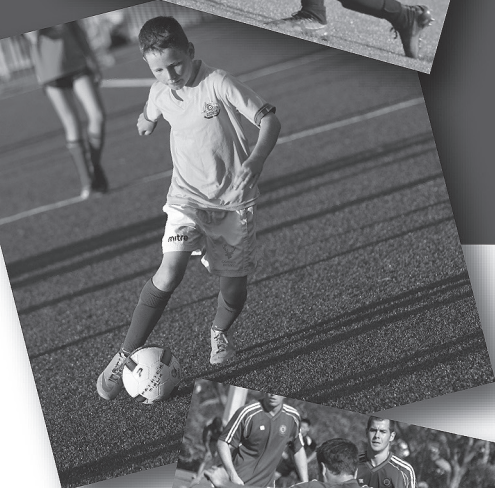


2016

NORTHERN SUBURBS FOOTBALL ASSOCIATION INC

AGM Notice & Minutes 2016 Financial Report



NORTHERN SUBURBS FOOTBALL ASSOCIATION INCORPORATED
32 CLUBS | 1,400 TEAMS | 18,000 PLAYERS

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Notice of Meeting

Northern Suburbs Football Association Incorporated

(Established April 1957)

(Incorporated 20th April 1988)

SIXTIETH ANNUAL GENERAL MEETING

Please take notice that the 60th Annual General meeting of the Northern Suburbs Football Association Incorporated (Formerly Ku-ring-gai & District Soccer Association Incorporated) will be held; Wednesday 30 November, 2016 at 7.30pm Killara Golf Club, Pacific Highway, Killara

Agenda of the meeting:

1. Finalization of voting entitlements
2. Reading and confirmation of the Minutes of the 2016 AGM
3. Reading of the Audited Balance Sheet
4. Adoption of the Audited Balance Sheet
5. Reading of the Annual Report
6. Adoption of the Annual Report
7. Presentation of the NSFA Budget
8. Declaration of all positions vacant
9. Election of Board Members (3)
10. Election of Treasurer (1)
11. Election of Auditors
12. Election of Life Members
13. Determination of other Motions of which Notice has been given
14. General Business

Lee Sullivan

Public Officer

For and on behalf of the
NSFA Board of Directors NSFA Inc.

Minutes of 2015 Annual General Meeting

HELD AT KILLARA GOLF CLUB

Tuesday 24 November 2015

Meeting opened 7:30pm

President Chris Rayner welcomed everyone present as Chairman of the Annual General Meeting. Apologies received from Mark Rushton (Life Member), Paul Stickland and Corpus Christi Football Club.

1. Finalisation of voting entitlements

It was confirmed that quorum had been achieved. Our 33 Clubs have 129 votes in total, requiring 78 votes to be in attendance to establish a quorum. Between three proxies and the Clubs attending 121 eligible votes were confirmed at the start of the meeting.

2. Minutes of 2014 AGM

Published minutes 26 November 2014

Moved and seconded as correct

Moved: Bruce Waterhouse (Berowra)

Seconded: Mike King (Chatswood Rangers)

Motion Carried

3. Audited Balance Sheet

The Treasurer gave a detailed report in relation to why the Association is Financially in a very good position with an operating surplus of \$293,146.

- Increased income from Coaching and Summer Football.
- NSFA Japan Tour .
- Tigers – Historically a net expense – more accurate in transparency now with income and expenditure.
- Summer Football Costs up significantly due to lights, synthetic fields.
- Administration costs in the Winter Season were down.
- Grounds are now more expensive due to the higher costs of hiring synthetic fields, Northbridge, Cammeray and Blackman Oval.

- Referee costs higher this year due to 90% of games being covered.
- Employment of extra Staff – Women's Development Officer and Club Development.
- MiniRoos development down.
- Relocation costs to Pymble.
- Portable Flood lights have been written off. Clubs wishing to use these lights can contact NSFA.
- Assets are very few.
- There are policies in place to stop losses happening in investments. Only cash based investments are taking place now.
- Bigger debts are nonexistent.
- Provision for Annual Leave and Long Service Leave for Staff.
- The difference in the Development Squads expense is because Northern Tigers have taken over the Development squads and NSFA had one Development team.

Question from the floor:

What is the income received in advance?

