

NETBALL WA (INC)

ABN: 36 657 982 648

ANNUAL FINANCIAL REPORT

For the Year Ended 31 December 2023

NETBALL WA (INC)

ABN: 36 657 982 648

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NETBALL WA (INC)

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DIRECTORS' REPORT

For the Year Ended 31 December 2023

The Board presents this report to the members of Netball WA (Inc) for the year ended 31 December 2023.

Principal activities

Netball WA (Inc) (The Association) is the governing body for netball in Western Australia and is also responsible for the operation of West Coast Fever Netball Club, who compete in the Australia's premier elite netball competition, the Suncorp Super Netball competition.

The Association's vision is: "To be the sport of Choice in Western Australia" and this is reflected as part of its strategic plan.

Netball is the highest female participation sport in Western Australia and is played in every major city and town right across Western Australia. From grassroots to the elite level, the Association has a holistic approach to the growth and development of the sport of netball.

The development of grassroots netball is integral to the future success of West Coast Fever and Netball WA (Inc) plays a key role in providing a pathway for athletes from the grassroots to elite netball right across the State.

Operating result

The Association's surplus for the financial year ending 31 December 2023 was \$306,794 which is an improvement on the deficit recorded in the previous financial year of (\$74,444).

Review of operations

In the opinion of the Directors, the Association performed better than expected during the year and the \$306,794 surplus was higher than that budgeted of \$88,089.

The higher-than-expected surplus is attributed to an increase in grant income received from Netball Australia (\$196,050), in addition to receiving two grants from the Department of Local Government, Sport and Cultural Industries in the same reporting period. Under AASB 1058, the 2022 grant income was recognised upon receipt in 2023, as well as the 2023 grant income.

Registered office and principal place of business

200 Selby Street Jolimont WA 6014

Banker

Westpac

130 Rokeby Road Subiaco WA 6008

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DIRECTORS' REPORT (continued)

For the Year Ended 31 December 2023

Auditor

RSM Australia Pty Ltd

Level 32/2 The Esplanade, Perth WA 6000

RSM Australia Pty Ltd was appointed 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.

Subsequent events

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)		9	8
N Aristei		9	9
D Sawka		9	9
P Robinson		9	9
L Wynne		9	8
S Miller		9	9
G Kickett	(Appointed 19 June 2023)	3	3
N Mitsopoulos	(Appointed 28 August 2023)	2	1
B Grylls	(Resigned 24 February 2023)	1	1
J Jashari	(Resigned 22 June 2023)	6	6
Association Secretary			
S Hansen		9	9

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DIRECTORS' REPORT (Continued)

For the Year Ended 31 December 2023

Signed in accordance with a resolution of the Directors:



30 April 2024

Craig Heatley
President



30 April 2024

Patricia Robinson
Director



RSM Australia Pty Ltd

Level 32, Exchange Tower 2 The Esplanade Perth WA 6000

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www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Netball WA (Inc) for the year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Accounting Professional and Ethical Standard Board's APES 110 *Code of Ethics for Professional Accountants* in relation to the audit; and
- (ii) any other applicable code of professional conduct in relation to the audit.

RSM AUSTRALIA PTY LTD

MATTHEW BEEVERS
Director

Perth, WA
Dated: 30 April 2024

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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 2023

