



**NORTHERN  
SUBURBS  
FOOTBALL**  
EST. 1957

## AGM Notice & Minutes



## 2017 Financial Report



“From the Harbour to the Hawkesbury”



**NORTHERN SUBURBS FOOTBALL ASSOCIATION INCORPORATED**  
**31 CLUBS | 1,250 TEAMS | 18,000 PLAYERS**

## Contents

Notice of Meeting	2
Minutes of 2015 Annual General Meeting	3
Treasurer's Report	5
Directors Report	7
Auditor's Independence Declaration	8
Directors Declaration	8
Statement of Comprehensive Income	9
Statement of Financial Position	10
Statement of Changes in Equity	11
Statement of Cash Flows	12
Segment Report	13
Statement of Significant Accounting Policies	14
Notes to the Financial Statements	19
Independent Audit Report to Members	24

## Notice of Meeting

---

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

(Established April 1957)

(Incorporated 20th April 1988)

#### **SIXTY-FIRST ANNUAL GENERAL MEETING**

Please take notice that the 61st Annual General meeting of the  
Northern Suburbs Football Association Incorporated  
(Formerly Ku-ring-gai & District Soccer Association Incorporated) will be held;  
Wednesday 22 November, 2017 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 (4)
10. Election of Auditors
11. Election of Life Members
12. Determination of other Motions of which Notice has been given
13. General Business

#### **Lee Sullivan**

*Public Officer*

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

# Minutes of 2016 Annual General Meeting

## HELD AT KILLARA GOLF CLUB

Wednesday 30 November 2016

Meeting opened 7:30pm

President David Watson welcomed everyone present as Chairman of the Annual General Meeting.

### 1. Finalisation of voting entitlements

It was confirmed that a quorum had been achieved. Our 32 Clubs have 127 votes in total, requiring 77 votes (60%) to be in attendance to establish a quorum. Between Seven proxies and the Clubs attending 111 eligible votes were confirmed at the start of the meeting.

*(Clause: 27.1 of the Constitution)*

### 2. Minutes of 2015 AGM

It was resolved to approve the minutes of the 2015 AGM.

*Moved:* Mike King (Chatswood Rangers)

*Seconded:* BarryThompson ( Mt Colah)

**Motion Carried**

### 3. Audited Balance Sheet

The Treasurer gave a detailed report in relation to the Association's Financial position.

a) Surplus of \$297,467 (FY15: \$293,136).

b) 21% increase in Members Equity (FY16:\$1,700,505).

c) \$295,705 increase in cash balances held.

d) In season 2016 we had 16,561 players (up from 16,298 in 2015) in 1,280 winter competition teams. (Up from 1,263 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).

e) 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).

f) Summer Football continues to grow in popularity, returning a \$47,463 surplus (FY15: \$31,813).

g) Referee fees were not increased by FNSW in FY16 and remained relatively flat at \$243,850, although coverage increased marginally to 92%.

h) 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.

i) Coaching revenue has increased by 37% to \$388,877 (FY15: 242,229), due to increasing popularity and reliability (due to increased utilization of artificial surfaces) of holiday clinics and NSFA supplementation of club coaching requirements

*Question from the floor:*

Mike King (Chatswood Rangers)

*How can we tell if the Referee cost and AR coverage costs are accurate?*

Treasurer's reply:

*The EMC system has made the payment to referees very accurate as reports can be obtained through MCM to back up the costs.*

The Treasurer Lee Sullivan listed projects the Board has committed and/or pledged funds.

- 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 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.

## Segment Report

1. **Referee costs** – since the implementation of the Electronic Match Card, NSFA has exact data of referee coverage across every game, in every age group;

2. **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;

3. **Grounds** – Ground allocations in the cost models were realistically over weighted towards age groups playing 11 Aside; and

4. **NSFA Administration costs** – direct allocation of competition department costs to age groups is more accurate than general allocation across all operations.

### Motion: That the Audited Balance Sheet be adopted

*Moved:* Roy Ashpole (Hornsby RSL)

*Seconded:* Martin Dickey (Northbridge)

**Motion Carried**

## Minutes of 2016 Annual General Meeting *continued*

#### 4. Reading of the Annual Report

**Motion: The Presentation of the NSFA Annual Report be accepted.**

*Moved:* Argun Bloemer ( Gordon)

*Seconded:* Mike King (Chatswood Rangers)

#### 5. Presentation of NSFA Budget

Presented by Lee Sullivan (Treasurer NSFA)

There are 4 Basic areas to be addressed for the pursuing year and will mean a rebalancing of the team fee allocation model.