Answer: Northern Tigers payments on acceptance, and Summer Football Team payments.

Movement of Surpluses

Write off of Asset – Portable lights.

Segment Report

- Winter Competition the major contributor to income in the Association followed by Summer Football.
- Coaching and Development income is offset by Technical Directors wages.
- Administration income comes from Grants, funding and Sponsorships
- Administration expenditure includes rental of office and associated general administration expenses.

- 2016 Transitional plan – started 3 years ago on a user pays system. Adult players are now paying more for the use of the grounds. The fees will not be us more than 10%.

Question from the floor:

What is happening with the 2m profits? We want to spend on synthetic fields and we would like to find ways of using the profits.

Answer: Howard Mann.

We have a facilities plan in place and it is hoped \$200k surplus every year will be made to assist this plan. Some councils are more receptive to assist than others.

Gore Hill is historically an AFL field however, we are hoping the ground will be looking at Multi sport when it becomes available.

We are hoping the new CEO will look at how we can invest surplus. There is no real policy to date in place to spend this money.

The board's best intent is to speak with the Clubs to give their suggestions on how the money can be best used.

Discussion on Synthetic Fields ensued.

We have 2 grounds at the moment which will need us to look at in the future:

- Gore Hill
- NTRA

The floor felt we needed to look at Grassroots Football and how it can be developed.

Motion: that the Audited Balance Sheet be adopted

Moved: Michael Trinder (Prouille)
Seconded : Glen War (Lindfield)

Motion Carried

Minutes of 2015 Annual General Meeting *continued*

4. Presentation of NSFA Budget

Presented by Howard Mann

(Treasurer NSFA)

The budget is produced with assumption that Gore Hill and 3 new grounds at NRTA will become available during the next year.

- Winter Football – an increase in the Ground hire costs for 2016.
- Summer Football Budget is almost a repeat of last year with profits expected around \$35,000.
- Coaching Development – NSFA to assist Clubs with the costs of Champion of Champions, accommodation etc.
- Northern Tigers budget will remain at \$150k. Spending has been curtailed. Congratulations to Paul Stickland – NT League Manager.
- Office – 2 new full time staff.
- No increase in fees for 2016.

2016 transitional plan has proven to be good with adults paying on a user pay basis. Good grassroots numbers. And there has been no loss of players or teams..

5. Election of Officers

Damian Miles was asked as Life Member to officiate the Election of Officers.

5 Board members elected for 2015 include:

Brett Backhouse

Mick Da Silva

Dr Ian Plant

Paul Stickland

Lee Sullivan

These members will join:

David Watson

Jon Forsythe

Howard Mann (Treasurer)

Full Board comprises 8 Board members.

Damian Miles made a special thankyou to the outgoing board members for their contribution to NSFA:

Chris Rayner

Roy Ashpole

Caroline Downing

Paul Templeman and

Barry Thompson.

Motion: That the voting papers be destroyed.

Moved: Bob Tomasic

Seconded: Michael King.

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.

Questions from the floor:

1. *Have we considered putting out to Tender?*

A: Trumans have been very cost effective and thorough over the years and because of this they have been retained.

After discussion and a recommendation from the floor the Treasurer, made the following.

Motion: The treasurer is to obtain quotes for Auditors services in 2016.

Motion Carried

7. Life Members

No nominations received

8. Special Resolutions

No Special Resolutions were put forward by the Board.

9. General Business

No General Business.

Meeting closed 9:10pm

Chris Rayner

Public Officer

Minutes dated: 25 November 2015

Treasurer's Report



As your Treasurer, I present to you the Financial Statements for the Northern Suburbs Football Association for the period ended 30 September

2016. I am pleased to announce they have been fully audited and an unqualified opinion has been given. The Directors have resolved to sign the accounts as a true and fair record of financial proceedings for the year just completed.

I am delighted to report that the Association remains in excellent financial position. Four years of solid surpluses have rebuilt our cash reserves to a point where we are in a position to invest actively in our future strategy. The Board, supported by monthly meetings of the Finance and Risk Committee have ensured strong cash control, targeted investment and a rigorous approach to risk management.

