



NORTHERN SUBURBS FOOTBALL ASSOCIATION INC

# AGM Notice & Minutes 2014 Financial Report

*"From the Harbour  
to the Hawkesbury"*

- 34 CLUBS
- 1,400 TEAMS
- 17,000 PLAYERS



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## NOTICE OF MEETING

### **Northern Suburbs Football Association Incorporated**

(Established April 1957)

(Incorporated 20th April 1988)

#### **FIFTY EIGHTH ANNUAL GENERAL MEETING**

Please take notice that the 58th Annual General meeting of the Northern Suburbs Football Association Incorporated will be held  
Tuesday 25th November 2014 at 7.30pm  
Killara Golf Club  
Pacific Highway, Killara

#### **Agenda of the meeting:**

1. Finalisation of voting entitlements
2. Reading and confirmation of the Minutes of the 2013 AGM
3. Reading of the Audited Financial Statements
4. Adoption of the Audited Financial Statements
5. Presentation of the NSFA Budget
6. Declaration of all positions vacant
7. Election of Treasurer
8. Election of Board Members (3)
9. Election of Auditors
10. Election of Life Members
11. Determination of other Motions of which Notice has been given.
12. General Business

**Duncan Tweed**

*CEO & Public Officer  
NSFA Inc.*

## MINUTES OF 2013 ANNUAL GENERAL MEETING

### HELD AT KILLARA GOLF CLUB

**Tuesday 26 November 2013**

Meeting opened 7.35 p.m.

Vice President Roy Ashpole welcomed everyone present as Chairman of the Annual General Meeting. Apologies received from Chris Rayner (President) and Anthony Stevens (Life Member).

#### 1. Finalisation of voting entitlements

It was confirmed that quorum had been achieved. Our 34 Clubs have 130 votes in total. Between 2 Proxies and the Clubs that attended, 97 eligible votes were confirmed at the start of the meeting.

#### 2. Minutes of 2012 AGM

Published minutes undated

**Moved and seconded as correct**

Moved B Waterhouse (Berowra)

Seconded M Bryant

**Motion Carried**

#### 3. Audited Balance Sheet

Prior to the meeting written questions were submitted by L Sullivan (Northbridge) querying;

- The liquidation of an NSFA investment to cash in hand
- The negative cashflow from operations
- The difference in current liabilities between this year and last year
- The removal of the \$100,000 provision for Ground Development

A written response was provided by Howard Mann, Treasurer of NSFA, to the Club prior to the meeting. A full copy is annexed to these minutes.

The Treasurer noted two contributing factors for the positive financial result in this financial year:

1. Inheriting a healthy budget with a view to generating a surplus, and
2. Governance processes put in place by the Board to make the organisation more transparent and in line with accepted corporate governance principles.

The Treasurer also noted that Northern Tigers had met its target in terms of cost reduction.

#### Questions from the floor:

*L Sullivan: Where is the Tigers stock write off shown? If this \$40,000 write off is the case, then is it true that there is no requirement for Tigers to lower costs next year.*

H Mann: The write off is shown in 'Equipment and Uniform Costs'.

The Tigers budget for last year was \$275,000 and for the coming year is set by the Board at \$200,000. In actuality, Tigers has committed to a budget of \$170,000, however the decision has been made to allow a contingency.

R Grace (Northbridge): Tigers should view Seniors as separate from Juniors – it needs to stop being in an arms race in the Seniors.

Attention also needs to be given to ensure that field allocations to Tigers are equitable – there is a suggestion that Tigers will be allowed access to 50% of available time for Eton Road.

P Templeman: It is agreed that the financial model for FNSW Elite Competitions is unsustainable.

D Tweed: The time allocation suggested for Eton Road is incorrect.

H Mann: There is a long term aspiration that Tigers has no cost to the Association.

**Motion; that the Audited Balance Sheet be adopted  
Moved H Mann**

Seconded M Bryant (Lane Cove West)

**Motion Carried**

#### 4. Annual Report Adoption

No comments/questions asked about the report presented.

**Motion; that the Annual Report be adopted  
Moved M Bryant**

Seconded L Sullivan

**Motion Carried**

#### 5. Presentation of NSFA Budget

A budget was provided to members prior to the meeting.

**L Sullivan: Noted that he was not comfortable with 40% of the budget being essentially contingency.**

D Tweed: This can be attributed somewhat to timing. We know that projects will be coming up as a result of the Clubs Session, however at the time of adopting the budget didn't know what they would be. For example the U6 Fun Day is costed at around \$10,000, most of which is unbudgeted.

