

# **NETBALL WA (INC)**

ABN: 36 657 982 648

## **ANNUAL FINANCIAL REPORT**

For the Year Ended 31 December 2021

**NETBALL WA (INC)**

ABN: 36 657 982 648

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## **NETBALL WA (INC)**

ABN: 36 657 982 648

### **DIRECTORS' REPORT**

For the Year Ended 31 December 2021

The Board presents this report to the members of Netball WA (Inc) for the year ended 31 December 2021.

#### **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.

#### **Operating result**

The Association's loss for the financial year was \$169,103 (2020 surplus: \$950,774). This included non-operating income associated with the transfer of West Coast Fever Netball Club Limited assets and liabilities of \$426,120. West Coast Fever Netball Club Limited employees transitioned to Netball WA (Inc) during the latter part of the financial year resulting in Netball WA absorbing additional costs of approximately \$410,001. The net operating loss for NWA before the impact of the transfer was \$185,222.

#### **Review of operations**

In the opinion of the Directors, a review of the Association's operations during the period, and the results of those operations, the Association performed better than expected.

The operating loss incurred by Netball WA (Inc) is largely due to the delay in receiving the annual support provided by the Department of Local Government, Sport and Cultural Industries of \$400,000 due in 2021, but recorded as a receivable in 2022 in accordance with accounting policy.

While the organisations operations were impacted by COVID-19 to some degree, the \$214,778 surplus before the grant adjustment was well above the expected budget deficit of \$85,915 and was largely due to better than expected affiliation income and delivery of a complete and successful community netball season.

#### **Registered office and principal place of business**

200 Selby Street Jolimont WA 6014

#### **Banker**

Westpac  
130 Rokeby Road Subiaco WA 6008

#### **Auditor**

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

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

#### **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.

#### **After reporting date events**

The impact of the Coronavirus (COVID-19) pandemic is ongoing, and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

The bank balance of West Coast Fever Limited was transferred to Netball WA Inc on 2 February 2022.

**NETBALL WA (INC)**

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**DIRECTORS' REPORT (Continued)**

For the Year Ended 31 December 2021

**After reporting date events (continued)**

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.

**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	
		TOTAL NUMBER OF MEETINGS	NUMBER OF MEETINGS ATTENDED
C Heatley (President)		19	17
N Aristei		19	18
B Grylls		19	15
D Sawka		19	17
J Jashari	(Appointed 31 May 2021)	10	9
P Robinson	(Appointed 31 May 2021)	10	10
G Robinson	(Resigned 5 July 2021)	11	11
J Powell	(Term Expired 17 April 2021)	5	5
E Chinnery	(Term Expired 17 April 2021)	4	4

Signed in accordance with a resolution of the Directors:



28 March 2022

Craig Heatley  
President



28 March 2022

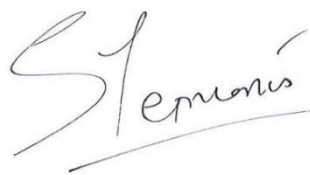
Patricia Robinson  
Director

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 2021, 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

28 MARCH 2022  
WEST PERTH,  
WESTERN AUSTRALIA

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**NETBALL WA (INC)**

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**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

For the Year Ended 31 December 2021

	Note	2021 \$	2020 \$
<b>Revenues from operating activities</b>			
Grants		414,090	1,543,219
Membership		2,668,513	1,800,772
Participation		1,374,936	1,062,735
Sponsorship		2,585,379	1,508,918
Interest		247	6,492
Other revenue		2,199,920	2,664,602
Gain on transfer of West Coast Fever net assets	10	426,120	-
<b>Total revenue</b>		<u>9,669,205</u>	<u>8,586,738</u>
<b>Expenditure relating to operations</b>			
Administration		746,799	359,098
Depreciation and amortisation		94,681	132,713
Employee benefits		5,057,209	4,485,702
Finance expenses		47,623	40,633
Impairment losses		16,708	(24,522)
Occupancy expenses		32,777	25,445
Other expenses		3,842,511	2,616,895
<b>Total expenditure</b>		<u>9,838,308</u>	<u>7,635,964</u>
<b>Surplus/(deficit) from operations before income tax</b>		(169,103)	950,774
Income tax		<u>-</u>	<u>-</u>
<b>Net surplus/(deficit) from operations</b>		(169,103)	950,774
Other comprehensive income/(loss) for the year net of tax		<u>-</u>	<u>-</u>
<b>Total comprehensive income/(loss) for the year</b>		<u>(169,103)</u>	<u>950,774</u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying note

**NETBALL WA (INC)**

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**STATEMENT OF FINANCIAL POSITION**

