



# 2015

## AGM Notice, 2014 Minutes and 2015 Financial Report

**33 CLUBS • 1,500 TEAMS • 18,000 PLAYERS**

*"From the Harbour to the Hawkesbury"*

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## Notice of Meeting

**Northern Suburbs Football Association Incorporated**  
**(Established April 1957)**  
**(Incorporated 20th April 1988)**

**FIFTY NINTH ANNUAL GENERAL MEETING**

Please take notice that the 59th Annual General meeting of the  
Northern Suburbs Football Association Incorporated will be held  
Tuesday 24 November 2015 at 7.30pm  
Killara Golf Club  
Pacific Highway, Killara

Agenda of the meeting:

1. Finalisation of voting entitlements
2. Confirmation of the Minutes of the 2014 AGM
3. Reading of the Audited Financial Statements
4. Adoption of the Audited Financial Statements
5. Presentation of the NSFA Budget
6. Declaration of vacant positions
7. Election of Board Members (5)
8. Election of Auditors
9. Election of Life Members
10. Determination of other Motions of which Notice has been given.
11. General Business

**Chris Rayner**  
*President & Public Officer*  
NSFA Inc.

## Minutes of 2014 Annual General Meeting

### HELD AT KILLARA GOLF CLUB

**Tuesday 25 November 2014**

**Meeting opened 7.45 p.m.**

President Chris Rayner welcomed everyone present as Chairman of the Annual General Meeting. Apologies received from 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, requiring 80 votes to be in attendance to establish a quorum. Between two proxies and the Clubs that attended, 85 eligible votes were confirmed at the start of the meeting, with additional Clubs arriving after the meeting had commenced.

#### 2. Minutes of 2013 AGM

Published minutes 2 December 2013

Moved and seconded as correct

Moved M Bryant (Lane Cove West)

Seconded B Waterhouse (Berowra)

*Motion Carried*

#### 3. Audited Balance Sheet

Prior to the meeting written questions were submitted by J Forsyth (UTS) querying sections of the reported costs for the administration of Northern Tigers FC as well as seeking clarification on the scope of the Association's Coaching and Development programs. 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 confirmed a strong financial result in this financial year in which a net profit of \$260,000 was realized. This was up from the budgeted net profit of \$150,000.

Growth in revenue from team registration fees was attributable to a) the Association's decision to increase team fees by an average of 5%, and b) increased player/team numbers of around 3%.

A strong year for the Coaching and Development program was noted under the direction of the Association's Technical Director.

An improved year for sponsorship, largely as a result of the involvement of the Crimson Hill development.

There was an increase in 'other income' as a result of the Association's hire arrangement for courts at the Willis in Castle Cove, although this is largely balanced by the accompanying costs.

6-a-side was the one unit which did not meet expectations, there are increasingly better options than the St Ives Showground fields, going forward facilities such as West Lindfield Bowling Club will attract people away from St Ives.

In terms of expenses, operational costs, were under control under the leadership of the CEO and bookkeeper.

Higher than budgeted ground hire costs are attributable primarily to a) Ku-ring-gai Council issuing a large 2013 invoice after our books for that year had closed (\$60,000) and the added expense of Charles Bean Oval (\$35,000).

Referee costs did not increase – there is still a gap in coverage of matches, meaning the Club Officials program will still be needed.

Events being rained out obviously resulted in lower gala day costs, however largely these costs were non-recoverable.

Further investment has been made in additional bookkeeping services, in order to provide the Board with the financial information required.

Office costs have increased due to the relocation of the office itself, as well as investment in a new website, additional IT infrastructure and Australian Institute of Company Directors courses for two Directors.

With respect to the Tigers business, increased financial oversight from the Management Committee has resulted in significant savings, with a contribution required from the Association this year of \$155,000 as opposed \$242,000 last year.

There is increased revenue from player fees and decreased expenditure on player wages.

Previous wastage around fundraising and kit management has been resolved.

While previous discussions had positioned Tigers running as a break even enterprise, having reviewed the savings made the Board has committed to funding Tigers up to \$150,000 for this financial year.

The Association is in the process of liquidating the property trust investment made some seven years ago. This trust immediately upon purchase lost \$50,000 in value and the time until now has been waiting for the investment to reach breakeven. Those funds have now moved from being a 'non-current' to a 'current asset' on the Balance Sheet.