**J Humphries (Asquith): What is the justification for the 5% fee increase?**

H Mann: Looked at the increases over the past 10 years. The average is 4.7%. Any extra surplus as a result is intended to be invested in facilities.

## MINUTES OF 2013 ANNUAL GENERAL MEETING *continued*

***L Sullivan: If there is a move to individual as opposed team based fees, that exposes the Association to greater risk of volatility in income.***

H Mann: It is appreciated that this is a risk.

Discussion of the proposed re-calculation of fees was adjourned to the last business item of the meeting.

### 6. Election of Officers

The Chairman pointed out whilst the positions of President, Vice President and Directors were essentially uncontested, under the Constitution voting was nevertheless required. He then requested a show of voting cards for each position. This was done and each nominee was voted in unanimously. It is noted that the Treasurer assumed the Chair for the vote in relation to the Vice President's position.

The new Board for the 2013/14 year will comprise of:

Chris Rayner President

Roy Ashpole Vice-President

Howard Mann Treasurer

Barry Thompson Board Member

Caroline Morris Board Member

James Sneddon Board Member

Paul Templeman Board Member

David Watson Board Member

### 7. Election of Auditors

The Treasurer briefly confirmed why he believed that the Auditors should be retained.

***Motion; that Truman & Co be retained as Auditors for 2014.***

***Moved H Mann***

Seconded M Bryant (Lane Cove West)

***Motion Carried***

### 8. Life Members

No nominations received

### 9. Special Resolutions

TWO Special Resolutions were put forward by the Board (copies of which are annexed to these Minutes).

- 1 – Relates to removal of references in the Constitution to a 'General Manager', to be replaced with reference to a 'Chief Executive Officer'.

***Voting: Special Resolution approved, almost unanimously***

- 2 – Relates to the amendment of the Constitution such that the President and Vice President are elected by the Board rather than by the Members.

### Pre Voting

D Tweed: The Special Resolution reflects the fact that the President and Vice President have no greater powers at Board level than any other Directors, although they do both carry out additional duties across the Association, as is actually already confirmed in the remainder of the Constitution. It also reflects one of the governance principles promoted by the Australian Sports Commission.

L Sullivan: Direct election prevents the President, Vice President and Treasurer all coming up for election at the same time.

C Freer (Mt Colah): This shouldn't matter, bearing in mind those roles don't have any additional powers to the other Directors.

M Bryant: This is good corporate governance and we should have included this provision in the original drafting.

H Mann: Historically, a President has been able to commit the Association by virtue of his elevated title, when in fact the full Board support should have been required.

P Templeman: The proposal represents the Board moving away from having an operational focus and focusing more on typical corporate board responsibilities.

Voting

***Special Resolution approved by 75% majority***

### 10. General Business

***Men's Football Committee's Referees proposal***

***M Bryant: Request Chair to remind the meeting of this proposal.***

R Ashpole: Under the program, Clubs are required to provide a pool of referees to be appointed to matches. They are also required to nominate a Referees Liaison Officer.

N Took (BCRFC): What if Clubs refuse to nominate? What are the sanctions? You can't force people to referee, especially where people can go and play in GHFA where refs are provided. BCRFC already offers to pay fees of referees within the Club.

M Bryant: It is proposed that names will need to be submitted at the time of Club registration, accepting that some names may change. If no nominations are received, the recommendation will be that the Club not be registered to play.

## MINUTES OF 2013 ANNUAL GENERAL MEETING *continued*

P Howell (St Ives): Everyone who wants to referee already does so. We need to combine the KDFRA with the Association. This is a poor idea.

M Bryant: It is not just players who can be used to make up the pool of match officials, whole community.

B Waterhouse: Players just want to play the game.

A Vlatko (Willoughby Dalleys): We don't need 45s divisions

J Humphries: Shouldn't the focus be on attracting younger referees rather than out of Men's competitions?

T Batten (Wahroonga): There is a stick here but no carrot

M Bryant: What is the relationship with KDFRA? Did they put forward a Director, as entitled to under the Constitution?

D Tweed: It's improving. I spoke with Ben Mathes, President of KDFRA, and we agreed that it was premature to have them nominate a Director, given the current gap between the two Associations. In 2014 it is proposed to bring them closer together (eg having KDFRA representation on Competition Committees) and there is a roadmap for this.

R Ashpole: The Board has noted the objections to the proposal and is happy to receive further email correspondence on the matter, which will be reviewed.