2016 Season in Numbers

The 30 September 2016 financial position contains the following highlights:

1. Surplus of \$297,467 (FY15: \$293,136)
2. 21% increase in Members Equity (FY16: \$1,700,505)
3. \$295,705 increase in cash balances held
4. In season 2016 we had 16,561 players (up from 16298 in 2015) in 1280 winter competition teams. (Up from 1263 in 2015) This relatively neutral level of growth translated to minimal movement in overall team revenue to NSFA of \$1,648,797 (FY15: \$1,664,126)

5. Representative Football programs included Northern Tigers, 2 x SAP licences and Regional Youth Licence. The Northern Tigers have returned a lower than budgeted deficit of (\$101,852)
6. Summer Football continues to grow in popularity, returning a \$47,463 surplus (FY15: \$31,813)
7. Referee fees were not increased by FNSW in FY16 and remained relatively flat at \$243,850, although coverage increased marginally to 92%.
8. Ground hire charges have increased by 17% to \$667,775 in FY16 (FY15: \$569,974), due to increasing use of the more expensive artificial surfaces and greater than inflation increases in council ground hire charges, particularly in the Ku-Ring-Gai and Hornsby Council Areas.
9. Coaching revenue has increased by 37% to \$388,877 (FY15: 242,229), due to increasing popularity and reliability (due to increased utilisation of artificial surfaces) of holiday clinics and NSFA supplementation of club coaching requirements

During the 2016 season the Board has committed and / or pledged member's funds to several projects. All project commitments have been subject to appropriate governance processes, including appropriate business cases demonstrating alignment to our purpose of promoting and investing in Football in the Northern Suburbs of Sydney. Governance has also included full discussion by the Finance and Risk Committee, Board discussion and risk management analysis. In particular:

- Pledging of \$125,000 to the Artificial Surface installation at Norman Griffiths, subject to pre – requisites being satisfied
- Committing to in excess of \$100,000 of enhancements to NTRA (i.e. fencing, screens, seating) to ensure full FNSW compliance when fully operational
- Upfront funding of defibrillators for all clubs (i.e. all senior team's / home grounds)
- Upgrade of fencing at Warrimoo Oval
- Upgrade of netting and increase in fence height at Charles Bean
- Electronic Match Card system
- Technology refresh for NSFA office
- Resurfacing of Bob Campbell Oval
- Resurfacing of the Goal Areas at KHS Summer 6 Aside

The Summer 6 Aside competition continues to grow in popularity. Several member clubs are hosting competitions of their own and working together to ensure the best possible competition is concentrated at individual playing centres. NSFA is hosting 240 teams over 3 centres for the current summer competition (Oct to Dec 2016). Demand is continually increasing and the scale of NSFA's competitions is now generating running cost efficiencies and consequent surpluses. The Board has resolved to distribute all surpluses from its Summer 6 Aside hosted competitions back to member clubs from this season onwards, based upon teams entered. Projected surplus to be distributed back to clubs on the current 10-week block is approximately \$60,000.

Treasurer's Report *continued*

2017 Winter Season Team Fees

There will be two significant points to be made on Team Fee collections for the 2017 Season, being:

1. The reweighting of fees to reflect the true allocation of costs over the past three years has been re-examined and will be reversed slightly. NSFA has increasingly accurate data on the real costs of running the Winter Competition (primarily due to programs implemented by my predecessor). In particular:
 - **Referee costs** – since the implementation of the Electronic Match Card, NSFA has exact data of referee coverage across every game, in every age group;
 - **Representative Football** – costs have been distributed equally across the associations teams as in previous years however in 2017 will be weighted away from the Under 6 and Under 7 age groups to encourage a lower cost of football for these entry level age groups;
 - **Grounds** – Ground allocations in the cost models were realistically overweighted towards age groups playing 11 Aside; and
 - **NSFA Administration costs** – direct allocation of competition department costs to age groups is more accurate than general allocation across all operations.

The net effect of the above adjustments to the team fee allocation model has determined that previous 'rebalancing' program had achieved its desired effects over the past 3 years.

2. Gross team fees collected (FY16: \$1,648,797) will need to increase by 9% to \$1,800,000. The increase is being driven by:
 - **Ground costs** - Almost doubling in hire charges for Ku-Ring-Gai and Hornsby council grounds and increasing reliance on artificial surfaces;
 - **Referees** – FNSW has gazetted an increase in fees payable to referees for the 2017 season. Combined with our continuing program of increasing coverage across all matches, a 10% increase in budget has been allowed;
 - **Representative Football** – An increase in the budgeted deficit attributed to the Northern Tigers has been allowed (i.e. \$191,000 vs \$150,000 in 2016);
 - **Summer Football** – NSFA will no longer benefit from surpluses generated by this program as this money will be returned to clubs in the form of a rebate.