As at 31 December 2021

	Note	2021 \$	2020 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	2	2,139,043	3,455,591
Inventories		52,613	37,294
Prepayments	3	232,636	454,386
Other current assets		35,499	35,252
Trade and other receivables	4	1,959,707	333,748
<b>TOTAL CURRENT ASSETS</b>		<u>4,419,498</u>	<u>4,316,271</u>
<b>NON-CURRENT ASSETS</b>			
Right-of-use asset	5	781,846	685,580
Property, plant and equipment	6	103,520	94,292
<b>TOTAL NON-CURRENT ASSETS</b>		<u>885,366</u>	<u>779,872</u>
<b>TOTAL ASSETS</b>		<u>5,304,864</u>	<u>5,096,143</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	705,246	620,587
Income received in advance	8	908,087	599,224
Provisions	9	410,706	275,347
Lease liability		15,392	18,600
<b>TOTAL CURRENT LIABILITIES</b>		<u>2,039,431</u>	<u>1,513,758</u>
<b>NON-CURRENT LIABILITIES</b>			
Income received in advance	8	66,955	121,955
Provisions	9	27,704	20,553
Lease liability		625,711	725,711
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>720,370</u>	<u>868,219</u>
<b>TOTAL LIABILITIES</b>		<u>2,759,801</u>	<u>2,381,977</u>
<b>NET ASSETS</b>		<u>2,545,063</u>	<u>2,714,166</u>
<b>EQUITY</b>			
Retained earnings		<u>2,545,063</u>	<u>2,714,166</u>
<b>TOTAL EQUITY</b>		<u>2,545,063</u>	<u>2,714,166</u>

The above statement of financial position should be read in conjunction with the accompanying notes

**NETBALL WA (INC)**

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**STATEMENT OF CASH FLOWS**

For the Year Ended 31 December 2021

	Note	2021 \$	2020 \$
<b>Cash flows from operating activities</b>			
Receipts from grants and sponsors		2,146,007	3,275,730
Receipts from members		4,112,991	1,781,408
Receipts from other activities		1,801,453	3,676,910
Payments to suppliers and employees		(9,280,506)	(7,384,011)
Interest received		-	6,492
Net cash flows (to)/from operating activities	11	<u>(1,220,055)</u>	<u>1,356,529</u>
<b>Cash flows from investment activities</b>			
Purchase of assets		(50,641)	(46,718)
Payment for security deposit		-	(252)
Proceeds on disposal of assets		-	94,809
Net cash flows (to)/from investing activities		<u>(50,641)</u>	<u>47,839</u>
<b>Cash flow from financing activities</b>			
Repayment of leasing		<u>(45,852)</u>	<u>(28,163)</u>
Net cash flows to financing activities		<u>(45,852)</u>	<u>(28,163)</u>
<b>Net (decrease)/increase for the year</b>		<u>(1,316,548)</u>	<u>1,376,205</u>
Cash at the beginning of the year		<u>3,455,591</u>	<u>2,079,386</u>
Cash at the end of the year	2	<u>2,139,043</u>	<u>3,455,591</u>

The above statement of cash flows should be read in conjunction with the accompanying notes



**NETBALL WA (INC)**

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**STATEMENT OF CHANGES IN EQUITY**

For the Year Ended 31 December 2021

	Retained Earnings \$	Total equity \$
<b>Balance at 1 January 2020</b>	1,763,392	1,763,392
Surplus after income tax expense for the year	950,774	950,774
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	<u>950,774</u>	<u>950,774</u>
<b>Balance at 31 December 2020</b>	<u>2,714,166</u>	<u>2,714,166</u>
Loss after income tax expense for the year	(169,103)	(169,103)
Other comprehensive loss for the year, net of tax	-	-
Total comprehensive loss for the year	<u>(169,103)</u>	<u>(169,103)</u>
<b>Balance at 31 December 2021</b>	<u>2,545,063</u>	<u>2,545,063</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

## NETBALL WA (INC)

ABN: 36 657 982 648

### NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2021

#### 1. Significant accounting policies

##### **Basis of preparation**

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).

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 Directors have determined that the organisation is not a reporting entity.

All amounts within the financial statements are presented in Australian dollars and rounded to the nearest dollar.

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.

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

The financial statements were authorised for issue in accordance with a resolution of Directors on 28 March 2022.

##### **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. There has been no financial reporting impact on the adoption of these.

##### **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 2021, with the exception of those noted above. The Association has not assessed the impact of these new or amended Accounting Standards and Interpretations.