Gross team fees collected (FY16: \$1,648,797) will need to increase by 9% to \$1,800,000. The increase is being driven by:

**1. Ground costs** – Almost doubling in hire charges for Ku-Ring-Gai and Hornsby council grounds and increasing reliance on artificial surfaces;

**2. 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;

**3. 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); and

**4. 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.

Discussion was held in relation to elements of the Accounts and budget by members.

**Motion: The Presentation of the NSFA Budget be adopted**

*Moved:* Barry Thompson ( Mt Colah)

*Seconded :* Matt Wall (Hornsby RSL Youth)

#### 6. Declaration of positions vacant

David Watson stood down from the Chair.

Ian Plant was elected by the floor to preside for the election of:

1. Treasurers Position.

2. 3 Board Positions

Election of Treasurer unopposed: Lee Sullivan

The following Board Members were elected to the Board for a 2 year tenure:

1. Jack Richardson

2. Simon Cox

3. Hilary Bingham

These members will join:

1. Ian Plant

2. Brett Backhouse

3. Mick Da Silva

4. Paul Stickland

Full Board comprises 8 Board members including Treasurer.

Ian Plant formally thanked John Forsyth and David Watson for their contribution to the NSFA Board and Association.

**Motion: That the voting papers be destroyed:**

*Moved:* The motion was moved unanimously by all in attendance.

#### 7. Election of Auditors

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

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

**Motion: That Trumans be kept as Auditors for the 2017 Financial Year.**

**Motion Carried**

*(Clause 32 of the Constitution)*

#### 8. Life Members

Two Nominations Received for 2016:

David Watson – From Kissing Point FC

Marcia Allman – NSFA Board

Both candidates were appointed NSFA Life Membership by the floor.

*(Clause 5.2 of the Constitution)*

#### 9. Special Resolutions

No Special Resolutions were put forward by the Board.

#### 10. General Business

There was no General Business.

Meeting closed 9:15pm

**Lee Sullivan**

*Public Officer*

Minutes dated: 30 November 2016



## 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 2017. 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 (2013 to 2016) have rebuilt our cash reserves, allowing us to commence investing 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.

### 2017 Season in Numbers

The 30 September 2017 financial position contains the following highlights:

1. Deficit of \$158,338 (FY16: Surplus \$297,467). The \$455k turnaround broadly consists of increased costs for Grounds (\$66k), Referees (\$50k), Wages (\$73k), Net Coaching Activities (Community Football Manager, clinics, football school and club programs) (\$21k), Tigers (\$41k), Tigers Accrual reversal (\$36k), Summer Football (\$25k) and NTRA upgrades (\$111k). This is offset by approx. \$30k in savings and flat year on year gross team fee revenue;
2. 10% decreases in Members Equity (FY17: \$1,542,167);
3. \$107,615 decrease in cash balances held (FY17: \$2,038,736);
4. In season 2017 we had 16,386 players (down from 16,561 in 2016) in 1,255 winter competition teams. (down from 1,280 in 2016) This relatively neutral level of growth translated to minimal movement in overall team revenue to NSFA of \$1,654,855 (FY16: \$1,648,797);
5. Representative Football programs included Northern Tigers, 2 x SAP licences and AYL Licence. The Northern Tigers have returned a lower than budgeted deficit of (\$178,682);
6. Summer Football continues to grow in popularity, returning a \$22,475 surplus (FY16: \$47,463). This number was reduced after \$70,423 surplus funds from this competition was rebated to clubs. Rebates were in the form of offset against 2017 levies, contribution towards defibrillators or direct funds for immediate investment of members clubs towards local football activities;
7. Referee fees were increased by FNSW in 2017 grossing \$293,715 (FY16: \$243,850). The 20% uplift in payout to referees was a result of a combination of FNSW increases and less wet weekends during the season. Coverage has remained static at 92% of competition matches and costing over \$16k per weekend during the season;
8. Ground hire charges have increased by 10% to \$734,026 in FY16 (FY16: \$667,775), 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. This charge has now increased more than 30% over the past 2 years and is expected to continue increasing at above inflation levels in the future; and
9. Coaching revenue has decreased by 30% to \$275,372 (FY16: \$388,877). This reduction is primarily due to reduced numbers of players enrolling in the annual Japan tour (break even venture). A corresponding reduction was recorded in the expense line.