In Conclusion

Being my first year as your Treasurer, 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, NSFA committees and Club committees;
2. Alan Clarke, who has 'kept' the books all season. He has proven to be reliable, professional and always available to myself;
3. Finance and Risk Committee (David Watson, Ian Plant, Hilary Bingham and Jon Forsyth);
4. My fellow Directors who have been there for advice, counsel and direction with respect to my recommendations for member monies;
5. All NSFA Office Staff for their continued dedication, hard work and happy disposition, particularly with respect to my almost daily requests during the season; and
6. Howard Mann for his financial stewardship in prior years, allowing me an easy transition to the Treasurer role.

Thank you



Lee Sullivan BComm, MBA(Exec), ACA, PMIIA
Treasurer

Directors' Report for the year ended 30 september 2016

Your Board of Directors submit the financial report of Northern Suburbs Football Association Incorporated for the financial year ended 30 September 2016.

Committee Members

The names of Directors throughout the year and at the date of this report are:

David Watson – *President*

Ian Plant – *Vice President*

Appointed 25/11/2015

Lee Sullivan – *Treasurer*

Appointed 25/11/2015

Jonathan Forsyth *Director*

Mick Da Silva – *Director*

Appointed 25/11/2015

Brett Backhouse – *Director*

Appointed 25/11/2015

Paul Stickland – *Director*

Appointed 25/11/2015

Hilary Bingham – *Director*

Appointed 25/11/2015

Chris Rayner – Resigned 25/11/2015

Roy Ashpole – Resigned 25/11/2015

Barry Thompson – Resigned 25/11/2015

Paul Templeman – Resigned 25/11/2015

Howard Mann – Resigned 24/12/2015

There have been no changes to the directors during the last financial year unless otherwise stated above.

Secretary and Public Officer

Duncan Tweed was the Secretary and Public Officer from 1 October until his

resignation as CEO on 9 October 2016.

Marcia Allman held the position of Secretary from 9 October 2015 to date of this report.

Lee Sullivan held the position of Public Officer from 18 July 2016 to the date of this report.

Principal Activities

The principal activities of Northern Suburbs Football Association Incorporated 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

No significant change in the nature of these activities occurred during the year.

Operating Result

The surplus for the 2016 financial year amounted to \$297,468 (2015: surplus of \$293,136).

Signed in accordance with a resolution of the members of the committee.



David Watson
President



Lee Sullivan
Treasurer

Dated: 22 November 2016

Auditors Independence Declaration for the year ended 30 September 2016

I declare that to the best of my knowledge and belief, during the year ended 30 September 2016 there have been no contraventions of:

- (i) the auditor independence requirements for the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.



Trumans

Chartered Accountants



Peter Bray

Partner

Dated: 18 November 2016

Directors' Declaration for the year ended 30 september 2016

In accordance with a resolution of the Board of Directors of Northern Suburbs Football Association Incorporated, the Directors declare that:

- The financial statements, as set out in the preceding pages, present a true and fair view of the financial position of Northern Suburbs Football Association Incorporated as at 30 September 2016 and its performance for the year ended on that date in accordance with the Australian Accounting Standards – Reduced Disclosure Requirements, mandatory professional requirements, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the *Associations Incorporation Act (NSW) 2009*; and

- At the date of this statement, there are reasonable grounds to believe that Northern Suburbs Football Association Incorporated will be able to pay its debts as and when they fall due.