### **Website**

**J Humphries: Has there been any thought to re-doing the website?**

R Ashpole: Yes and there is budget for this

### **Proposed re-calculation of fees**

H Mann: The proposal forwarded to Clubs represents a user pays analysis, apportioning costs in proportion to usage. The three major costs are grounds, officials and the costs of the NSFA office. The switch to this model was not unanimous at Board level. As currently stands, young players subsidise others which has always been the case. The decision to move to individual rather than team based fees allows for greater transparency and also sits better with MyFootballClub registration.

R Dutton (St Ives): Will result in 20% fees payable by the Club, being \$18,000.

D Gougousidis (NSBHS): For a Club like us with no non-competition age groups, we will just lose players. May result in us not being able to field teams in some junior divisions. There is a massive impact on smaller Clubs.

S Cox (North Sydney): We will be asking individuals to pay up to \$500 each, even with sponsorship, as well as the imposition of having to provide referees.

B Thompson (Mt Colah): There appears to be a discrepancy between Saturday and Sunday fees.

L Sullivan: Northbridge has a large base of younger players but will still only be 'breaking even'.

A Vlatko: Does it make more money for the Association?

H Mann: No. There is no design to increase revenue through this change.

D Tweed: There are no strategic reasons behind proposal in terms of supporting some Clubs over others, although these may be the implications. The attempt is simply to reflect the cost of playing of each individual.

M Trinder (Prouille): Biggest concern is move to individual fees. This removes all flexibility of Clubs around how to charge

R Grace: Have you considered increasing squad sizes?

H Mann: This is being considered

M Wall (HRSly): Reduction of junior fees is a positive step

C Watt (Hornsby Heights): Have to compete with other codes in terms of costs to Juniors. Broad support for the idea, however it needs finessing.

K Johnson (West Pymble): Biggest challenge is retaining U11-18, yet there are price rises for these divisions. Will this system exacerbate problem of Senior School age groups?

M Trinder: Need to aim to be inclusive for the whole family.

T Batten: How will we know final decision, bearing in mind MFC opens for registrations on 1 January? Final decision is needed.

H Mann: Board meeting on 16 December and will be communications after that.

Meeting closed 9.32 p.m.

### **Duncan Tweed**

*Chief Executive Officer and Public Officer*

Dated: 3 November 2013

## MINUTES OF 2013 ANNUAL GENERAL MEETING *continued*

### ANNEXURES

#### ***Questions forwarded by Lee Sullivan of Northbridge FC:***

1. Looks like a large deposit / investment has been liquidated to cash on hand. I can see opening cash was \$86k and Operating cashflow was negative \$106K, was this simply to fund operations or something else?
2. Although underlaying profit is positive, cashflow from operations is negative. What is driving this?
3. Current liabilities (\$289k) are almost half of prior year (\$510k). Have we incurred less or booked liabilities later (noting large portion is 6 aside and maybe timing). It would not be timing given a large portion of the balance is 6 aside, which was yet to commence at 30 Sept.
4. The Provision for Ground Development of \$100K has been removed. How was this applied..Mills, Eton Road or reversed to profit? My understanding was this was not set up for routine maintenance contributions, but larger investments. I do not see any contributions in the cashflow statement though.

#### ***Responses provided by Howard Mann, Treasurer:***

1. We did indeed change the maturity on some investments during the year. At 30/9/12 we had some investments with a term > 12 months. On maturity we brought these back into the overall investment portfolio that has been invested on shorter term maturities.
2. The predominant reasons why operating cash flow was negative was the payment to Ku-ring-gai Council of \$100,000.00 (from prior year provisions) to provide for 200 LUX lighting at the Eton Road synthetic surface development and obtain priority access to this surface for the next 5 years. Additionally we have a lower trade creditors balance in 2013 than 2012.
3. There is no major singular item or change that generates the lower trade creditors balance at end of 2013 financial year.
4. As per comments above in 2.

## TREASURER'S REPORT



***"We help our community  
experience the joy of  
football"***

I am now at the end of my two year term and feel that the Association is in a much better place financially than when I commenced my journey. We have recouped the deficits of 2010-2012 (\$364,375) and replenished our cash reserves that had decreased by nearly 50% during that period.

We are now a stronger Association with the capacity to invest sensibly in those areas that matter most to our members; grounds and referees.

I have continued this year to push for improved Board Governance and Fiscal Management together with open and transparent behaviour. The NSFA Office under the leadership of our CEO, Duncan Tweed, has now taken ownership of the annual budgeting process. This allows the Finance Committee and the Board to review the Annual Budget more independently.