In summary, the final year profit of the Association was significantly higher than expected and has led to a change in direction for the coming year's budget.

There was a discussion as to whether the Association was in "too good" shape – what was the plan for the accumulated savings. The Treasurer confirmed that these funds are earmarked for major facilities projects, including North Turrumurra Recreation Area and potentially assisting Willoughby Council with contaminated land issues at Chatswood High School. The Treasurer suggested that additionally support could be given to KDFRA.

**Motion; that the Audited Balance Sheet be adopted**

Moved M Bryant

Seconded T Batten (Wahroonga)

**Motion Carried**

#### **4. Annual Report Adoption**

No comments/questions asked about the report presented.

**Motion; that the Annual Report be adopted**

Moved M Trinder (Prouille)

Seconded B Waterhouse

**Motion Carried**

#### **Presentation of NSFA Budget**

A budget was provided to members prior to the meeting.

The CEO outlined a forecast budget for the current financial year of just over \$100,000.

As outlined by the Treasurer, higher than expected earnings in the last financial year meant that the Board resolved to reduce the anticipated level of fee increases from 5% to 3%. There is no allowance made for an increase in player/team numbers, although growth in numbers is likely given the state of the game generally and the Asian Cup in January.

6-a-side has not been budgeted to produce the returns of previous years. This is based on a continued decline in numbers at St Ives (noting the success of the WLBC programs) and uncertainty around the performance of new competitions at Blackman Park.

It was confirmed that NSFA would sub-let the Willis in 2015.

A further strong year for Coaching and Development is budgeted for, with year on year improvement in returns stemming from established well run programs plus new initiatives.

For expenditure, it was confirmed that approximately \$150,000 has been added to the grounds budget to allow for further synthetic pitches coming online and their higher costs. There was a discussion as to whether this should prompt the Association to forecast two years ahead – the Treasurer advised that this would be considered. There was also a discussion as to what improvements the Association was seeking to drive in grass (as opposed to synthetic pitches) – the CEO detailed some of the field upgrade projects currently in train and also requested that individual Clubs start planning strategically for what they can do for their local grounds. It was confirmed that there is typically minimal interest in the funding possibilities which are circulated from time to time by the Association.

FNSW has advised that insurance costs will be lower for the 2015 year, reflecting a lower cost for the Association and its members.

The Association will continue to invest in goals for both MiniRoos and Junior football.

It was confirmed that the contribution to Tigers would be capped at \$150,000.

#### **5. Election of Officers**

The Chairman noted that James Sneddon was not seeking re-election. He pointed out that whilst the positions of Treasurer and Directors were essentially uncontested, under the Constitution voting was nevertheless required. It was proposed by the floor that all four nominees be elected into their respective positions (Howard Mann as Treasurer and David Watson, Caroline Downing and Jonathan Forsyth as Directors).

Moved M Bryant

Seconded R Grace (Northbridge)

**Motion Carried almost unanimously**

The new Board for the 2014/15 year will comprise of:

Howard Mann *Treasurer*

Chris Rayner *Board Member*

Roy Ashpole *Board Member*

Barry Thompson *Board Member*

Caroline Downing *Board Member*

Jonathan Forsyth *Board Member*

Paul Templeman *Board Member*

David Watson *Board Member*

#### **6. Election of Auditors**

The Treasurer briefly noted some of the investigations undertaken by the Auditors this year and confirmed that he believed that the Auditors should be retained.

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

Moved M Bryant

Seconded S Cox (North Sydney United)

**Motion Carried**

#### **7. Life Members**

No nominations received

#### **8. Special Resolutions**

No Special Resolutions were put forward by the Board.

#### **9. General Business**

CEO advised of proposed initiatives in the coming year.

Clubs had advised that Level 1 accreditation for the National Club Accreditation System was a worthwhile exercise. NSFA will support whichever Clubs wish to attempt Level 2, however this would not be compulsory in 2015.

**Minutes of 2014 Annual General Meeting** *continued*

Priority would be given to improving coaching standards, including making registration of coaches on MyFootballClub compulsory.