##### **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.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

For the Year Ended 31 December 2021

**1. Significant accounting policies (continued)**

**Significant accounting judgements, estimates and assumptions (continued)**

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:

*Coronavirus (COVID-19) pandemic*

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Association based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, or staffing in which the Association operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Association unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

*Employee benefits provision*

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

*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.

*Allowance for expected credit losses*

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience, historical collection rates, the impact of the Coronavirus (COVID-19) pandemic and forward-looking information that is available. The allowance for expected credit losses is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower.

*Lease term*

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Association's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Association reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

## NETBALL WA (INC)

ABN: 36 657 982 648

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the Year Ended 31 December 2021

#### 1. Significant accounting policies (continued)

##### Significant accounting judgements, estimates and assumptions (continued)

###### *Incremental borrowing rate*

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Association estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

##### **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 (GST)*

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.

##### **Revenue recognition**

###### *Revenue from contracts with stakeholders (includes sponsors and members)*

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.

## NETBALL WA (INC)

ABN: 36 657 982 648

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the Year Ended 31 December 2021

#### 1. Significant accounting policies (continued)

##### Revenue recognition (continued)

###### *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.

###### *Other revenue*

Other revenue is recognised when it is received or when the right to receive payment is established.

###### *Volunteer services*

The Association has elected not to recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such resources received is also not recognised.

##### **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.

##### **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 and other receivables are recognised at amortised cost, less any allowance for expected credit losses.

## NETBALL WA (INC)

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### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the Year Ended 31 December 2021

#### 1. Significant accounting policies (continued)

##### **Property, plant and equipment**

All property, plant and equipment is measured at cost less accumulated depreciation. Depreciation is calculated on a straight-line basis at rates that provide for the writing down from cost over the anticipated period of each asset's useful life as follows:

Motor 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.

##### **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.

##### **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.

##### **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.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

For the Year Ended 31 December 2021

**1. Significant accounting policies (continued)**

**Right-of-use assets (continued)**

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.

The Association leases an office for a maximum term of 21 years inclusive of options to extend.

**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.

**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.

**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.

*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.

**NETBALL WA (INC)**

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

For the Year Ended 31 December 2021

**1. Significant accounting policies (continued)**

**Employee benefits (continued)**

*Defined contribution superannuation expense*

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

**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.

**Income received in advance (contract liabilities)**

Income received in advance (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.



**NETBALL WA (INC)**

ABN: 36 657 982 648

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

For the Year Ended 31 December 2021

	2021	2020
	\$	\$
<b>2. Cash and cash equivalents</b>		
Cash at bank	2,127,078	3,452,714
Cash on hand	11,965	2,877
<b>Total cash assets</b>	<u>2,139,043</u>	<u>3,455,591</u>
<b>3. Prepayments</b>		
Rent	3,117	283,600
Subscriptions	100,519	51,404
Insurance	83,357	78,153
Other prepayments	45,643	41,229
<b>Total prepayments</b>	<u>232,636</u>	<u>454,386</u>
<b>4. Trade and other receivables</b>		
Sundry debtors	1,837,774	217,165
Other receivables	61,004	61,004
GST receivables	24,929	55,579
<b>Total receivables</b>	<u>1,959,707</u>	<u>333,748</u>
<b>5. Right-of-use asset</b>		
Building	926,525	776,991
Amortisation	(144,679)	(91,411)
<b>Total right-of-use asset</b>	<u>781,846</u>	<u>685,580</u>
<b>6. Property, plant and equipment</b>		
Motor vehicles at cost	206,190	155,549
Less: motor vehicles accumulated depreciation	(146,594)	(120,131)
Total motor vehicles	<u>59,596</u>	<u>35,418</u>
Plant and equipment at cost	350,632	350,632
Less: plant and equipment accumulated depreciation	(306,708)	(291,758)
Total plant and equipment	<u>43,924</u>	<u>58,874</u>
<b>Total property, plant and equipment</b>	<u>103,520</u>	<u>94,292</u>

**NETBALL WA (INC)**

ABN: 36 657 982 648

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

For the Year Ended 31 December 2021

**6. 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.

	Motor Vehicles	Plant & Equipment	Computer Equipment	Total \$
Balance at 1/1/2020	107,432	77,663	4,656	189,751
Additions	46,718	-	-	46,718
Disposals	(50,599)	-	-	(50,599)
Depreciation	(68,133)	(18,789)	(4,656)	(91,578)
Balance at 31/12/2020	<u>35,418</u>	<u>58,874</u>	<u>-</u>	<u>94,292</u>
Additions	50,641	-	-	50,641
Disposals	-	-	-	-
Depreciation	(26,463)	(14,950)	-	(41,413)
Balance at 31/12/2021	<u>59,596</u>	<u>43,924</u>	<u>-</u>	<u>103,520</u>