	Note	2023 \$	2022 \$
Revenues from operating activities			
Sponsorship	2	3,192,220	3,196,722
Membership		3,796,361	3,366,735
Grants		2,224,321	1,430,515
Participation and program fees		1,729,623	1,559,109
Ticket and event sales		1,908,111	1,443,597
In-kind sponsorship		516,358	624,043
Interest		106,715	13,562
Other revenue	2	1,549,434	1,455,623
Total revenue		<u>15,023,143</u>	<u>13,089,906</u>
Expenditure relating to operations	3		
Employment & HR costs		7,640,247	6,611,362
Game and event costs		2,978,435	2,117,023
Team costs		369,228	436,886
Program materials and equipment		231,362	615,640
Administration and ICT costs		989,632	1,010,288
Marketing and communications		767,247	763,365
Travel and motor vehicle costs		686,192	673,718
Finance expenses		28,993	30,628
Occupancy expenses		240,361	219,587
Depreciation and amortisation		91,110	100,766
Impairment losses		(5,471)	24,665
Other expenses		699,013	560,422
Total expenditure		<u>14,716,349</u>	<u>13,164,350</u>
Surplus/(deficit) from operations before income tax		306,794	(74,444)
Income tax		-	-
Net surplus/(deficit) from operations		306,794	(74,444)
Other comprehensive income/(loss) for the year net of tax		-	-
Total comprehensive income/(loss) for the year		<u>306,794</u>	<u>(74,444)</u>

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

NETBALL WA (INC)

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STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

	Note	2023 \$	2022 \$
CURRENT ASSETS			
Cash and cash equivalents	4	4,209,810	3,127,501
Inventories		160,465	137,391
Prepayments	5	394,631	241,244
Other current assets		35,979	35,499
Trade and other receivables	6	<u>707,043</u>	<u>481,312</u>
TOTAL CURRENT ASSETS		<u>5,507,928</u>	<u>4,022,947</u>
NON-CURRENT ASSETS			
Right-of-use asset	7	741,097	726,058
Property, plant and equipment	8	<u>132,555</u>	<u>153,308</u>
TOTAL NON-CURRENT ASSETS		<u>873,652</u>	<u>879,366</u>
TOTAL ASSETS		<u>6,381,580</u>	<u>4,902,313</u>
CURRENT LIABILITIES			
Trade and other payables	9	1,667,057	518,755
Income received in advance	10	761,376	848,350
Provisions	11	398,880	354,113
Lease liability		<u>9,526</u>	<u>5,315</u>
TOTAL CURRENT LIABILITIES		<u>2,836,839</u>	<u>1,726,533</u>
NON-CURRENT LIABILITIES			
Income received in advance	10	63,913	64,968
Provisions	11	33,667	19,699
Lease liability		<u>669,748</u>	<u>620,494</u>
TOTAL NON-CURRENT LIABILITIES		<u>767,328</u>	<u>705,161</u>
TOTAL LIABILITIES		<u>3,604,167</u>	<u>2,431,694</u>
NET ASSETS		<u>2,777,413</u>	<u>2,470,619</u>
EQUITY			
Retained earnings	12	<u>2,777,413</u>	<u>2,470,619</u>
TOTAL EQUITY		<u>2,777,413</u>	<u>2,470,619</u>

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

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STATEMENT OF CASH FLOWS
For the Year Ended 31 December 2023

	Note	2023 \$	2022 \$
Cash flows from operating activities			
Receipts from grants and sponsors		5,921,286	5,570,481
Receipts from members		6,024,754	5,750,825
Receipts from other activities		3,569,512	3,872,158
Payments to suppliers and employees		(14,462,789)	(14,115,045)
Interest received		90,950	13,562
Net cash flows from operating activities	14	<u>1,143,713</u>	<u>1,091,981</u>
Cash flows from investing activities			
Purchase of assets		(14,750)	(96,239)
Proceeds on disposal of assets		-	38,636
Payment for security deposit		(480)	-
Net cash flows used in investing activities		<u>(15,230)</u>	<u>(57,603)</u>
Cash flow from financing activities			
Repayment of leasing		(46,174)	(45,920)
Net cash flows used in financing activities		<u>(46,174)</u>	<u>(45,920)</u>
Net increase for the year		<u>1,082,309</u>	<u>988,458</u>
Cash at the beginning of the year		<u>3,127,501</u>	<u>2,139,043</u>
Cash at the end of the year	4	<u>4,209,810</u>	<u>3,127,501</u>