All Clubs would be required to produce a Volunteer Retention Plan as well as a Facilities Improvement Plan in 2015.

NSFA remains committed to raising the bar with respect to the quality of services provided by Member Clubs.

Meeting closed 9.32 p.m.

**Duncan Tweed**

*Chief Executive Officer and Public Officer*

Minutes dated: 26 November 2014

#### ANNEXURES

Questions forwarded by Jon Forsyth of UTS FC, answers provided by NSFA Treasurer, Howard Mann:

**What are Northern Tigers 'Media Costs' and 'Entertainment', and is this \$36k funded by our clubs' registration fees?**

*The Northern Tigers had a net deficit budget of \$170,000 approved by the Board and disclosed at 2013 AGM (plus \$30,000 Board Contingency) based upon a Budget request submitted by Northern Tigers Management Committee. During the year the NTMC requested a variation to the Budget (\$27,415) to include spending on the capability to video record, stream and distribute home games "Media Costs" this was offset by savings elsewhere in the Budget such that the overall deficit remained below \$170,000.*

*Additionally \$1,486 was spent on the NT website. "Entertainment" includes three presentation nights (Boys, Girls & FNSW). Gross cost of these were nearly \$15,000 with the players contributing nearly \$7,000. Overall the NTMC delivered a deficit result less than budget of \$155,633.*

**What caused the large increase in equipment and uniform for the Northern Tigers in 2014? Is this expected to increase/decrease in 2015 and why?**

*In 2012 and prior the NTMC purchased all Player/Coach and Manager Uniforms and then held them in stock pending need for use. This was very problematic as stock of all sizes and types would need to be held not necessarily matching to actual need. In 2013 NTMC wrote off over \$40,000 of obsolete stock (sent to a variety of charities). In 2013 an agreement was reached with Team Rhino (after a tender process) whereby they would hold the stock and NT would call off specific items and sizes as determined.*

*However at the end of 2013 we were still holding some \$8,000 of old (but believed saleable) inventory. At 30 September 2014 the Finance Committee of NSFA decided to write this amount off. The Balance of the expense relates to 2014 only and I would anticipate that this level will diminish into 2015.*

**On Pg 12 of the financials. the Total Coaching and Development of \$320k, what is this related to and what corresponding income lines are linked to it?**

*NSFA run a variety of Coaching and Development Programs. These are described on pages 16-17 of the Annual Report. NSFA Board has decided to invest in a Technical Director (Jason Eagar) to oversee and expand these programs. As described in the Treasurer's Report revenues in this area have grown 56% year on year. Development Squads Income relates to Development Squads Expense (surplus of \$26,144) and Coaching Revenue relates to Coaching Clinic Expense (surplus of \$31,838) to reduce NSFA Investment from \$100,404 to \$42,422.*

## Treasurer's Report



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

I am happy to report that after three years in the Treasurer position that the Association is in a very good financial position. Three years of surpluses have now placed the Association in a strong position to take advantage of opportunities to further develop the various programs offered to our members and their players together with new initiatives.

Our financial management processes have been further enhanced in 2015 with the introduction of a forecasting process which reports to the Finance and Risk Committee the expected outcomes of all programs each month. Whilst this process is in its infancy it provides the Board with further oversight of the business.

In 2015 our operating surplus was \$293,136 an increase of 13% on 2014. This was achieved by expanding revenues across all of our programs whilst constraining expenditures. Player numbers in 2015 were at the highest in the Association's history showing that our programs have increasing support across the community.

Member club team revenues rose 3% on 2014 representing a 1.7% increase in team numbers predominantly in mini-roos on top of rate increases advised last year. Your Board has decided to keep overall revenue from Team Registrations constant from 2015 to 2016.

The rebalancing program from juniors / mini-roos to adults will continue until 2018. I am sure this will be welcome news to all member clubs.

Referee Costs increased 9% year to year. This represents the continued push to have qualified referees and greater coverage. In 2015 referee coverage was 90% the highest ever. NSFA will continue to work with KDFRA on programs designed to continue to improve quality and coverage of referees with the end goal being full coverage by fully qualified referees.

In 2015 Blackman Oval and Cammeray Oval were used for the first time for the Winter Competition. As you will appreciate charges for state of the art synthetic surfaces are considerably greater than the previous grass ovals. Despite this we were able to maintain the overall cost of grounds at 2014 levels.