David Watson

President



Lee Sullivan

Treasurer

Dated: 22 November 2016

Statement of Comprehensive Income for the year ended 30 September 2016

	NOTE	2016	2015
		\$	\$
Income			
Sales Revenue	2a	1,648,797	1,664,126
Other Operating Revenue	2b	1,069,167	734,775
Northern Tigers Revenue	10b	510,126	426,236
Total Income		3,228,090	2,825,137
Expenses			
Coaching and Development Expenses	3a	615,491	369,416
Competition Expenses	3b	1,129,892	1,040,676
Other Expenses	3c	173,065	156,066
Personnel Expenses	3d	432,262	425,491
Northern Tigers Expenses	10a	611,978	555,608
Total Expenses		2,962,688	2,547,257
Net Operating Surplus/(Deficit)		265,402	277,880
Other Non-Operating Revenue	2c	36,227	42,730
Other Non-Operating Expenses	3e	(4,162)	(27,474)
Net Surplus/(Deficit)		297,467	293,136
Other Comprehensive Income		—	—
Total Comprehensive Income		297,467	293,136

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

Statement of Financial Position as at 30 September 2016

	NOTES	2016	2015
		\$	\$
Current Assets			
Cash	4	2,146,351	1,850,646
Trade and Other Receivables	5	171,636	167,654
Inventories	6	150	150
Total Current Assets		2,318,137	2,018,450
Non-Current Assets			
Property, Plant and Equipment	7	36,252	5,472
Total Non-Current Assets		36,252	5,472
Total Assets		2,354,389	2,023,922
Current Liabilities			
Trade and Other Payables	8	597,415	584,293
Provisions	9	38,989	20,502
Total Current Liabilities		636,404	604,795
Non-Current Liabilities			
Provisions	9	17,480	16,089
Total Non-Current Liabilities		17,480	16,088
Total Liabilities		653,884	620,884
Net Assets		1,700,505	1,403,038
Equity			
Retained Earnings/(Loss)		1,700,505	1,403,038
Total Equity		1,700,505	1,403,038

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

Statement of Changes in Equity for the year ended 30 September 2016

	RETAINED EARNINGS	TOTAL
	\$	\$
Balance at 1 October 2014	1,109,902	1,109,902
Profit for the year	293,136	293,136
Other Comprehensive Income	–	–
Balance at 30 September 2015	1,403,038	1,403,038
Balance at 1 October 2015	1,403,038	1,403,038
Profit for the year	297,467	297,467
Other Comprehensive Income	–	–
Balance at 30 September 2016	1,700,505	1,700,505

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

Statement of Cash Flows for the year ended 30 September 2016

	NOTE	2016	2015
		\$	\$
Cash Flows from Operating Activities			
Receipts from Members and Customers		3,751,743	,542,693
Receipts of Other Income		108,353	50,756
Payments to Suppliers and Employees		(3,564,474)	(3,248,627)
Net Cash Provided by/(used) in Operating Activities	11	295,622	344,822
Cash Flows from Investing Activities			
Receipts of Interest		34,727	40,428
Receipts from Sale of Investments		–	205,418
Payment for Property, Plant and Equipment		(34,644)	–
Net Cash provided by/(used in) Investing Activities		83	245,846
Cash Flows from Financing Activities			
Net Cash provided by/(used in) Investing Activities		–	–
Net Increase in Cash Held		295,705	590,668
Cash at the beginning of the Financial Year		1,850,646	1,259,978
Cash at the end of the Financial Year		2,146,351	1,850,646

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

Segment Report for the year ended 30 September 2016

SEGMENTS	2016			2015		
	INCOME	EXPENSE	CONTRIBUTION	INCOME	EXPENSE	CONTRIBUTION
Winter Football	1,933,218	1,020,387	912,831	1,868,323	909,916	958,407
Summer Football	174,488	127,025	47,463	167,341	135,528	31,813
Northern Tigers	510,126	611,978	(101,852)	426,236	555,608	(129,372)
Coaching and Development	570,372	615,491	(45,119)	312,037	369,416	(57,379)
Administration and Office	39,886	584,106	(544,220)	44,109	554,707	510,598
Other	–	3,701	(3,701)	7,091	22,082	(14,991)
Net Operating Surplus/(Deficit)	3,228,090	2,962,688	265,402	2,825,137	2,547,257	277,880
Other Income	36,227	–	36,227	42,730	–	42,730
Other Expenses	–	4,162	(4,162)	–	27,474	(27,474)
Net Surplus/(Deficit)	3,264,317	2,966,850	297,467	2,867,867	2,574,731	293,136

Statement of Significant Accounting Policies for the year ended 30 September 2016 *continued*

1. Statement of Significant Accounting Policies

The financial report was authorised for issue on 21 November 2016 by the Board of Directors.