	2021 \$	2020 \$
<b>7. Trade and other payables</b>		
Trade creditors	495,528	541,368
Other payables	209,718	79,219
GST payable	-	-
<b>Total payables</b>	<u>705,246</u>	<u>620,587</u>
<b>8. Income received in advance</b>		
Grants	20,000	23,950
Sponsorship	360,829	562,500
Membership and participation	482,388	-
Other income received in advance	111,825	134,729
<b>Total income in advance</b>	<u>975,042</u>	<u>721,179</u>
Income received in advance - current	908,087	599,224
Income received in advance – non-current	66,955	121,955
<b>Total income in advance</b>	<u>975,042</u>	<u>721,179</u>
<b>9. Provisions</b>		
Employee benefits - current	402,226	260,896
Other provisions - current	8,480	14,451
Employee benefits - non-current	27,704	20,553
<b>Total provisions</b>	<u>438,410</u>	<u>295,900</u>

**NETBALL WA (INC)**

ABN: 36 657 982 648

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

For the Year Ended 31 December 2021

	2021 \$	2020 \$
<b>10. Transfer of entity information</b>		
<i>Reconciliation of assets and liabilities transferred from West Coast Fever Netball Club Limited at 31 December 2021 resulting in loss on transfer of entity</i>		
Cash and cash equivalent (1)	1,064,550	
Accounts receivable	117,612	-
Sundry debtors	25,000	-
Trade creditors	(28,463)	-
Employee provisions	(93,631)	-
Income received in advance	(658,948)	-
Net gain on transfer of entity	<u>426,120</u>	<u>-</u>

(1) Cash is recorded as sundry debtors on 31 December 2021 on Netball WA Inc. Balance was received on 2 February 2022.

**11. 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	11,965	2,877
Cash at bank	2,127,078	3,452,714
Cash at deposit	-	-
	<u>2,139,043</u>	<u>3,455,591</u>

*(b) Reconciliation of surplus/(loss) from ordinary activities to net cash from operating activities*

Surplus/(loss) from ordinary activities	(169,103)	950,774
Adjustments for non-cash flows in surplus/(loss) from:		
Depreciation and amortisation	94,681	132,713
Impairment/(recovered) losses	18,396	(25,379)
(Gain)/loss on disposal of assets	-	(44,210)
Rent waiver	-	(30,656)
Gain on transfer of West Coast Fever net assets	(426,120)	-
Interest expense	48,792	40,633
Interest income	(247)	-
Changes in operating assets and liabilities		
(Increase)/decrease in receivables	(418,459)	121,845
(Increase)/decrease in prepayments	(50,977)	(294,360)
(Increase)/decrease in inventory	(17,007)	(3,265)
Increase/(decrease) in payables	56,196	51,373
Increase/(decrease) in provisions	48,879	75,549
Increase/(decrease) in income in advance	(405,086)	381,512
Net cash provided by/(used by) operating activities	<u>(1,220,055)</u>	<u>1,356,529</u>

## **NETBALL WA (INC)**

ABN: 36 657 982 648

### **NOTES TO THE FINANCIAL STATEMENTS (continued)**

For the Year Ended 31 December 2021

#### **12. Contingencies**

There are no known contingencies at reporting date.

#### **13. Subsequent events**

The impact of the Coronavirus (COVID-19) pandemic is ongoing, and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

The bank balance of West Coast Fever Limited was transferred to Netball WA Inc on 2 February 2022.

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.

#### **14. Auditor's remuneration**

During the financial year ended 31 December 2021, the auditor PKF Perth earned the following remuneration: 2021: \$25,000 (2020: \$20,000).

**NETBALL WA (INC)**

ABN: 36 657 982 648

**DIRECTORS' DECLARATION**

For the Year Ended 31 December 2021

In the Directors' opinion:

- The Association is not a reporting entity.
- This special purpose financial report is prepared in accordance with the accounting policies outlined in Note 1 to the Financial Statements.
- The Financial Statements and Notes presents fairly the Association's financial position as at 31 December 2021 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the Financial Statements.
- There are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

Signed in accordance with a resolution of the Directors:



28 March 2022

Craig Heatley  
President



28 March 2022

Patricia Robinson  
Director

## 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 2021, 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 2021 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.

#### 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.

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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.

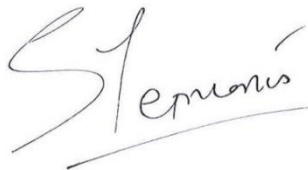
- Conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If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

28 MARCH 2022  
WEST PERTH,  
WESTERN AUSTRALIA