Our Summer Football program was also a great success in 2014/5. We utilised Blackman Oval for the first time and interest was very high. As a result our revenues increased 41%.

Jason Eagar and team continue to deliver first class coaching and development. Coach Education, Football School participation and School Holiday Clinic participation numbers were all significantly up on 2014. This is the cornerstone of the Association's development program. Revenues increased 38% year on year (on a comparable basis) whilst expenditures rose 30%.

Northern Tigers had an exceptional year on and off the field. Over half of the teams finished in the top three of their division with U15 and G17 finishing in first places. Ten of the thirteen teams reached their Grand Finals series and five of those making it to the Grand Final with three being crowned premiers. On the financial side, Northern Tigers again managed their spending extremely well, being 5% lower than 2014 (on a comparable basis).

From an administration and office perspective our previous CEO Duncan Tweed did an excellent job raising funds via grants and sponsorship. In 2015 we were 16% higher than the prior year. Expenses were down slightly on the prior year due to reductions in office costs offset by higher wages and salaries as we brought on Paul Orgad to manage the Club Development and Facilities Portfolio.

Your Board has also agreed to invest in a Female Development Officer, Rani Cavarretta to continue the good work on development of Female programs. In 2015 we added 101 girls in the inaugural year of G07 mini-roos and 75 girls to the G08. In the girls competition age group we added 31 additional players. I believe this will be a very positive initiative of the Association.

Approximately 100 additional mixed mini-roos players joined the Association in 2015 together with 36 additional players in the junior competition.

The above player increases are in part due to the Association's policy of "user pays" on team registration fees.

## Treasurer's Report *continued*

The Balance Sheet of your Association continues to strengthen. Members' equity stands at \$1.4m and Cash balance at end of the year stands at \$1.8m. These funds are earmarked predominantly for facility development projects. Your Association welcomes suggestions as to appropriate projects for investment.

Finally I would like to thank a number of people for their continued support of the Association and myself as Treasurer:

1. All the volunteers who work tirelessly on the various Association and Club programs, committees, management committees and the like
2. My fellow Directors who give so much to help the Association provide the many beneficial programs
3. All of the NSFA Office staff for their continued dedication and hard work and happy disposition

Thank you.



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



**Directors' Report** for the year ended 30 September 2015

Your Board of Directors submits the Financial Report of the Northern Suburbs Football Association Incorporated for the financial year ended 30 September 2015.

**Directors**

The Directors who served on the Board of Directors were:

Chris Rayner *President*

Roy Ashpole *Vice President*

Howard Mann *Treasurer*

Caroline Downing *Director – resigned 9 October 2015*

Jonathan Forsyth *Director*

Paul Templeman *Director*

Barry Thompson *Director*

David Watson *Director*

All Directors were in office since the 2014 Annual General Meeting until the date of this report unless otherwise stated.

**Secretary and Public Officer**

Duncan Tweed *Secretary and Public Officer*  
– resigned 9 October 2015

The Secretary and Public Officer was in office since the 2014 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 and non-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 \$293,136. This compares to a surplus of \$260,347 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 costs associated with expanding summer football and coaching activities.

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



Chris Rayner *President*



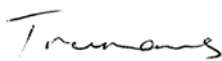
Howard Mann *Treasurer*

Dated: 17 November 2015

## Auditor's Independence Declaration

I declare that, to the best of my knowledge and belief, during the year ended 30 September 2015 there has been:

- (i) No contraventions of the auditor's independence requirement 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*

Signed at Sydney 12 November 2015

## Directors' Declaration for the year ended 30 September 2015

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:

1. Presents a true and fair view of the financial position of Northern Suburbs Football Association Incorporated as at 30 September 2015 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
2. 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 2015