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

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STATEMENT OF CHANGES IN EQUITY

For the Year Ended 31 December 2023

	Retained Earnings \$	Total equity \$
Balance at 1 January 2022	2,545,063	2,545,063
Loss after income tax expense for the year	(74,444)	(74,444)
Other comprehensive loss for the year net of tax	-	-
Total comprehensive loss for the year	<u>(74,444)</u>	<u>(74,444)</u>
Balance at 31 December 2022	<u>2,470,619</u>	<u>2,470,619</u>
Balance at 1 January 2023	2,470,619	2,470,619
Surplus after income tax expense for the year	306,794	306,794
Other comprehensive surplus for the year net of tax	-	-
Total comprehensive surplus for the year	<u>306,794</u>	<u>306,794</u>
Balance at 31 December 2023	<u>2,777,413</u>	<u>2,777,413</u>

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

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NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2023

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. The Association is not a reporting entity because there are no users dependent on general purpose financial statements. 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 statements have 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 22 April 2024.

New or amended Accounting Standards and Interpretations adopted

The Association has adopted all 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 2023, with the exception of those noted above. The Association has not assessed the impact of these new or amended Accounting Standards and Interpretations.

Comparatives

Where appropriate, comparative amounts have been re-presented and re-classified to ensure comparability with the current reporting year, including:

- In the Statement of Cash Flows, reclassifying \$1.1 million of receipts from other activities to receipts from grants and sponsors; and
- Grossing-up receipts from grants and sponsors; receipts from members; and receipts from other activities, in aggregate by \$1.3 million, together with a corresponding increase in payments to suppliers and employees, so as to present the cash flows gross of GST.

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NOTES TO THE FINANCIAL STATEMENTS (continued)

For the Year Ended 31 December 2023

1. Significant accounting policies (continued)

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.

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:

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.

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NOTES TO THE FINANCIAL STATEMENTS (continued)

For the Year Ended 31 December 2023

1. Significant accounting policies (continued)

Significant accounting judgements, estimates and assumptions (continued)

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.

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 (sponsorship)

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.

NETBALL WA (INC)

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NOTES TO THE FINANCIAL STATEMENTS (continued)

For the Year Ended 31 December 2023

1. Significant accounting policies (continued)

Revenue recognition (continued)

Membership

Membership fees are recognised as revenue when the service is provided.

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, 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.

Participation and Program Fees

Participation and program fees are recognised as revenue when the service is provided.

Ticket and event sales

Revenue is recognised when the control of goods passes to customers and when income is received for tickets. Events, fundraising and raffles income is recognised when received or when the right to receive payment is established.

In-kind sponsorships

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

Non-current asset sales

Revenue from the gain or loss on disposal of 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 received on disposal. The gain on sale is included in Other Revenue.

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 discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset).

Donations

Donations are recognised when received and are included in Other Revenue.

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NOTES TO THE FINANCIAL STATEMENTS (continued)

For the Year Ended 31 December 2023

1. Significant accounting policies (continued)

Revenue recognition (continued)

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.

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 above.

Trade and other receivables

Trade receivables comprised of amounts due from sales of merchandise (less any impairments), memberships, grants, and sponsorship, are recognised and carried at original invoice amount. Trade and other receivables are recognised at cost, less any allowance for expected credit losses. The expected credit losses were 2023: \$31,542 (2022: \$37,014).

Inventory

Inventory is stated at the lower or cost and net realisable value, less any allowance for expected impairment losses due to obsolete stock. The expected impairment losses were 2023: \$17,663 (2022: \$14,981).

Property, plant and equipment

All property, plant and equipment stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item over their expected useful life as follows:

Motor vehicles	3 – 8 years (or less depending on the age of the vehicle)
Furniture, fittings and equipment	3 – 8 years

The expected useful life of motor vehicles was reviewed and estimated at 8 years in line with ATO recommendations. This change was effective from 1 January 2023.