During the 2017 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:

- Reaffirmation of pledge of \$125,000 to the Artificial Surface installation at Norman Griffiths, subject to pre – requisites being satisfied;
- \$135k (net of \$111k after fundraising) of enhancements to NTRA (i.e. fencing, screens, seating);
- Upfront funding of defibrillators for all clubs (i.e. all senior team's / home grounds); and
- Website refresh for NSFA.

### Summer 6 Aside

The NSFA Board pledged to rebate, to member clubs, surpluses from Summer 6 aside competitions it organises, in proportion to member participation. In 2016/17 this resulted in excess of \$70k being redistributed directly back to members. This pledge has been on the condition of NSFA maintaining an overall surplus position, which was not achieved during the 2017 year.

## Treasurer's Report *continued*

The Board, guided by member feedback at the 2016 AGM, approved a 2017 budget with marginal operating surplus and has subsequently expensed funds towards ground improvements (ie. NTRA) during the year, resulting in an overall deficit for the year. The rebate will not be made during 2017, whilst NSFA is operating at a financial deficit position.

### 2018 Budget

Your Board is recommending to members a deficit for 2018 of \$67k. This is comprised of a marginal operating surplus of \$53k, plus interest income (\$40k), less club grants to incentivise mergers (\$20k), depreciation (\$15k) and ground improvements targeted towards the upgrade of Norman Griffiths (\$125k). Overall deficit budgeted will be \$67k.

There will be two significant points to be made on Team Fee collections for the 2018 Season, being:

1. The policy of reweighting of fees to reflect the true allocation of costs over the past four years has now been discontinued. NSFA has increasingly accurate data on the real costs of running the Winter Competition, allowing improved allocation of costs by age group. 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 and again in 2018 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 are now allocated fairly across all age groups based upon a combination of match time and ground size utilised; 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 to the team fee allocation model has confirmed that Adult teams continue to subsidise junior teams by upward to 15% of their team fees.

2. Gross team fees collected (FY17: \$1.82k) will need to increase by 6% to \$1.93k.

The increase is being driven by:

- Ground costs – Continued increase in hire charges for Ku-Ring-Gai and Hornsby council grounds to bring into line with those of southern councils and increasing reliance on the more expensive artificial surfaces. Budget impact remains significant, however has been minimised to improved utilisation expected in 2018;
- Referees – FNSW has indicated it will again gazette an increase in fees payable to referees for the 2018 season. Combined with our continuing program of increasing coverage across all matches, a 10% increase in budget has been allowed;
- Coaching, Development & Representative Football – The successful uptake of the XLR8 Program has significantly improved forecasts for this segment. In 2018 we have budgeted a deficit of \$268k (FY17: \$305k). Within this category, Northern Tigers will maintain a consistent financial position to 2017;

- Summer Football – A forecast surplus of \$70k is expected from this program, which will be utilised to fund the operating deficit so as to ensure overall surplus from operations in 2018.

### In Conclusion

I would like to thank a number of people for their continued support of the Association:

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 (Ian Plant & Hilary Bingham);
4. My fellow Directors who have been there for advice, counsel and direction with respect to my recommendations for member monies; and
5. Malcolm Waldock and the NSFA Office Staff for their continued dedication, hard work and happy disposition, particularly with respect to my regular requests during the season;

Thank you



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

## Directors' Report for the year ended 30 september 2017

Your Board of Directors submit the financial report of Northern Suburbs Football Association Incorporated for the financial year ended 30 September 2017.

### Committee Members

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

**Ian Plant** – *President*

Appointed 25/11/2015

**Hilary Bingham** – *Vice President*

Appointed 25/11/2016

**Lee Sullivan** – *Treasurer*

Appointed 25/11/2015

**Mick Da Silva** – *Director*

Appointed 25/11/2015

**Brett Backhouse** – *Director*

Appointed 25/11/2015

**Jack Richardson** – *Director*

Appointed 30/11/2016

**Simon Cox** – *Director*

Appointed 30/11/2016

**Verity Stone** – *Director*

Casual Appointed 20/02/2016

**David Watson** – *President*

Resigned 30/11/2016

**Jonathan Forsyth** – *Director*

Resigned 30/11/2016

**Paul Stickland** – *Director*

Resigned 20/02/2017

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

### Secretary and Public Officer

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 deficit for the 2017 financial year amounted to \$158,338 (2016: surplus of \$297,467).