**Statement of Comprehensive Income** for the year ended 30 September 2015

	NOTE	2015	2014
<b>INCOME</b>			
Team Registrations		1,664,126	1,623,886
Northern Tigers	9	426,236	375,709
Night Training Fees		167,167	174,784
Development Squads		69,808	141,521
Coaching Revenue		242,229	136,768
Summer Football		167,341	118,981
Sponsorship		31,404	35,937
Other Income		56,826	55,556
<b>Total Income</b>		<b>2,825,136</b>	<b>2,287,433</b>
<b>EXPENSES</b>			
Coaching and Development			
Development Squads		54,971	115,377
Coaching Clinics		167,454	104,930
Coaches Remuneration		146,991	100,404
<b>Total Coaching and Development</b>		<b>369,416</b>	<b>320,711</b>
Northern Tigers	9	555,606	531,343
Competition Expenses			
Grounds		569,974	568,634
Referees		241,364	220,486
Summer Football		117,335	77,547
Administration		61,002	69,938
Court Hire		13,427	31,545
Mini-Roos		25,978	29,755
Gala Day		11,596	10,642
<b>Total Competition Expenses</b>		<b>1,040,677</b>	<b>1,008,546</b>
Personnel Costs			
Wages and Salaries		367,244	356,951
Bookkeeping and Administration		49,213	32,860
Other		9,034	9,775
<b>Total Personnel Costs</b>		<b>425,491</b>	<b>399,586</b>
Office Expenses			
Office Costs		77,889	105,024
Rent		59,421	52,345
Auditors Remuneration		10,100	9,350
Depreciation		8,656	10,665
<b>Total Office Expenses</b>		<b>156,066</b>	<b>177,383</b>
<b>Total Expenses</b>		<b>2,547,257</b>	<b>2,437,569</b>

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

**Statement of Comprehensive Income** for the year ended 30 September 2015 *continued*

	NOTE	2014	2013
<b>Operating Surplus</b>		<b>277,880</b>	<b>225,573</b>
Other Income			
Interest Income		40,264	26,520
Investment Gain		2,466	14,467
<b>Total Other Income</b>		<b>42,730</b>	<b>40,987</b>
Other Expenses			
Interest Expense		—	140
Provision for Ground Assistance		—	4,923
Loss on Sale of Asset		27,474	1,151
<b>Total Other Expenses</b>		<b>27,474</b>	<b>6,213</b>
<b>Net Surplus</b>		<b>293,136</b>	<b>260,347</b>
Other Comprehensive Income		—	—
<b>Total Comprehensive Income for the year</b>		<b>293,136</b>	<b>260,347</b>

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



**Statement of Financial Position** as at 30 September 2015

	NOTE	2015	2014
<b>CURRENT ASSETS</b>			
Cash	2	1,850,646	1,259,977
Trade and Other Receivables	3	167,654	129,043
Inventories	4	150	150
Investments	5	—	202,952
<b>Total Current Assets</b>		<b>2,018,450</b>	<b>1,592,122</b>
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	6	5,472	41,602
<b>Total Non-Current Assets</b>		<b>5,472</b>	<b>41,602</b>
<b>Total Assets</b>		<b>2,023,922</b>	<b>1,633,724</b>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	7	584,293	484,917
Provisions	8	20,502	25,298
<b>Total Current Liabilities</b>		<b>604,795</b>	<b>510,215</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	8	16,089	13,607
<b>Total Non-Current Liabilities</b>		<b>16,089</b>	<b>13,607</b>
<b>Total Liabilities</b>		<b>620,884</b>	<b>523,822</b>
<b>Net Assets</b>		<b>1,403,038</b>	<b>1,109,902</b>
<b>MEMBERS' FUNDS</b>			
Accumulated Surplus		1,403,038	1,109,902
<b>Total Members' Funds</b>		<b>1,403,038</b>	<b>1,109,902</b>

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

**Statement of Changes in Equity** as at 30 September 2015

	ACCUMULATED SURPLUS	TOTAL
Balance at 1 October 2013	849,555	849,555
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>
Balance at 1 October 2014	1,109,902	1,109,902
Surplus for the Year	293,136	293,136
Other Comprehensive Income	—	—
<b>Balance as at 30 September 2015</b>	<b>1,403,038</b>	<b>1,403,038</b>

