

# **Gosford District Tennis Association**

## **Financial Statements**

**For the year ended 30 June 2020**

## Gosford District Tennis Association

### Statement of Income and Expenditure For the year ended 30 June 2020

	2020	2019
	\$	\$
<b>Income</b>		
Alex & Jono Court Hire	15,351	8,857
Cafe Income	41,808	56,741
Coaching Income	147,407	28,697
Competition Income	24,591	26,651
Court Hire	46,631	62,795
Events Revenue	1,878	3,166
Grants Received	22,317	3,735
Holiday Camps	1,064	4,650
Membership Income	14,248	8,409
Other Revenue	4,133	2,656
Pro-Shop Income	45,403	38,153
Tournament Income	86,160	104,560
Front Desk Admin Fee	4,364	-
	<b>455,355</b>	<b>349,070</b>
<b>Less cost of goods sold</b>		
Opening Stock	6,868	7,472
Cafe Purchases	23,335	32,213
Coaching Contractor	157,786	32,800
Court Fees	-	1
Competition Expenses	8,191	1,557
Pro-shop Purchases	32,058	20,728
Tournament Expense	42,063	70,295
Less Closing Stock	(11,285)	(6,868)
	<b>259,016</b>	<b>158,198</b>
<b>Gross profit from trading</b>	<b>196,339</b>	<b>190,872</b>
<b>Other income</b>		
Interest Income	14	23
Sponsorship Income	19,696	54,368
Insurance Recoveries	36,759	8,868
Jobkeeper Payments	24,000	-
Cash Flow Boost (Non taxable)	10,000	-
	<b>90,469</b>	<b>63,259</b>

## Gosford District Tennis Association

### Statement of Income and Expenditure For the year ended 30 June 2020

	2020	2019
	\$	\$
<b>Expenditure</b>		
Accountancy & Financial Reporting	3,520	2,500
Advertising & Promotion	-	3,522
Affiliation Fees	618	12,200
First Aid Kit	33	-
Bank Charges	1,870	1,298
Bank Fees - Bank Charges	277	-
Bank Fees - Ezy Debit	40	-
Capital Assets Expensed<\$20K	23,534	-
Cleaning and Waste Removal	2,785	2,941
Coaching Expenses	(8)	(1,807)
Computer Expenses	1,488	545
Website Costs	4,572	-
Property Maintenance	24,732	-
Depreciation	1,296	24,802
Electricity	18,444	14,589
Event Costs	2,512	1,408
Restrung - Coaches Cost	1,636	-
Freight & Courier	-	709
Fuel	409	81
General Expenses	423	69
Donations	250	-
Insurance	8,251	8,832
Interest Expense	-	233
Junior Player Assistance	-	375
Light, Power, Heating	-	4,157
Office Expenses	-	1,646
Printing, Stationery & Postage	1,381	2,336
Rates - Water	77	457
Rent - Council	3,791	5,054
Repairs and Maintenance	12,931	23,599
Salaries	138,584	90,760
Superannuation	10,874	7,900
Security	1,302	260
Tennis Balls	1,260	-
Subscriptions	6,567	4,275
Staff Amenities	994	562
Toilet and Washroom Supplies	588	762
Telephone & Internet	3,151	4,739
Tools & Equipment	599	-
Workers Compensation	1,309	-
Travel - National	8	-
Trophies	636	-
Uniforms	656	1,218
Holiday Camp Expenses	560	3,094
Extraordinary Expense	427	4,952
	<b>282,377</b>	<b>228,068</b>
<b>Profit/(loss) before income tax</b>	<b>4,431</b>	<b>26,063</b>

## Gosford District Tennis Association

### Balance sheet

As at 30 June 2020

		2020	2019
		\$	\$
<b>Current assets</b>			
Cash and Cash Equivalents	Note 2	75,826	31,050
Trade and Other Receivables (current)	Note 3	2,892	39,190
Inventories (current)		11,285	6,868
		<u>90,003</u>	<u>77,108</u>
<b>Non-current assets</b>			
Plant & Equipment	Note 4	10,067	-
		<u>10,067</u>	-
<b>Total assets</b>		<u>100,070</u>	<u>77,108</u>
<b>Current liabilities</b>			
Trade and Other Payables (current)	Note 5	47,328	28,797
		<u>47,328</u>	<u>28,797</u>
<b>Net assets</b>		<u>52,742</u>	<u>48,311</u>
<b>Equity</b>			
Opening retained earnings		48,311	22,248
Profit/(loss) for the year		4,431	26,063
		<u>52,742</u>	<u>48,311</u>

## Gosford District Tennis Association

### Statement by Members of the Committee

The Committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Committee as set out in the accompanying financial report:

- 1 Presents a true and fair view of the financial position of Gosford District Tennis Association Incorporated as at 30 June 2020 and its performance for the year then ended.
- 2 At the date of this statement, there are reasonable grounds to believe that Gosford District Tennis Association Incorporated will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:



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President



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Treasurer

Dated: 29/10/2020



## INDEPENDENT AUDIT REPORT TO THE MEMBERS OF GOSFORD DISTRICT TENNIS ASSOCIATION

### Report on the Audit of the Financial Report

#### Qualified Opinion

We have audited the financial report of Gosford District Tennis Association (the association), which comprises the balance sheet as at 30 June 2020, the income statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by members of the committee.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial report of the association is in accordance with the *Associations Incorporation Act 2009 (NSW)*, including:

- a) giving a true and fair view of the association's financial position as at 30 June 2020 and of its financial performance for the year then ended; and
- b) complying with accounting policies to the extent described in note 1.

#### Basis for Qualified Opinion

##### *Completeness of income*

The Association collects a large proportion of revenue through cash sales. The Club has determined that it is impracticable to establish control over the collection of cash relating to these collections prior to its entry into its financial records. Accordingly, as the evidence available to us regarding revenue from these sources was limited, our audit procedures with respect to this had to be restricted to amounts recorded in the financial records. We therefore are unable to express an opinion whether revenues recorded within the income statement are complete.

##### *Occurrence and Accuracy of salaries and superannuation*

The Association has engaged employees on a casual and part-time basis. During our audit testing we were unable to obtain sufficient appropriate audit evidence in relation to salary and superannuation expenditure reported in the income statement for the year ended 30 June 2020 of \$149,458. Accordingly, as the evidence available to us regarding payroll expenditure was limited, our audit procedures with respect to this had to be restricted to amounts recorded in the financial records. We therefore are unable to express an opinion whether payroll expenditure recorded within the income statement has occurred and has been accurately calculated.

##### *Existence and valuation of inventory*

We did not observe the counting of physical inventories at the beginning and end of the year. We were unable to satisfy ourselves by alternative means concerning the inventory quantities or values recognised at 30 June 2020 and 2019, which are stated in the statement of financial position at \$6,868. As a result, we were unable to determine whether any adjustments might have been found necessary in respect of recorded or unrecorded inventories and the related elements in the income statement.

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 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 to provide information to Mingara Recreation Club Limited. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter

## Independence

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 (including Independence Standards) (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.

## Responsibilities of the Committee for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management 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 management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

The Committee 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 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 the 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:

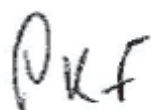
- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a 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 management.

## Auditor's Responsibilities for the Audit of the Financial Report (cont'd)

- Conclude on the appropriateness of management'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 Committee 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 management 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, actions taken to eliminate threats or safeguards applied.



PKF



CLAYTON HICKEY  
PARTNER

29 OCTOBER 2020  
NEWCASTLE, NSW