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



**Ian Plant**  
*President*



**Lee Sullivan**  
*Treasurer*

Dated 14 November 2017



## Auditors Independence Declaration for the year ended 30 September 2017

I declare that to the best of my knowledge and belief, during the year ended 30 September 2017 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: 10 November 2017

## Directors' Declaration for the year ended 30 september 2017

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 2017 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.



**Ian Plant**

*President*



**Lee Sullivan**

*Treasurer*

Dated: 14 November 2017

# Statement of Comprehensive Income for the year ended 30 September 2017

	NOTE	2017	2016
		\$	\$
<b>Income</b>			
Sales Revenue	2a	1,666,340	1,648,797
Other Operating Revenue	2b	1,094,958	1,069,167
Northern Tigers Revenue	10b	470,593	510,126
<b>Total Income</b>		<b>3,231,891</b>	<b>3,228,090</b>
<b>Expenses</b>			
Coaching and Development Expenses	3a	625,577	615,491
Competition Expenses	3b	1,306,415	1,129,892
Office Expenses	3c	236,440	173,065
Personnel Expenses	3d	504,937	432,262
Northern Tigers Expenses	10a	649,275	611,978
<b>Total Expenses</b>		<b>3,322,644</b>	<b>2,962,688</b>
<b>Net Operating Surplus/(Deficit)</b>		<b>(90,753)</b>	<b>265,402</b>
Other Non-Operating Revenue	2c	43,518	36,227
Other Non-Operating Expenses	3e	(111,103)	(4,162)
<b>Net Surplus/(Deficit)</b>		<b>(158,338)</b>	<b>297,467</b>
Other Comprehensive Income		-	-
<b>Total Comprehensive Income</b>		<b>(158,338)</b>	<b>297,467</b>

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

## Statement of Financial Position as at 30 September 2017

	NOTES	2017	2016
		\$	\$
<b>Current Assets</b>			
Cash	4	2,038,735	2,146,351
Trade and Other Receivables	5	210,290	171,636
Inventories	6	–	150
<b>Total Current Assets</b>		<b>2,249,025</b>	<b>2,318,137</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	7	40,063	36,252
<b>Total Non-Current Assets</b>		<b>40,063</b>	<b>36,252</b>
<b>Total Assets</b>		<b>2,289,088</b>	<b>2,354,389</b>
<b>Current Liabilities</b>			
Trade and Other Payables	8	704,689	597,415
Provisions	9	42,232	38,989
<b>Total Current Liabilities</b>		<b>746,921</b>	<b>636,404</b>
<b>Non-Current Liabilities</b>			
Provisions	9	–	17,480
<b>Total Non-Current Liabilities</b>		<b>–</b>	<b>17,480</b>
<b>Total Liabilities</b>		<b>746,921</b>	<b>653,884</b>
<b>Net Assets</b>		<b>1,542,167</b>	<b>1,700,505</b>
<b>Equity</b>			
Retained Earnings/(Loss)		1,542,167	1,700,505
<b>Total Equity</b>		<b>1,542,167</b>	<b>1,700,505</b>

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

# Statement of Changes in Equity for the year ended 30 September 2017

	RETAINED EARNINGS	TOTAL
	\$	\$
<b>Balance at 1 October 2015</b>	1,403,038	1,403,038
Profit for the Year	297,467	297,467
Other Comprehensive Income	—	—
<b>Balance at 30 September 2016</b>	<b>1,700,505</b>	<b>1,700,505</b>
<b>Balance at 1 October 2016</b>	1,700,505	1,700,505
Profit for the Year	(158,338)	(158,338)
Other Comprehensive Income	—	—
<b>Balance at 30 September 2017</b>	<b>1,542,167</b>	<b>1,542,167</b>