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 there is no future economic benefit to the Association.

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NOTES TO THE FINANCIAL STATEMENTS (continued)

For the Year Ended 31 December 2023

1. Significant accounting policies (continued)

Property, plant and equipment (continued)

Gains and losses between the carrying amount and the disposal proceeds are taken to the statement of profit or loss.

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.

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.

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NOTES TO THE FINANCIAL STATEMENTS (continued)

For the Year Ended 31 December 2023

1. Significant accounting policies (continued)

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 leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to statement of 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; or 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 statement of profit or loss if the carrying amount of the right-of-use asset is fully written down.

Trade 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 period 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 (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.

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NOTES TO THE FINANCIAL STATEMENTS (continued)

For the Year Ended 31 December 2023

1. Significant accounting policies (continued)

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.

Long-term employee benefits

The liability for long service leave not expected to be settled within 12 months of the reporting date is 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.

Defined contribution superannuation expense

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

NETBALL WA (INC)

ABN: 36 657 982 648

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the Year Ended 31 December 2023

	2023	2022
	\$	\$
2. Revenue		
<i>Revenue from contracts with stakeholders (sponsors)</i>		
Sponsorship	3,121,646	3,159,635
Sponsor Services Income	70,574	37,087
Total revenue from contracts with stakeholders	<u>3,192,220</u>	<u>3,196,722</u>
Disaggregation of revenue from contracts with customers is as follows:		
<i>Geographical regions</i>		
Australia	<u>3,192,220</u>	<u>3,196,722</u>
<i>Timing of revenue recognition</i>		
Goods transferred at a point in time	70,574	37,087
Services transferred over time	3,121,646	3,159,635
	<u>3,192,220</u>	<u>3,196,722</u>
<i>Other revenue</i>		
Management services	1,478,471	1,329,896
Professional services income	29,435	20,000
Gain on sale of asset	-	37,163
Insurance recovery	-	24,041
Other revenue	41,528	44,532
Total other revenue	<u>1,549,434</u>	<u>1,455,623</u>

NETBALL WA (INC)

ABN: 36 657 982 648

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the Year Ended 31 December 2023

	2023	2022
	\$	\$
3. Expenses		
Surplus before income tax includes the following specific expenses:		
<i>Administration and ICT costs</i>		
ICT expenses	652,281	568,093
Legal and compliance	32,809	104,488
Corporate consultancy	121,792	158,926
Commercial Insurance	36,414	24,114
Audit	50,000	45,000
Other administration costs	96,336	109,667
Total administration and ICT costs	<u>989,632</u>	<u>1,010,288</u>
<i>Employment & HR costs</i>		
Salaries and wages	5,796,570	5,418,735
Superannuation expense – defined contribution	609,124	532,747
Taxes and insurance	1,065,900	420,273
Employee reimbursements	94,541	110,830
Other employment and HR costs	74,112	128,777
Total employment & HR costs	<u>7,640,247</u>	<u>6,611,362</u>
<i>Other expenses</i>		
Grant and subsidies costs	265,058	266,240
Venue hire sports facilities	122,017	108,442
Sponsor services expenses	113,278	73,179
Professional services expenses	162,983	73,416
Fundraising costs	27,255	32,839
Other expenses	8,422	6,306
Total other expenses	<u>699,013</u>	<u>560,422</u>

NETBALL WA (INC)

ABN: 36 657 982 648

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the Year Ended 31 December 2023