Basis of Preparation

Northern Suburbs Football Association Incorporated applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements and other applicable Australian Accounting Standards – Reduced Disclosure Requirements.

The financial statements are general purpose financial statements 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.

Accounting Policies

a. Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

If conditions are attached to the grant that must be satisfied before the association is eligible to receive the contribution, recognition of the grant as revenue will be deferred until those conditions are satisfied.

All revenue is stated net of the amount of goods and services tax.

b. Income Tax

In accordance with Section 50-5 of the Income Tax Assessment Act 1997, the income of Northern Suburbs Football Association Incorporated is exempt from income tax.

c. Leases

Leases of Property Plant and Equipment, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the association, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for that period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

d. Cash and Cash Equivalents

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

Statement of Significant Accounting Policies for the year ended 30 September 2016 *continued*

e. Trade and Other Receivables

Accounts receivable and other receivables include amounts due from members as well as amounts receivable from donors. 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 non-current 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.

f. Inventories

Inventories held for sale are measured at the lesser of cost or net realisable value.

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

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

g. Property, 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 the estimated recoverable amount, the carrying amount is written down immediately to the 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 depreciable amount of all fixed assets, including buildings and capitalised lease assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

CLASS OF ASSET	DEPRECIATION RATE
Ground Equipment	10% - 40%
Office Equipment	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 net 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 surplus relating to that asset are transferred to retained surplus.

h. Trade and Other Payables

Accounts payable and other payables represent the liability 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.

i. 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 are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

j. Employee Provisions

Short Term Employee Benefits

Provision is made for the association's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries, annual leave and long service leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled, except for long service which is measured at present value of the expected future payments to be made to employees.

The association's obligations for short-term employee benefits such as wages, salaries, annual leave and long service leave are recognised as part of current trade and other payables in the statement of financial position.

Long Term Employee Benefits

Provision is made for employees' annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service.

Statement of Significant Accounting Policies for the year ended 30 September 2016 *continued*

Long Term Employee Benefits *continued*

Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements of obligations for other long-term employee benefits for changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

The association's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the association does not have an unconditional right to defer settlement for at least 12 months after the reporting period, in which case the obligations are presented as current provisions.

k. 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.

I. Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to them 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 (i.e. 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.

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.

Financial Assets at Fair Value through Profit or Loss

Financial assets are classified at "fair value through profit or loss" when they are held form 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.

Statement of Significant Accounting Policies for the year ended 30 September 2016 *continued*

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 not 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

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, 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.

m. 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 asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's 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 (e.g. in accordance with the revaluation model in AASB 116: Property, Plant and Equipment). 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.

Statement of Significant Accounting Policies for the year ended 30 September 2016 *continued*

m. Impairment of Assets *continued*

Where the future economic benefits of the asset are not primarily dependent upon the asset's 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.

n. Offsetting of Revenue and Expenses Relating to Agency Relationship 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 Football Federation of Australia (FFA). The association has chosen to offset this revenue against the related expense paid to FFA and FNSW under the provisions of AASB 117 dealing with revenue under Agency Agreements.

o. Adoption of New and Revised Accounting Standards

The association has adopted all standards which became mandatory for the first time as at 30 September 2016. The adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the association.

p. Comparative Figures

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

q. Key Estimates

Provision for Impairment of Receivables

Included in the Trade Receivables and Other debtors at the end of the reporting period are amounts receivable from members and customers of the association. At the time this financial report the Board of Directors believes these to be all recoverable, however based on past experience, there have been minor adjustments to receivables upon settlement and as a result the Board of Directors believe a nominal provision for impairment of \$400 to be sufficient to account for these adjustments.

Employee Benefits

For the purpose of measurement, AASB 119: Employee Benefits defines obligations for shortterm employee benefits as obligations expected to be settled within 12 months after the end of the annual reporting period in which the employees render the related services. As the association expects that all of its employees would use all of their annual leave entitlements earned during a reporting period before 12 months after the end of the reporting period, the association believes that obligations for annual leave entitlements satisfy the definition of short term employee benefits, and therefore, can be measured at the (undiscounted) amounts expected to be paid to employees when the obligations are settled.