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

**Statement of Cash Flows** for the year ended 30 September 2017

	NOTE	2017	2016
		\$	\$
<b>Cash Flows from Operating Activities</b>			
Receipts From Members And Customers		4,068,645	3,751,743
Receipts Of Other Income		(10,667)	108,353
Payments To Suppliers And Employees		(4,187,561)	(3,564,474)
<b>Net Cash Provided by/(Used) in Operating Activities</b>	<b>11</b>	<b>(129,583)</b>	<b>295,622</b>
<b>Cash Flows From Investing Activities</b>			
Receipts Of Interest		40,625	34,727
Proceeds from sale of Property Plant and Equipment			
Payments for Property, Plant and Equipment		(18,657)	(34,644)
<b>Net Cash provided by/(used in) Investing Activities</b>		<b>21,968</b>	<b>83</b>
<b>Cash Flows from Financing Activities</b>			
<b>Net Cash provided by/(used in) Financing Activities</b>		<b>—</b>	<b>—</b>
<b>Net Decrease in Cash Held</b>		(107,615)	295,705
<b>Cash at the Beginning of the Financial Year</b>		2,146,351	1,850,646
<b>Cash at the End of the Financial Year</b>		<b>2,038,736</b>	<b>2,146,351</b>

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



**Segment Report** for the year ended 30 September 2017

SEGMENTS	2017			2016		
	INCOME	EXPENSE	CONTRIBUTION	INCOME	EXPENSE	CONTRIBUTION
Winter Football	2,010,867	1,125,072	885,795	1,933,218	1,020,387	912,831
Summer Football	221,340	198,865	22,475	174,488	127,025	47,463
Northern Tigers	470,593	649,275	(178,682)	510,126	611,978	(101,852)
Coaching and Development	499,233	625,577	(126,344)	570,372	615,491	(45,119)
Administration and Office	29,858	709,005	(679,147)	39,886	584,106	(544,220)
Other	–	14,850	(14,850)	–	3,701	(3,701)
<b>Net Operating Surplus/(Deficit)</b>	<b>3,231,891</b>	<b>3,322,644</b>	<b>(90,753)</b>	<b>3,228,090</b>	<b>2,962,688</b>	<b>265,402</b>
Other Income	43,518	–	43,518	36,227	–	36,227
Other Expenses	–	111,103	(111,103)	–	4,162	(4,162)
<b>Net Surplus/(Deficit)</b>	<b>3,275,409</b>	<b>3,433,747</b>	<b>(158,338)</b>	<b>3,264,317</b>	<b>2,966,850</b>	<b>297,467</b>

# Statement of Significant Accounting Policies for the year ended 30 September 2017

## 1. Statement of Significant Accounting Policies

The financial report was authorised for issue on 13 November 2017 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 2017 *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 except, in the case of long service leave, where the liability is not expected to be wholly settled within the next 12 months.

### 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 2017 *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 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.

# Statement of Significant Accounting Policies for the year ended 30 September 2017 *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 2017 *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 2017. 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 short-term 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 2017

	2017 \$	2016 \$
<b>2. Revenue and Other Income</b>		
<b>2a. Sales Revenue</b>		
Registration Fees	1,666,340	1,648,797
<b>Total Sales Revenue</b>	<b>1,666,340</b>	<b>1,648,797</b>
<b>2b. Other Operating Revenue</b>		
Coaching Revenue	275,372	388,877
Development Squads	223,861	181,495
Night Training Fees	306,634	274,179
Sponsorship	24,100	39,886
Summer Football	221,340	174,488
Other Income	43,651	10,242
<b>Total Other Operating Revenue</b>	<b>1,094,958</b>	<b>1,069,167</b>
<b>2c. Other Non-Operating Revenue</b>		
Gain/(Loss) on Investments Interest	—	—
Income	43,518	36,227
<b>Total Other Non-Operating Revenue</b>	<b>43,518</b>	<b>36,227</b>
<b>Total Revenue</b>	<b>2,804,816</b>	<b>2,754,191</b>
<b>3. Significant Expenses</b>		
<b>3a. Coaching and Development Expenses</b>		
Coaches Remuneration	228,907	140,745
Coaching Clinics	213,816	327,328
Development Squads	182,854	147,418
<b>Total Coaching and Development Expenses</b>	<b>625,577</b>	<b>615,491</b>
<b>3b. Competition Expenses</b>		
Administration	55,922	60,863
Court Hire	—	—
Gala Day	13,705	19,504
Grounds	739,402	667,775
Mini Roos	22,146	28,395
Referees	293,895	243,850
Summer Football	181,345	109,505
<b>Total Competition Expenses</b>	<b>1,306,415</b>	<b>1,129,892</b>

Notes to the Financial Statements for the year ended 30 September 2017 *continued*