	2023	2022
	\$	\$
4. Cash and cash equivalents		
Cash at bank	1,206,976	2,108,470
Cash on deposit	3,000,000	1,009,493
Cash on hand	2,834	9,538
Total cash and cash equivalents *	<u>4,209,810</u>	<u>3,127,501</u>
<p>*Cash at bank includes \$1,064,550 which was transferred to Netball WA (Inc) from West Coast Fever Netball Club Limited on 2 February 2022.</p>		
5. Prepayments		
Rent	8,551	4,165
Subscriptions	184,839	87,316
Insurance	124,033	98,258
Other prepayments	77,208	51,505
Total prepayments	<u>394,631</u>	<u>241,244</u>
6. Trade and other receivables		
Sundry debtors	691,278	477,557
Other receivables	15,765	-
GST receivables	-	3,755
Total trade and other receivables	<u>707,043</u>	<u>481,312</u>
7. Right-of-use asset		
Building	997,171	926,525
Less: accumulated amortisation	(256,074)	(200,467)
Total right-of-use asset	<u>741,097</u>	<u>726,058</u>
8. Property, plant and equipment		
Motor vehicles at cost	246,393	246,393
Less: motor vehicles accumulated depreciation	(142,614)	(125,359)
Total motor vehicles	<u>103,779</u>	<u>121,034</u>

NETBALL WA (INC)

ABN: 36 657 982 648

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the Year Ended 31 December 2023

	2023	2022
	\$	\$
8. Property, plant and equipment (continued)		
Plant & Equipment - at cost	350,632	350,632
Less: accumulated depreciation	(334,668)	(318,358)
Total Plant & equipment	<u>15,964</u>	<u>32,274</u>
GNC Plant & Equipment – at cost	24,980	24,980
Less: accumulated depreciation	(24,980)	(24,980)
Total GNC plant & equipment	<u>-</u>	<u>-</u>
ICT Equipment – at cost	83,082	83,082
Less: accumulated depreciation	(83,082)	(83,082)
Total ICT equipment	<u>-</u>	<u>-</u>
ICT Software – at cost	14,750	-
Less: accumulated depreciation	(1,938)	-
Total ICT software	<u>12,812</u>	<u>-</u>
Total property, plant and equipment	<u><u>132,555</u></u>	<u><u>153,308</u></u>

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	ICT Software	Total \$
Balance at 1/1/2022	59,596	43,924	-	103,520
Additions	96,239	-	-	96,239
Disposals	(1,473)	-	-	(1,473)
Depreciation	(33,328)	(11,650)	-	(44,978)
Balance at 31/12/2022	<u>121,034</u>	<u>32,274</u>	<u>-</u>	<u>153,308</u>
Additions	-	-	14,750	14,750
Disposals	-	-	-	-
Depreciation	(17,255)	(16,310)	(1,938)	(35,503)
Balance at 31/12/2023	<u>103,779</u>	<u>15,964</u>	<u>12,812</u>	<u>132,555</u>

NETBALL WA (INC)

ABN: 36 657 982 648

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the Year Ended 31 December 2023

	2023	2022
	\$	\$
9. Trade and other payables		
Trade creditors	1,480,015	305,845
Other payables	184,019	212,910
GST payable	3,023	-
Total payables	<u>1,677,057</u>	<u>518,755</u>
10. Income received in advance		
Sponsorship	-	30,000
Membership and participation	735,634	784,569
Other income received in advance	89,655	98,749
Total income in advance	<u>825,289</u>	<u>913,318</u>
Income received in advance - current	761,376	848,350
Income received in advance - non-current	63,913	64,968
Total income in advance	<u>825,289</u>	<u>913,318</u>
11. Provisions		
Employee benefits - current	394,170	345,633
Other provisions - current	4,710	8,480
Employee benefits - non-current	33,667	19,699
Total provisions	<u>432,547</u>	<u>373,812</u>
12. Equity – Retained Earnings		
Retained surpluses at the beginning of the financial year	2,470,619	2,545,063
Surplus for the year	306,794	(74,444)
Retained surpluses at the end of the financial year	<u>2,777,413</u>	<u>2,470,619</u>

NETBALL WA (INC)

ABN: 36 657 982 648

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the Year Ended 31 December 2023

	2023	2022
	\$	\$
13. Related party transactions		
<i>Transactions with related parties</i>		
Receipts from associates of Netball WA (including wholly owned entity Glass Jar Australia)	<u>974,286</u>	<u>857,287</u>
Total transactions with related parties	<u>974,286</u>	<u>857,287</u>

Receivable from and payable to related parties

There were no trade receivables from, or trade payables to, related parties at the current reporting date. There was a trade receivable at the previous reporting date of \$85,085.