### 2014 Financial Results

By all measures 2014 has been a highly successful year for the Association and its Members. We set ourselves a budget for 2014 to achieve a surplus of \$125,123. I am pleased to report that we have managed to produce a surplus of \$260,347 which is a 33% improvement on 2013.

All areas of the Associations activities grew revenue year to year (with the sole exception of Summer Football).

It was pleasing to see growth in both players (4%) and team registrations (3%) which contributed toward a 7% year to year growth in this area.

Grounds costs were higher in 2014 than anticipated. This was partly due to the high usage of Charles Bean but also due to Councils providing invoices for 2013 very late.

Despite moving our offices from Asquith to Pymble the overall office costs remain flat year to year.

Northern Tigers had a very impressive year financially (and a great one on the field too). The net cost to the Association was \$155,633 a reduction of 55% from 2012.

Jason Eagar and team had another great year, significantly growing the number of people attending the various coaching schools on offer. Revenue for 2014 grew 56% on the prior year to \$136,768.

### Future Strategy

NSFA continues to survey its members to ensure that we hear about the things we do well and the things we don't do as well together with ideas as to new products and services we could be offering.

The main themes from a financial perspective that resulted from the survey were that members want the following two things:

- **Better surfaces on which to play.** In 2014 Charles Bean Oval was opened to become the second synthetic surface in our area. In 2015 two more synthetic surfaces will open at Blackman Oval plus a number of others at Chatswood High School, Thomson Park and Cammeray. Finally North Turramurra Recreation Area construction is in full swing with the early stages nearing completion. This will deliver by end of 2016 three brand new football pitches (the first new pitches in many years) one of which will be synthetic.
- **Better centre referees to officiate at ALL games.** NSFA continues to have dialogue with KDFRA on the best ways to achieve the above goal. A number of projects are under consideration by the Board to continue to move this initiative forward.

The Board continues to invest in these areas and has a policy to generate approximately \$150,000 surplus to annual operations to enable this investment.

## TREASURER'S REPORT *continued*

### Thanks

Finally I would like to thank:

- Duncan Tweed our CEO for leading many of the initiatives from our strategic plan
- Marcia Allman for having such a cheery attitude and her can-do attitude.
- All other NSFA staff members (Damian Miles, Jodi Sparks, Mark Rushton, Jane Hall, Paul Orgad and Jason Eagar) without whom our Association would simply not run.
- My fellow Board Members (Chris Rayner, Roy Ashpole, Caroline Morris, James Sneddon, Paul Templeman, David Watson, Barry Thompson) who have made this, my second year, so enjoyable and fulfilling.
- The members of our committees who work tirelessly to provide some 17,509 registered players with an opportunity to play the beautiful game.
- The Presidents and Treasurers of all Member Clubs, not least for paying your bills!
- Finally to the wonderful volunteers for all the work they do to assist NSFA and our member clubs deliver such a high quality series of competitions, a huge thank-you.

Yours,



**Howard Mann** BA (Hons) ACA MAICD  
*Treasurer*

## **DIRECTOR'S REPORT** for the year ended 30 September 2014

Your Board of Directors submits the Financial Report of the Northern Suburbs Football Association Incorporated for the financial year ended 30 September 2014.

### **Directors**

The Directors who served on the Board of Directors were:

<b>Chris Rayner</b>	<b><i>President</i></b>
<b>Roy Ashpole</b>	<b><i>Vice President</i></b>
<b>Howard Mann</b>	<b><i>Treasurer</i></b>
<b>Caroline Morris</b>	<b><i>Director</i></b>
<b>James Sneddon</b>	<b><i>Director</i></b>
<b>Paul Templeman</b>	<b><i>Director</i></b>
<b>Barry Thompson</b>	<b><i>Director</i></b>
<b>David Watson</b>	<b><i>Director</i></b>

All Directors were in office since the 2013 Annual General Meeting until the date of this report unless otherwise stated.

### **Principal Activities**

The principal activities of the association during the financial year were to provide competitive football to member clubs in the association and to provide a conduit to representative football for association members.

### **Significant Changes**

There were no significant changes to the nature of these activities during the year.

### **Operating Result**

The Surplus from ordinary activities for the financial year amounted to \$260,347. This compares to a surplus of \$193,602 in the prior year. The increased surplus is largely as a result of increased revenue from the majority of the associations segments offset by increases in grounds expenditure as a result of the addition of synthetic surfaces and growth in the competition.

Signed in accordance with a resolution of the Board of Directors.