	2017 \$	2016 \$
<b>3. Significant Expenses <i>continued</i></b>		
<b>3c. Office Expenses</b>		
Auditors Remuneration	14,500	13,750
Depreciation	14,850	3,701
Office Costs	138,358	93,478
Rent	68,732	62,136
<b>Total Office Expenses</b>	<b>236,440</b>	<b>173,065</b>
<b>3d. Personnel Expenses</b>		
Bookkeeping and Administration	47,231	39,525
Other	14,416	26,992
Wages and Salaries	443,290	365,745
<b>Total Personnel Expenses</b>	<b>504,937</b>	<b>432,262</b>
<b>3e. Other Non-Operating Expenses</b>		
Ground Improvements	111,103	4,000
(Profit)/Loss on Sale of Assets	–	162
<b>Total Other Non-Operating Expenses</b>	<b>111,103</b>	<b>4,162</b>
<b>Total Expenses</b>	<b>2,784,472</b>	<b>2,354,872</b>
<b>4. Cash and Cash Equivalents</b>		
Cash on hand	500	860
Cash at bank	496,275	923,232
Cash on deposit	1,541,960	1,222,259
<b>Total Cash and Cash Equivalents</b>	<b>2,038,735</b>	<b>2,146,351</b>
<b>5. Trade and Other Receivables</b>		
<i>Current</i>		
Trade Receivables	106,541	132,240
Provision for Doubtful Debts	(400)	(400)
Other Debtors	84,505	34,434
Prepayments	19,644	5,362
<b>Total Trade and Other Receivables</b>	<b>210,290</b>	<b>171,636</b>
<b>6. Inventories</b>		
Inventory at Cost	–	150
<b>Total Inventories</b>	<b>–</b>	<b>150</b>

Notes to the Financial Statements for the year ended 30 September 2017 *continued*

	2017	2016			
	\$	\$			
<b>7. Property Plant and Equipment</b>					
Ground Equipment at Cost	9,086	9,086			
Less: Accumulated Depreciation	(6,897)	(4,322)			
<b>Net Ground Equipment</b>	<b>2,189</b>	<b>4,764</b>			
Office Equipment at Cost	59,470	47,851			
Less: Accumulated Depreciation	(26,636)	(16,595)			
<b>Net Office Equipment</b>	<b>32,834</b>	<b>31,256</b>			
Sports Equipment at Cost	10,049	5,149			
Less: Accumulated Depreciation	(5,009)	(4,917)			
<b>Net Sports Equipment</b>	<b>5,040</b>	<b>232</b>			
Trophies at Cost	25,000	25,000			
Less: Accumulated amortisation	(25,000)	(25,000)			
<b>Net Trophies</b>	<b>–</b>	<b>–</b>			
<b>Total Property, Plant and Equipment</b>	<b>40,063</b>	<b>36,252</b>			
<b>7a. Movements in Carrying Amounts</b>					
	GROUND EQUIPMENT	OFFICE EQUIPMENT	SPORTS EQUIPMENT	TROPHIES	TOTAL
<b>Carrying Amount at 1 October 2015</b>	<b>4,538</b>	<b>547</b>	<b>387</b>	<b>–</b>	<b>5,472</b>
Additions	1,691	32,952	–	–	<b>34,643</b>
Disposals – Written Down Value	–	(162)	–	–	<b>(162)</b>
Depreciation Expense	(1,465)	(2,081)	(155)	–	<b>(3,701)</b>
<b>Carrying Amount at 30 September 2016</b>	<b>4,764</b>	<b>31,256</b>	<b>232</b>	<b>–</b>	<b>36,252</b>
<b>Carrying Amount at 1 October 2016</b>	<b>4,764</b>	<b>31,256</b>	<b>232</b>	<b>–</b>	<b>36,252</b>
Additions	–	13,760	4,901	–	<b>18,661</b>
Disposals – Written Down Value	–	–	–	–	<b>–</b>
Depreciation Expense	(2,575)	(12,182)	(93)	–	<b>(14,850)</b>
<b>Carrying Amount at 30 September 2017</b>	<b>2,189</b>	<b>32,834</b>	<b>5,040</b>	<b>–</b>	<b>40,063</b>
<b>8. Trade and Other Payables</b>					
<i>Current</i>					
Trade Payables	210,387	54,812			
Other Payables	111,888	305,468			
Employee Payables	70,054	49,145			
Income in Advance	312,360	187,990			
Bonds	–	–			
<b>Total Trade and Other Payables</b>	<b>704,689</b>	<b>597,415</b>			

Notes to the Financial Statements for the year ended 30 September 2017 *continued*