Notes to the Financial Statements for the year ended 30 September 2016

	2016	2015
	\$	\$
2. Revenue and Other Income		
2a. Sales Revenue		
Registration Fees	1,648,797	1,664,126
Total Sales Revenue	1,648,797	1,664,126
2b. Other Operating Revenue		
Coaching Revenue	388,877	242,229
Development Squads	181,495	69,808
Night Training Fees	274,179	167,167
Sponsorship	39,886	31,404
Summer Football	174,488	167,341
Other Income	10,242	56,826
Total Other Operating Revenue	1,069,167	734,775
2c. Other Non-Operating Revenue		
Gain/(Loss) on Investments	–	2,466
Interest Income	36,227	40,264
Total Other Non-Operating Revenue	36,227	42,730
Total Revenue	2,754,191	2,441,631
3. Significant Expenses		
3a. Coaching and Development Expenses		
Coaches Remuneration	140,745	146,991
Coaching Clinics	327,328	167,454
Development Squads	147,418	54,971
Total Coaching and Development Expenses	615,491	369,416
3b. Competition Expenses		
Administration	60,863	61,002
Court Hire	–	13,427
Gala Day	19,504	11,596
Grounds	667,775	569,974
Mini-Roos	28,395	25,978
Referees	243,850	241,364
Summer Football	109,505	117,335
Total Competition Expenses	1,129,892	1,040,676

Notes to the Financial Statements for the year ended 30 September 2016 *continued*

	2016	2015
	\$	\$
3. Significant Expenses <i>continued</i>		
3c. Office Expenses		
Auditors Remuneration	13,750	10,100
Depreciation	3,701	8,656
Office Costs	93,478	77,889
Rent	62,136	59,421
Total Office Expenses	173,065	156,066
3d. Personnel Expenses		
Bookkeeping and Administration	39,525	49,213
Other	26,992	9,034
Wages and Salaries	365,745	367,244
Total Personnel Expenses	432,262	425,491
3e. Other Non-Operating Expenses		
Provision for Ground Assistance	4,000	—
(Profit)/Loss on Sale of Assets	162	27,474
Total Other Non-Operating Expenses	4,162	27,474
Total Expenses	2,354,872	2,019,123
4. Cash and Cash Equivalents		
Cash on hand	8 60	9 50
Cash at bank	923,232	939,212
Cash on deposit	1,222,259	910,484
Total Cash and Cash Equivalents	2,146,351	1,850,646
5. Trade and Other Receivables		
Current		
Trade Receivables	132,240	149,994
Provision for Doubtful Debts	(400)	(400)
Other Debtors	34,434	5,635
Prepayments	5,362	12,425
Total Trade and Other Receivables	171,636	167,654
6. Inventories		
Inventory at Cost	150	150
Total Inventories	150	150

Notes to the Financial Statements for the year ended 30 September 2016 *continued*

	2016	2015			
	\$	\$			
7. Property Plant and Equipment					
Ground Equipment – at Cost	9,086	7,395			
Less: Accumulated Depreciation	(4,322)	(2,857)			
Net Ground Equipment	4,764	4,538			
Office Equipment – at Cost	47,851	38,159			
Less: Accumulated Depreciation	(16,595)	(37,612)			
Net Office Equipment	31,256	547			
Sports Equipment – at Cost	5,149	5,149			
Less: Accumulated Depreciation	(4,917)	(4,762)			
Net Sports Equipment	232	387			
Trophies – at Cost	25,000	25,000			
Less: Accumulated amortisation	(25,000)	(25,000)			
Net Trophies	–	–			
Total Property, Plant and Equipment	36,252	5,472			
7a. Movements in Carrying Amounts					
	GROUND EQUIPMENT	OFFICE EQUIPMENT	SPORTS EQUIPMENT	TROPHIES	TOTAL
Carrying Amount at 1 October 2014	39,612	897	1,093	–	41,602
Additions	–	–	–	–	–
Disposals – Written Down Value	(27,474)	–	–	–	(27,474)
Depreciation Expense	(7,600)	(350)	(706)	–	(8,656)
Carrying Amount at 30 September 2015	4,538	547	387	–	5,472
Carrying Amount at 1 October 2014	4,538	547	387	–	5,472
Additions	1,691	32,952	–	–	34,643
Disposals – Written Down Value	–	(162)	–	–	(162)
Depreciation Expense	(1,465)	(2,081)	(155)	–	(3,701)
Carrying Amount at 30 September 2015	4,764	31,256	232	–	36,252
8. Trade and Other Payables					
Current					
Trade Payables	54,812	185,573			
Other Payables	305,468	91,468			
Employee Payables	49,145	59,997			
Income in Advance	187,990	245,255			
Bonds	–	2,000			
Total Trade and Other Payables	597,415	584,293			

