertainty as to whether the association will be able to continue as a going concern and pay its debts as and when they fall due and realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the Year Ended 31 December 2019

	2019 \$	2018 \$
2. Cash and Cash Equivalents		
Cash at bank	2,073,196	1,001,815
Cash on hand	6,190	6,355
Total Cash assets	<u>2,079,386</u>	<u>1,008,170</u>
3. Trade and Other Receivables		
Sundry debtors	361,004	624,348
Other receivables	61,004	60,000
GST receivables	9,063	-
Total Receivables	<u>431,071</u>	<u>684,348</u>
4. Right-of-use of Asset		
Building	854,691	-
Amortisation	(50,276)	-
Total Right-of-use of Asset	<u>804,415</u>	<u>-</u>
5. Property, Plant and Equipment		
Motor vehicles at cost	291,421	291,421
Less: motor vehicles accumulated depreciation	(183,989)	(151,397)
Total motor vehicles	<u>107,432</u>	<u>140,024</u>
Plant and equipment at cost	350,632	350,632
Less: plant and equipment accumulated depreciation	(272,969)	(256,239)
Total plant and equipment	<u>77,663</u>	<u>94,393</u>
Computer equipment at cost	83,082	83,082
Less: computer equip accumulated depreciation	(78,426)	(75,502)
Total computer equipment	<u>4,656</u>	<u>7,580</u>
Gold netball centre equipment	24,980	24,980
Less: accumulated depreciation gold netball centre equipment	(24,980)	(24,980)
Total gold netball centre equipment	<u>-</u>	<u>-</u>
Total Property, Plant and Equipment	<u>189,751</u>	<u>241,997</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the Year Ended 31 December 2019

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	Gold Netball Centre Equipment	Total \$
Balance at 1/1/2018	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
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Depreciation	(32,592)	(16,730)	(2,924)	-	(52,246)
Balance at 31/12/2019	107,432	77,663	4,656	-	189,751

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the Year Ended 31 December 2019

	2019	2018
	\$	\$
6. Trade and other payables		
Trade creditors	441,310	126,621
Other payables	127,904	86,804
GST payable	-	9,735
Total Payables	<u>569,214</u>	<u>223,160</u>
7. Income received in Advance		
Grants	38,168	30,000
Other	229,544	299,150
Total Income in Advance	<u>267,712</u>	<u>329,150</u>
8. Provisions		
Provision for employee benefits	193,003	150,565
Other provisions	18,427	124,956
Non-current provision for employee benefits	8,921	-
Total Provisions	<u>220,351</u>	<u>275,521</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	6,190	8,605
Cash at bank	823,196	129,827
Cash at deposit	1,250,000	869,738
	<u>2,079,386</u>	<u>1,008,170</u>
(b) Reconciliation of surplus from ordinary activities to net cash from operating activities		
Surplus from ordinary activities	616,741	205,552
Non-cash flows in surplus from		
Depreciation	102,522	53,998
Impairment losses	34,312	-
Gain/Loss on disposal of assets	-	308
Changes in Assets and Liabilities		
(Increase)/decrease in receivables	223,895	(487,597)
(Increase)/decrease in prepayments	(64,266)	(66,470)
(Increase)/decrease in inventory	(16,940)	2,404
Increase/(decrease) in payables	346,054	(47,758)
Increase/(decrease) in provisions	(55,170)	37,445
Increase/(decrease) in income in advance	(66,438)	81,810
Increase/(decrease) in lease liability	50,721	-
Net cash provided by/(used by) operating activities	<u>1,171,431</u>	<u>(220,308)</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the Year Ended 31 December 2019

10. Contingencies

There are no known contingencies at reporting date.

11. Subsequent Events

Refer to the Directors Report which includes details of subsequent events.

12. Auditors Remuneration

During the financial year ended 31 December 2019, the auditor PKF Perth earned the following remuneration: 2019: \$20,000 (2018: \$20,000)

DIRECTORS' DECLARATION

For The Year Ended 31 December 2019

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 2019 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 As set out in note 1 Going Concern, 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:



Name: Grant Robinson

Position: President

Date: 24 March 2020

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 2019, 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 2019 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 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.

Emphasis of Matter – Material Uncertainty Related to Going Concern

Without modifying our opinion we draw attention to Note 1 to the special purpose financial report which indicates that due to events, conditions and other matters, a material uncertainty exists that may cast significant doubt on the Association's ability to continue as a going concern and therefore the Association may be unable to realize its assets and discharge its liabilities in the normal course of business.

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Other Information

Other information is financial and non-financial information in the annual report of the Association which is provided in addition to the Financial Report and the Auditor's Report. The directors are responsible for Other Information in the annual report.

The Other Information we obtained prior to the date of this Auditor's Report was the Director's report. Our opinion on the Financial Report does not cover the Other Information and, accordingly, the auditor does not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information in the Financial Report and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

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 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.

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:

- 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.
- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.

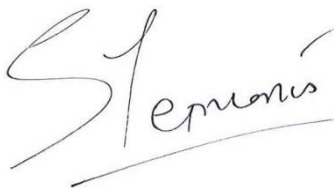
- Conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If 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.
- 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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



PKF PERTH

SIMON FERMANIS
PARTNER24 MARCH 2020
WEST PERTH,
WESTERN AUSTRALIA