	2017 \$	2016 \$
<b>9. Provisions</b>		
<i>Current</i>		
Employee Benefits	21,801	—
Club Officials, Training and Equipment	1,699	18,757
Northern Tigers Scholarship Fund	18,732	20,232
<b>Total Current Provisions</b>	<b>42,232</b>	<b>38,989</b>
<i>Non-Current</i>		
Employee Benefits	—	17,480
<b>Total Non-Current Provisions</b>	<b>—</b>	<b>17,480</b>
<b>10. Analysis of Northern Tigers Football</b>		
<b>10a. Northern Tigers - Expenses</b>		
Canteen Expenses	5,142	17,266
Entertainment Expenses	18,072	17,386
Equipment and Uniform Expenses	77,774	71,218
FNSW Season Fees Inclusive of Registration Fees	36,475	35,576
General Expenses	11,082	24,213
Ground Hire	74,505	61,552
Ground Development	25,455	—
Media Expenses	4,200	34,115
Players, Coaches, Manager and Medical Expenses	260,357	227,262
Referee Fees	22,991	23,808
Skills Acquisition Program	113,222	99,582
<b>Total Northern Tigers – Expenses</b>	<b>649,275</b>	<b>611,978</b>
<b>10b. Northern Tigers – Revenue</b>		
Canteen	7,475	24,311
Entertainment	9,738	7,000
Grounds	9,039	2,393
Other Income	36,351	39,979
Player Registrations	262,808	270,828
Skills Acquisition Program	145,182	165,615
<b>Total Northern Tigers – Revenue</b>	<b>470,593</b>	<b>510,126</b>
<b>Net Contribution/(Proceeds) to/(from) Northern Tigers</b>	<b>178,682</b>	<b>101,852</b>



Notes to the Financial Statements for the year ended 30 September 2017 *continued*

	2017 \$	2016 \$
<b>11. Cash Flow Information</b>		
Reconciliation of Cash Flow from Operations with Net Surplus/(Deficit)		
Net Surplus/(Deficit)	(158,338)	297,467
<b>Adjustments for non cash transactions:</b>		
- Depreciation	14,850	3,701
- Profit/(Loss) on Sale of Plant and Equipment	—	162
- Bad debts expense	—	—
<b>Total Non-Cash Transactions</b>	<b>14,850</b>	<b>3,863</b>
<b>Adjustments for Investing Activities</b>		
- Interest Received	(40,625)	(34,727)
<b>Total Adjustments for Investing Activities</b>	<b>(40,625)</b>	<b>(34,727)</b>
<b>Changes in assets and liabilities</b>		
- (Increase)/Decrease in Trade & Other Receivables	(38,654)	(3,982)
- (Increase)/Decrease in Inventories	150	—
- Increase/(Decrease) in Trade & Other Payables	107,270	13,123
- Increase/(Decrease) in Provisions	(14,237)	19,878
<b>Net Cash Provided by Operating Activities</b>	<b>(129,584)</b>	<b>295,622</b>

**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

Report on the Audit of the Financial Report

## Opinion

We have audited the accompanying financial report of Northern Suburbs Football Association, which comprises the statement of financial position as at 30 September 2017, the statement of comprehensive income, statement of changes in equity, 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. In our opinion, the accompanying financial report presents fairly, in all material respects, including:

- i. Giving a true and fair view of the financial position of Northern Suburbs Football Association as at 30 September 2017; and
- ii. Complying with relevant Australian Accounting Standards in accordance with the Associations Incorporation Act (NSW) 2009.

## Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of Northern Suburbs Football Association in accordance with the auditor independence requirements of the Associations Incorporation Act (NSW) 2009 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia.

We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

## Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with applicable Australian Accounting Standards and Associations Incorporations Act (NSW) 2009 and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves a fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Trumans  
*Chartered Accountant*



**Peter Bray**  
*Partner*

Suite 302, 12 Help Street, Chatswood,  
NSW, 2067

15 November 2017



**NORTHERN  
SUBURBS  
FOOTBALL**  
EST. 1957

**Northern Suburbs Football Association Incorporated**

Suite 2 /4-10 Bridge Street, Pymble 2073  
Phone: (02) 9449 4933 Fax: (02) 9449 4877  
[www.nsfa.asn.au](http://www.nsfa.asn.au) Email: [admin@nsfa.asn.au](mailto:admin@nsfa.asn.au)