Notes to the Financial Statements for the year ended 30 September 2016 *continued*

	2016 \$	2015 \$
9. Provisions		
Current		
Club Officials, Training and Equipment	18,757	18,782
Northern Tigers Scholarship Fund	20,232	1,720
Total Current Provisions	38,989	20,502
Non-Current		
Employee Benefits	17,480	16,089
Total Non-Current Provisions	17,480	16,089
10. Analysis of Northern Tigers Football		
10a. Northern Tigers – Expenses		
Canteen Expenses	17,266	36,644
Coaching Clinics	–	4,572
Entertainment Expenses	17,386	16,454
Equipment and Uniform Expenses	71,218	62,278
FNSW Season Fees Inclusive of Registration Fees	35,576	37,147
General Expenses	24,213	6,960
Ground Hire	61,552	61,121
Media Expenses	34,115	28,014
Players, Coaches, Manager and Medical Expenses	227,262	230,811
Referee Fees	23,808	19,738
Skills Acquisition Program	99,582	51,869
Total Northern Tigers – Expenses	611,978	555,608
10b. Northern Tigers - Revenue		
Canteen	24,311	53,758
Coaching Clinics	–	11,391
Entertainment	7,000	7,303
Grounds	2,393	3,728
Other Income	39,979	5,039
Player Registrations	270,828	293,148
Skills Acquisition Program	165,615	51,869
Total Northern Tigers – Revenue	510,126	426,236
Net Contribution/(Proceeds) to/(from) Northern Tigers	101,852	129,372

Notes to the Financial Statements for the year ended 30 September 2016 *continued*

	2016 \$	2015 \$
11. Cash Flow Information		
Reconciliation of Cash Flow from Operations with Net Surplus/(deficit)		
Net Surplus / (Deficit)	297,467	293,136
Adjustments for Non Cash Transactions:		
- Depreciation	3,701	8,656
- Profit/(Loss) on Sale of Plant and Equipment	162	27,474
- Profit/(Loss) on Sale of Investments	—	(2,466)
Total Non-Cash Transactions	3,863	33,664
Adjustments for Investing Activities		
Interest Received	(34,727)	(40,428)
Total Adjustments for Investing Activities	(34,727)	(40,428)
Changes in Assets and Liabilities		
- (Increase)/Decrease in Trade & Other Receivables	(3,982)	(38,611)
- (Increase)/Decrease in Inventories	—	—
- Increase/(Decrease) in Trade and Other Payables	13,123	99,375
- Increase/(Decrease) in Provisions	19,878	(2,314)
Net Cash Provided by Operating Activities	295,622	344,822

12. Association Details

The principal place of business is:
 Northern Suburbs Football Association Incorporated
 Suite 2, Ground Floor
 4 Bridge Street
 PYMBLE NSW 2073

Independent Auditor's Report to the Members of Northern Suburbs Football Association Incorporated

We have audited the accompanying financial report of Northern Suburbs Football Association Incorporated (the association), which comprises the statement of financial position as at 30 September 2016, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors Declaration giving a true and fair view of the financial position of the association.

Directors Responsibility for the Financial Report

The Directors' of the association are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Associations Incorporation Act 2009 (NSW) and for such internal control as the Directors' determine is necessary to enable the preparation of the 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 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

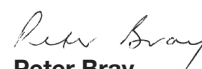
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit Independence In conducting our audit, we have complied with the independence requirements of the applicable professional standards.

We confirm that the independence declaration given to the Directors of Northern Suburbs Football Association Incorporated, would be in the same terms if given to the Directors as at the time of this auditor's report.

In our opinion, the financial report of Northern Suburbs Football Association Incorporated is in accordance with the Associations Incorporation Act 2009 (NSW), including:

- (a) giving a true and fair view of the association's financial position as at 30 September 2016 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements.


Trumans
Chartered Accountants


Peter Bray
Partner

Dated: 23 November 2016



Northern Suburbs Football Association Incorporated

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