**Chris Rayner** *President*



**Howard Mann** *Treasurer*

Dated: 17 November 2014

## AUDITOR'S INDEPENDENCE DECLARATION

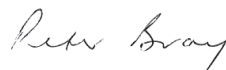
for the year ended 30 September 2014

I declare that to the best of my knowledge and belief, during the year ended 30 September 2014 there has been:

- (i) No contraventions of the auditors independence requirements in relation to the audit; and
- (ii) No contraventions of any applicable code of professional conduct in relation to the audit.



**Trumans** Chartered Accountants



**Peter Bray** Partner

Dated: 14 November 2014

## DIRECTOR'S DECLARATION for the year ended 30 September 2014

The Board of Directors has determined that the association is a Reporting Entity and this General Purpose Financial Report should be prepared in accordance with the accounting policies as set out in Note 1 to the financial statements.

In the opinion of the Board of Directors the financial report as set out:

- Presents a true and fair view of the financial position of Northern Suburbs Football Association Incorporated as at 30 September 2014 and its financial performance for the year then ended in accordance with the Australian Accounting Standards – Reduced Disclosure Requirements, mandatory professional requirements and other authoritative pronouncements of the Australian Accounting Standards Board; and
- At the Date of this statement, there are reasonable grounds to believe that Northern Suburbs Football Association will be able to pay its debts as and when they fall due.

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



**Chris Rayner** President



**Howard Mann** Treasurer

Dated: 17 November 2014

**STATEMENT OF COMPREHENSIVE INCOME** for the year ended 30 September 2014

	NOTE	2014	2013
<b>INCOME</b>			
Team Registrations		1,623,886	1,516,091
Night Training Fees		174,784	140,020
Development Squads		141,521	115,660
Coaching Revenue		136,768	87,517
Summer Football		118,981	140,325
Sponsorship		35,937	9,600
Other Income		55,556	17,910
<b>Total Income</b>		<b>2,287,433</b>	<b>2,027,123</b>
<b>EXPENSES</b>			
<b>Coaching &amp; Development</b>			
Development Squads		115,377	91,100
Coaching Clinics		104,930	69,081
Coaches Remuneration		100,404	110,359
<b>Total Coaching and Development</b>		<b>320,711</b>	<b>270,539</b>
<b>Northern Tigers Net Cost</b>	<b>9</b>	<b>155,633</b>	<b>242,736</b>
<b>Competition Expenses</b>			
Grounds		568,634	417,045
Referees		220,486	225,042
Summer Football		77,547	99,804
Administration		69,938	49,979
Court Hire		31,545	—
Mini-Roos		29,755	25,059
Gala Day		10,642	13,091
<b>Total Competition Expenses</b>		<b>1,008,546</b>	<b>830,020</b>
<b>Personnel Costs</b>			
Wages and Salaries		356,951	352,556
Bookkeeping & Administration		32,860	28,030
Other		9,775	9,381
<b>Total Personnel Costs</b>		<b>399,586</b>	<b>389,967</b>
<b>Office Expenses</b>			
Office Costs		105,024	77,495
Rent		52,345	37,858
Auditors Remuneration		9,350	7,500
Depreciation		10,665	16,352
<b>Total Office Expenses</b>		<b>177,383</b>	<b>139,205</b>
<b>Total Expenses</b>		<b>2,061,860</b>	<b>1,872,467</b>

The accompanying notes should be read in conjunction with these financial statements

**STATEMENT OF COMPREHENSIVE INCOME** for the year ended 30 September 2014

	NOTE	2014	2013
<b>Operating Surplus / (Deficit)</b>		<b>225,573</b>	<b>154,656</b>
<b>Other Income</b>			
Interest Income		26,520	23,219
Investment Gain		14,467	16,078
<b>Total Other Income</b>		<b>40,987</b>	<b>39,296</b>
<b>Other Expenses</b>			
Interest Expense		140	350
Provision for Ground Assistance		4,923	—
Loss on Sale of Asset		1,151	—
<b>Total Other Expenses</b>		<b>6,213</b>	<b>350</b>
<b>Net Surplus / (Deficit)</b>		<b>260,347</b>	<b>193,602</b>
<b>Other Comprehensive Income</b>		<b>—</b>	<b>—</b>
<b>Total Comprehensive Income for the year</b>		<b>260,347</b>	<b>193,602</b>

*The accompanying notes should be read in conjunction with these financial statements*