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

**Statement of Cash Flow** for the year ended 30 September 2015

	NOTE	2015	2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers		3,599,245	3,495,815
Payments to Suppliers and Employees		(3,248,627)	(2,967,116)
Proceeds from Bonds		(5,796)	6,060
Interest Paid		—	(140)
<b>Net Cash Flows from Operating Activities</b>	<b>10</b>	<b>344,822</b>	<b>534,619</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest Received		40,428	25,307
Net Proceeds from Investments		205,418	—
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>245,846</b>	<b>19,716</b>
Net increase in Cash Held		590,668	554,335
Cash at the beginning of the financial year		1,259,978	705,643
<b>Cash at the end of the financial year</b>	<b>2</b>	<b>1,850,646</b>	<b>1,259,978</b>

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

**Segment Report** for the year ended 30 September 2015

SEGMENT:	2015			2014		
	INCOME	EXPENSE	NET CONTRIBUTION	INCOME	EXPENSE	NET CONTRIBUTION
Winter Competition	1,868,323	909,916	958,408	1,819,686	899,454	920,232
Summer Football	167,341	135,528	31,813	118,981	77,547	41,434
Northern Tigers	426,236	555,606	(129,370)	375,709	531,343	(155,633)
Coaching & Development	312,036	369,416	(57,380)	278,289	320,711	(42,422)
Administration & Office	44,109	554,707	(510,598)	37,985	566,305	(528,320)
Other	7,091	22,084	(14,993)	32,492	42,210	(9,718)
<b>Operating Surplus</b>	<b>2,825,136</b>	<b>2,547,257</b>	<b>277,880</b>	<b>2,663,142</b>	<b>2,437,569</b>	<b>225,573</b>
Other Income			42,730			40,987
Other Expense			(27,474)			(6,213)
<b>Comprehensive Income</b>			<b>293,136</b>			<b>260,347</b>

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



**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 (NSW). 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 2015 by the Board of Directors.

**Accounting Policies****(a) 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.

**(b) 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.

**(c) 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% – 40%
Office Equipment	10% – 40%
Motor Vehicles	10% – 40%
Sports Equipment	10% – 40%
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.

**(d) 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).

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.

#### 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.

*Impairment continued*

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.

*(e) 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.

*(f) 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.

*(g) 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.

*(h) 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.

*(i) 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.

## (j) 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.

## (k) Comparative Figures

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

## (l) 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.

## (m) 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

## (n) Changes in Accounting Policy

## (i) 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.

	2015	2014
<b>2. CASH &amp; CASH EQUIVALENTS</b>		
Cash at Bank and on Hand	940,162	563,723
Cash-on-Deposit	910,484	696,254
<b>Total Cash and Cash Equivalents</b>	<b>1,850,646</b>	<b>1,259,977</b>
<b>3. RECEIVABLES CURRENT</b>		
Trade and Other Receivables	149,994	104,449
Less Provision for Doubtful Debts	(400)	(400)
Prepayments	12,425	17,147
Sundry Debtors	5,635	7,847
<b>Total Trade and Other Receivables</b>	<b>167,654</b>	<b>129,043</b>
<b>4. INVENTORIES CURRENT</b>		
Stock on Hand	150	150
<b>Total Inventories</b>	<b>150</b>	<b>150</b>



**Statement of Significant Accounting Policies** for the year ended 30 September 2015 *continued*

	2015	2014
<b>5. INVESTMENTS – CURRENT</b>		
Property Trust Investment	–	202,952
<b>Total Investments</b>	<b>–</b>	<b>202,952</b>
<b>6. PLANT, EQUIPMENT AND MOTOR VEHICLE</b>		
Ground Equipment – At Cost	7,395	95,195
Accumulated Depreciation – Ground Equipment	(2,857)	(55,584)
<b>Total Ground Equipment</b>	<b>4,539</b>	<b>39,612</b>
Office Equipment – At Cost	38,159	47,051
Accumulated Depreciation – Office Equipment	(37,612)	(46,154)
<b>Total Office Equipment</b>	<b>546</b>	<b>897</b>
Sports Equipment – At Cost	5,149	13,801
Accumulated Depreciation – Sports Equipment	(4,762)	(12,708)
<b>Total Sports Equipment</b>	<b>387</b>	<b>1,093</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>5,472</b>	<b>41,602</b>
<b>7. TRADE AND OTHER PAYABLES – CURRENT</b>		
Trade Creditors, Accruals and GST	185,573	217,614
Employee Payables	59,997	50,215
Income Received in Advance	245,255	149,605
Sundry Creditors	91,468	65,483
Ground Bonds	2,000	2,000
<b>Total Trade and Other Payables</b>	<b>584,293</b>	<b>484,917</b>
<b>8. PROVISIONS</b>		
<b>CURRENT</b>		
Club Officials Training & Equipment	18,782	24,578
Scholarship Fund	1,720	720
<b>Total Provisions – Current</b>	<b>20,502</b>	<b>25,298</b>
<b>NON-CURRENT</b>		
Employee Payables	16,089	13,607
<b>Total Provisions – Non-Current</b>	<b>16,089</b>	<b>13,607</b>