Loans to / from related parties

There were no loans to, or from, related parties at the current and previous reporting date.

NETBALL WA (INC)

ABN: 36 657 982 648

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the Year Ended 31 December 2023

	2023 \$	2022 \$
14. Cash flows information		
<i>(a) Reconciliation of cash</i>		
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	2,834	9,538
Cash at bank	1,206,976	2,108,470
Cash on deposit	3,000,000	1,009,493
	<u>4,209,810</u>	<u>3,127,501</u>
<i>(b) Reconciliation of surplus/(loss) from ordinary activities to net cash from operating activities</i>		
Surplus/(loss) from ordinary activities	306,794	(74,444)
Adjustments for non-cash flows in surplus/(loss) from:		
Depreciation and amortisation	91,110	100,766
Impairment (recovery)/losses	(5,471)	24,665
(Gain)/loss on disposal of assets	-	(37,165)
Interest expense	28,993	30,628
Changes in operating assets and liabilities		
(Increase)/decrease in receivables	(220,260)	1,462,950
(Increase)/decrease in prepayments	(153,387)	(8,608)
(Increase)/decrease in inventory	(25,756)	(93,998)
Increase/(decrease) in payables	1,148,302	(186,491)
Increase/(decrease) in provisions	61,417	(64,598)
(Decrease)/increase in income in advance	(88,029)	(61,724)
Net cash provided by/(used in) operating activities	<u>1,143,713</u>	<u>1,091,981</u>

NETBALL WA (INC)

ABN: 36 657 982 648

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the Year Ended 31 December 2023

15. Contingencies

There are no known contingencies at reporting date.

16. Subsequent events

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.

17. Commitments

The Association had no commitments for expenditure as at 31 December 2023 and 31 December 2022.

18. Auditor's remuneration

During the financial year ended 31 December 2023, the auditor RSM Australia Pty Ltd earned the following remuneration: 2023: \$50,000 (2022: PKF Perth: \$45,000).

NETBALL WA (INC)

ABN: 36 657 982 648

DIRECTORS' DECLARATION

For the Year Ended 31 December 2023

In the Directors' opinion:

- The Association is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 1 to the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the Associations Incorporation Act 2015 (WA) and associated regulations.
- 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 2023 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:



30 April 2024

Craig Heatley
President



30 April 2024

Patricia Robinson
Director



RSM Australia Pty Ltd

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NETBALL WA (INC)

Opinion

We have audited the financial report of Netball WA (Inc) (**the Association**) which comprises the statement of financial position as at 31 December 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory notes and the directors' declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects the financial position of Netball WA (Inc) as at 31 December 2023, and its performance and cash flows for the year then ended in accordance with the financial reporting requirements of *Associations Incorporation Act 2015 (WA)* and the accounting policies described in Note 1 to the financial statements.

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 the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 to assist Netball WA (Inc) to meet the requirements of *Associations Incorporation Act 2015 (WA)*. 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

The directors are responsible for the other information. The other information comprises the information included in the director's report and corporate governance statement but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, 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.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

THE POWER OF BEING UNDERSTOOD

AUDIT | TAX | CONSULTING

RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Pty Ltd ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the *Associations Incorporation Act 2015 (WA)* and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Association to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Association or to cease operations, or have 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

A handwritten signature in blue ink that reads 'RSM'.

RSM AUSTRALIA PTY LTD

A handwritten signature in blue ink, appearing to be 'Matthew Beevers'.

MATTHEW BEEVERS
Director

Perth, WA
Dated: 30 April 2024