**STATEMENT OF FINANCIAL POSITION** as at 30 September 2014

	NOTE	2014	2013
<b>CURRENT ASSETS</b>			
Cash	2	1,259,977	705,643
Trade and Other Receivables	3	129,043	216,922
Inventories	4	150	8,192
Investments	5	202,952	–
<b>Total Current Assets</b>		<b>1,592,122</b>	<b>930,757</b>
<b>NON-CURRENT ASSETS</b>			
Investments	5	–	188,485
Property, Plant and Equipment	6	41,602	47,826
<b>Total Non-Current Assets</b>		<b>41,602</b>	<b>236,311</b>
<b>Total Assets</b>		<b>1,633,724</b>	<b>1,167,068</b>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	7	484,917	282,286
Provisions and Bonds	8	25,298	23,487
<b>Total Current Liabilities</b>		<b>510,215</b>	<b>305,773</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	8	13,607	11,740
<b>Total Non-Current Liabilities</b>		<b>13,607</b>	<b>11,740</b>
<b>Total Liabilities</b>		<b>523,822</b>	<b>317,513</b>
<b>Net Assets</b>		<b>1,109,902</b>	<b>849,555</b>
<b>MEMBERS' FUNDS</b>			
Retained Earnings		849,555	655,954
Current Year Earnings		260,347	193,602
<b>Total Members' Funds</b>		<b>1,109,902</b>	<b>849,555</b>

*The accompanying notes should be read in conjunction with these financial statements*

**STATEMENT OF CHANGES IN EQUITY** as at 30 September 2014

	RETAINED EARNINGS	TOTAL
<b>Balance at 1 October 2012</b>	<b>655,954</b>	<b>655,954</b>
Surplus for the Year	193,602	193,602
Other Comprehensive Income	–	–
<b>Balance as at 30 September 2013</b>	<b>849,555</b>	<b>849,555</b>
<b>Balance at 1 October 2013</b>	<b>849,555</b>	<b>849,555</b>
Surplus for the Year	260,347	260,347
Other Comprehensive Income	–	–
<b>Balance as at 30 September 2014</b>	<b>1,109,902</b>	<b>1,109,902</b>

*The accompanying notes should be read in conjunction with these financial statements*

**STATEMENT OF CASH FLOW** for the year ended 30 September 2014

	NOTE	2014	2013
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers		3,495,815	2,587,820
Payments to Suppliers and Employees		(2,967,116)	(2,690,652)
Proceeds from Bonds		6,060	(2,511)
Interest Paid		(140)	(350)
<b>Net Cash Flows from Operating Activities</b>	<b>10</b>	<b>534,619</b>	<b>(105,693)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest Received		25,307	21,617
Net Proceeds from Investments		–	508,847
Payments for Property, Plant and Equipment		(6,955)	–
Receipts from sale of Property, Plant and Equipment		1,364	–
<b>Net Cash Flows from Investing Activities</b>		<b>19,716</b>	<b>530,464</b>
Net increase in Cash Held		554,335	424,771
Cash at the beginning of the financial year		705,643	280,872
<b>Cash at the end of the financial year</b>	<b>2</b>	<b>1,259,978</b>	<b>705,643</b>

*The accompanying notes should be read in conjunction with these financial statements*

**STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

for the year ended 30 September 2014

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements are general purpose financial report that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the Associations Incorporation Act 2009. The association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise. The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on 17 November 2014 by the Board of Directors.

**Accounting Policies**

- **Income Tax**

Northern Suburbs Football Association being an association established for the encouragement of sporting activity is exempt from Income Tax as per Tax Ruling 97/22.

- **Inventories**

Inventories held for sale are measured at the lower of cost and net realisable value.

Inventories held for distribution are measured at the lower of cost and current replacement cost.

Inventories acquired at no cost or for nominal consideration are measured at the current replacement cost as at the date of acquisition.

- **Property, Plant and Equipment**

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and any impairment losses.

**Plant and Equipment**

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

**Depreciation**

The depreciation rates used for each class of depreciable assets are:

Ground Equipment	10% – 20%
Office Equipment	10% – 20%
Motor Vehicles	10% – 20%
Sports Equipment	10% – 20%
Trophies	0%

The assets residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are recognised in profit or loss in the period in which they occur. When revalued assets are sold, amounts included in the revaluation relating to that asset are transferred to retained surplus.

- **Financial Instruments**

**Initial Recognition and Measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the association commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

**STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES** *continued*

for the year ended 30 September 2014

***Initial Recognition and Measurement*** *continued*

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified at fair value through profit or loss in which case transaction costs are recognised immediately as expenses in profit or loss.