**Statement of Significant Accounting Policies** for the year ended 30 September 2015 *continued*

	2015	2014
<b>9. ANALYSIS OF NORTHERN TIGERS REPRESENTATIVE FOOTBALL EXPENSES</b>		
Player, Coach, Manager and Medical	230,811	226,486
Equipment and Uniform Costs	62,278	104,998
Ground Hire	61,121	46,672
Skills Acquisition Program	51,869	—
Canteen	36,644	35,447
FNSW Season Fees Including Registration Fees	37,147	34,464
Media Costs	28,014	28,901
Referee Fees	19,738	19,698
Entertainment	16,454	14,685
General Expenses	6,960	17,161
Coaching Clinics	4,572	2,832
<b>Total Expenses</b>	<b>555,606</b>	<b>531,343</b>
<b>LESS REVENUE:</b>		
Player Registrations	293,148	282,589
Skills Acquisition Program	51,869	—
Canteen	53,758	52,156
Coaching Clinics	11,391	10,964
Entertainment	7,303	6,800
Grounds	3,728	2,197
Other Income	5,039	21,003
<b>Total Income</b>	<b>426,236</b>	<b>375,709</b>
<b>10. CASH FLOW INFORMATION</b>		
Reconciliation of Cash Flow from Operations with Total Comprehensive Income:		
Net Surplus	293,136	260,347
Adjustments for non-cash transactions:		
Depreciation	8,656	10,461
(Profit) / Loss on Sale of Property, Plant & Equipment	27,474	(1,151)
<b>Total Non-Cash Transactions</b>	<b>36,130</b>	<b>9,309</b>
Adjustments for investing activities:		
Interest Received	(40,428)	(25,307)
Investment (Gain) / Loss	(2,466)	(14,467)
<b>Total Investing Activities</b>	<b>(42,894)</b>	<b>(39,774)</b>
Changes in assets and liabilities:		
(Increase) / Decrease in Trade Receivables	(38,611)	92,648
(Increase) / Decrease in Prepayments	—	(14,436)
(Increase) / Decrease in Inventories	—	8,042
(Increase) / Decrease in Other Assets	—	12,173
Increase / (Decrease) in Trade and Other Payables	99,376	182,992
Increase / (Decrease) in Provisions	(2,314)	23,317
<b>Net Cash Provided by Operating Activities</b>	<b>344,822</b>	<b>534,619</b>

## Independent Audit Report to the Members of Northern Suburbs Football Association Inc

We have audited the accompanying financial report, being a General Purpose Financial Report, of Northern Suburbs Football Association Incorporated, which comprises the Directors' Report, the Statement of Financial Position as at 30 September 2015, the Statement of Comprehensive Income for the year then ended, the Cash Flow Statement, the Statement of Changes in Equity, Segment Report, 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 are responsible for the preparation of the Financial Report, and have determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the Associations Incorporation Act 2009 (NSW) and is appropriate to meet the needs of the members. The Directors 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 judgement, 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 estimates made by the Board of Directors, as well as evaluating the overall presentation of the Financial Report.

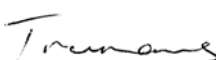
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### 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 the audit assignment.

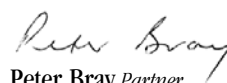
### Opinion

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 2015 and its financial performance for the year then ended in accordance with accounting policies described in Note 1 to the financial statements, and the Associations Incorporation Act 2009 (NSW).



**TRUMANS**

*Chartered Accountants*



**Peter Bray Partner**

Dated: 18 November 2015



**Northern Suburbs Football Association Incorporated**

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