***Classification and Subsequent Measurement***

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

- **Financial Assets at Fair Value Through Profit or Loss**

Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

- **Loans and Receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

- **Held to Maturity Investments**

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the association's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

- **Available For Sale Investments**

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

- **Financial Liabilities**

Non-derivative financial liabilities are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

**STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES** *continued*

for the year ended 30 September 2014

***Impairment***

At the end of each reporting period, the association assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a loss event) having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified into profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the association recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

***Derecognition***

Financial assets are derecognised when the contractual right to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged or cancelled, or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

- **Impairment of Assets**

At the end of each reporting period, the association assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the assets fair value less costs to sell and value in use, to the assets carrying amount. Any excess of the assets carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where the future economic benefits of the asset are not primarily dependent upon the assets ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

- **Employee Benefits**

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy any vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

**STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES** *continued*

for the year ended 30 September 2014

- **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

- **Trade and Other Receivables**

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as noncurrent assets. Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(e) for further discussion on the determination of impairment losses.

- **Revenue and Other Income**

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers. Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate. Donations and bequests are recognised as revenue when received. All revenue is stated net of the amount of goods and services tax.

- **Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

- **Comparative Figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

- **Trade and Other Payables**

Accounts payable and other payables represent the liabilities outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

- **Provisions**

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period

- **Changes in Accounting Policy**

***Presentation of General Purpose Financial Report***

In prior financial years the association has used the reporting exemption specified in Class Order 11/01, issued by NSW Fair Trading, in order to produce special purpose financial statements. In the current and prior financial years the Association has exceeded the turnover thresholds of the exemption and must now produce General Purpose Financial Reports.

***Offsetting of Revenue and Expenses Related to Agency Scenario with FFA and FNSW***

Revenue collected from member clubs for player registrations has three components which are collected on behalf of Football NSW (FNSW) and The Football Federation of Australia (FFA). The association has chosen to offset this revenue against the related expenses paid to the FFA and FNSW under the provisions of AASB 117 dealing with revenue under Agency Agreements.

**STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES** *continued*

for the year ended 30 September 2014

	2014	2013
<b>2. CASH &amp; CASH EQUIVALENTS</b>		
Cash at Bank and on Hand	563,723	153,636
Cash-on-Deposit	696,254	552,007
<b>Total Cash and Cash Equivalents</b>	<b>1,259,977</b>	<b>705,643</b>
<b>3. RECEIVABLES CURRENT</b>		
Trade and Other Receivables	104,449	197,097
Less Provision for Doubtful Debts	(400)	(400)
Prepayments	17,147	2,712
Sundry Debtors	7,847	17,513
<b>Total Trade and Other Receivables</b>	<b>129,043</b>	<b>216,922</b>
<b>4. INVENTORIES CURRENT</b>		
Stock on Hand	150	8,192
<b>Total Inventories</b>	<b>150</b>	<b>8,192</b>
<b>5. INVESTMENTS</b>		
<b>CURRENT</b>		
Property Trust Investment	202,952	–
<b>Total Investments – Current</b>	<b>202,952</b>	<b>–</b>
<b>NON-CURRENT</b>		
Property Trust Investment	–	188,485
<b>Total Investments – Non-Current</b>	<b>–</b>	<b>188,485</b>
<b>6. PLANT, EQUIPMENT AND MOTOR VEHICLE</b>		
Ground Equipment – At Cost	95,195	89,200
Accumulated Depreciation – Ground Equipment	(55,584)	(46,275)
<b>Total Ground Equipment</b>	<b>39,612</b>	<b>42,925</b>
Office Equipment – At Cost	47,051	46,091
Accumulated Depreciation – Office Equipment	(46,154)	(45,432)
<b>Total Office Equipment</b>	<b>897</b>	<b>659</b>
Motor vehicle – At Cost	–	20,036
Accumulated Depreciation – Motor Vehicle	–	(17,317)
<b>Total Motor Vehicle</b>	<b>–</b>	<b>2,719</b>
Sports Equipment – At Cost	13,801	13,801
Accumulated Depreciation – Sports Equipment	(12,708)	(12,278)
<b>Total Sports Equipment</b>	<b>1,093</b>	<b>1,523</b>
Trophies – At Officers Valuation	25,000	25,000
Accumulated Depreciation – Trophies	(25,000)	(25,000)
<b>Total Trophies</b>	<b>–</b>	<b>–</b>
<b>Total Property, Plant and Equipment</b>	<b>41,602</b>	<b>47,826</b>

**STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES** *continued*

for the year ended 30 September 2014

	2014	2013
<b>7. TRADE AND OTHER PAYABLES</b>		
<b>CURRENT</b>		
Trade Creditors, Accruals and GST	217,614	66,852
Employee Payables	50,215	42,004
Income Received in Advance	149,605	92,734
Sundry Creditors	65,483	78,695
Ground Bonds	2,000	2,000
<b>Total Trade and Other Payables</b>	<b>484,917</b>	<b>282,286</b>
<b>8. PROVISIONS</b>		
<b>CURRENT</b>		
Club Officials Training & Equipment	24,578	22,487
Scholarship Fund	720	1,000
<b>Total Provisions – Current</b>	<b>25,298</b>	<b>23,487</b>
<b>NON-CURRENT</b>		
Employee Payables	13,607	11,740
<b>Total Provisions – Non-Current</b>	<b>13,607</b>	<b>11,740</b>
<b>9. ANALYSIS OF NORTHERN TIGERS REPRESENTATIVE FOOTBALL EXPENSES</b>		
Player, Coach, Manager and Medical	226,486	270,458
Equipment and Uniform Costs	104,998	83,896
Ground Hire	44,475	40,756
FNSW Season Fees Including Registration Fees	34,464	36,258
Media Costs	28,901	–
Referee Fees	19,698	20,503
General Expenses	8,713	50,627
Entertainment	7,885	(8,938)
Depreciation	–	448
<b>Total Expenses</b>	<b>475,619</b>	<b>494,008</b>
<b>LESS NET REVENUE:</b>		
Player Registrations	282,589	251,945
Canteen	16,709	16,268
Coaching Clinics	8,132	9,190
Fundraising	–	(11,966)
Futsal	–	(19,995)
Other Income	12,556	5,830
<b>Northern Tigers Net Cost</b>	<b>155,633</b>	<b>242,736</b>

**STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES** *continued*

for the year ended 30 September 2014

	2014	2013
<b>10. CASH FLOW INFORMATION</b>		
<b>Reconciliation of Cash Flow from Operations with Profit after Income Tax:</b>		
Net Surplus / (Deficit)	260,347	193,602
<b>Adjustments for non-cash transactions:</b>		
- Depreciation	10,461	16,800
- Profit / (Loss) on Sale of Property, Plant & Equipment	(1,151)	—
- Interest Received	(25,307)	(21,617)
- Investment (Gain) / Loss	(14,467)	(16,078)
<b>Total Non-Cash Transactions</b>	<b>(30,465)</b>	<b>(20,895)</b>
<b>Changes in assets and liabilities:</b>		
- (Increase) / Decrease in Trade Receivables	92,648	(32,858)
- (Increase) / Decrease in Prepayments	(14,436)	27,733
- (Increase) / Decrease in Other Assets	12,173	12,035
- (Increase) / Decrease in Inventories	8,042	41,749
- Increase / (Decrease) in Trade and Other Payables	182,992	(220,629)
- Increase / (Decrease) in Provisions	23,317	(106,430)
<b>Net Cash Provided by Operating Activities</b>	<b>534,619</b>	<b>(105,693)</b>

## INDEPENDENT AUDIT REPORT TO THE MEMBERS OF NORTHERN SUBURBS FOOTBALL ASSOCIATION INCORPORATED

We have audited the accompanying financial report, being a General Purpose Financial Report, of Northern Suburbs Football Association Incorporated, which comprises the Director's report, the statement of financial position as at 30 September 2014, the statement of comprehensive income for the year then ended, the cash flow statement, the statement of changes in equity, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors Declaration.

### Director's Responsibility for the Financial Report

The Directors of Northern Suburbs Football Association Incorporated is responsible for the preparation of the financial report, and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the Associations Incorporation Act 2009 and is appropriate to meet the needs of the members. The Director's responsibility also includes such internal control as the Board of Directors determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

### Auditors Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation of the financial report that gives a true and fair view, 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Independence

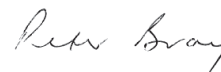
In conducting our audit, we have complied with the independence requirements of the Australian professional ethical pronouncements and declare to the best of our knowledge and belief our independence in respect of this audit assignment.

### Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of Northern Suburbs Football Association Incorporated as at 30 September 2014 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, and the Associations Incorporation Act 2009.



**Trumans** Chartered Accountants



**Peter Bray** Partner

Dated: 18 November 2014





**Northern Suburbs Football Association Incorporated**

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