Manly Warringah Basketball Assoc Ltd
18 003 482 835
Financial Statements
For the Year ended 31 December 2022

Manly Warringah Basketball Assoc Ltd
18 003 482 835
Directors Report
for the Year Ended 31 December 2022

Your directors present their report on the company and its controlled entity for the financial year ended 31 December 2022.

Directors

The names of the directors in office at any time during or since the end of the year are:

Owen Glendower Evans
Jennifer Margaret Saggus
Ronald Russell Kendall
Brian Chapman
Steven Ramage
Lynne Ibbotson
Sonia Miller
Dorian Martin

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Review of Operations

The consolidated profit of the consolidated group for the financial year after providing for income tax amounted to $219,321.

A review of the operations of the consolidated group during the financial year and the results of those operations are as follows:
The company's operations during the year performed as expected in the opinion of the directors.

Significant Changes in State of Affairs

No significant changes in the consolidated group's state of affairs occurred during the financial year.

Principal Activities

The principal activities of the consolidated group during the financial year were:

conduct and promotion of basketball

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

Events Subsequent to the End of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the consolidated group, the results of those operations, or the state of affairs of the consolidated group in future financial years.

Likely Developments and Expected Results of Operations

Likely developments in the operations of the consolidated group and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the consolidated group.

Environmental Regulation

The consolidated group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Dividends

Dividends paid or declared since the start of the financial year are as follows:

a) There were no dividends paid during the year.

b) There were no dividends or distributions recommended or declared for payment to members during the year that have not been paid or credited to the member throughout the year.

Options

No options over issued shares or interests in the company or a controlled entity were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

No shares were issued during or since the end of the year as a result of the exercise of an option over unissued shares or interests.

Indemnification of Officers

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the consolidated group.

Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Auditor's Independence Declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is included with the financial reports.

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

Owen Glendower Evans
Director

Jennifer Saggus
Director

Dated this................day of.................................... 2023

Manly Warringah Basketball Assoc Ltd
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Statement of Comprehensive Income
For the Year ended 31 December 2022

	Note	2022 $	2021 $
Revenue	2	1,952,792	1,166,587
Expenses excluding Finance Costs	3	1,733,471	1,034,138
Profit Attributable to Members of the Company		219,321	132,449
Total Comprehensive Income		219,321	132,449

The accompanying notes form part of these financial statements.
These financial statements have not been subject to audit or review and should be read in conjunction with the attached Compilation Report.

Manly Warringah Basketball Assoc Ltd
18 003 482 835
Profit and Loss Statement
For the Year ended 31 December 2022

	2022	2021
	$	$
Income		
Interest Received	3,568	551
Revenues	1,933,717	1,047,086
Other Revenue	14,507	37,478
Government Subsidies	1,000	81,472
	1,952,792	1,166,587
Expenditure		
Accountancy Fees	1,023	10,162
Adjustments Prior years	14,028	-
Advertising	18,778	1,733
Amortisation	38,622	-
Bad Debts Written Off	5	-
Bank Charges	13,171	8,668
Canteen Purchases	18	96
Cleaning	-	250
Computer & Software Costs	33,250	18,631
Commission Paid	3,510	2,528
Coaches	144,732	83,685
Court Hire	400,517	267,576
Development Office	39,840	24,525
Depreciation	-	3,700
Employees' Amenities	97	201
Freight & Cartage	765	36
Honorariums	34,425	13,650
Insurance	6,098	7,274
Internet Expenses	8,733	8,810
Leave Accruals	4,620	(13,772)
Licensing Fees	795	1,076
Meetings & Miscellaneous	4,856	10,004
Medical Supplies	50	505
NSWBA Registrations	201,621	125,370
Nomination Fees	24,702	15,954
Playing Fees	11,452	3,190
Printing & Stationery	2,950	1,740
Presentation Expenses	1,546	-
Referee & Game Control	368,884	180,872
Rent	20,583	16,250
Repairs & Maintenance	990	977
Replacement Assets	7,059	1,029
Salaries & Wages	-	178,070
Scoreboard & Stats	7,206	2,931
Special Events	639	-
Staff Training & Welfare	1,127	-
Subscriptions	43	73
Superannuation Contributions	22,500	16,214
Telephone	8,230	8,696

Manly Warringah Basketball Assoc Ltd
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Profit and Loss Statement
For the Year ended 31 December 2022

	2022	2021
	$	$
Trophies	24,818	15,320
Travelling Expenses	3,606	851
Uniforms	31,798	17,263
Wages	225,784	-
	1,733,471	1,034,138
Profit before Income Tax	219,321	132,449

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Manly Warringah Basketball Assoc Ltd
18 003 482 835
Balance Sheet
As at 31 December 2022

	Note	2022 $	2021 $
Current Assets			
Cash and Cash Equivalents	5	1,302,037	987,786
Trade and Other Receivables	7	161	(13,221)
Other Current Assets	8	97,041	152,356
Total Current Assets		1,399,239	1,126,921
Non-Current Assets			
Property, Plant and Equipment	9	245,444	283,906
Total Non-Current Assets		245,444	283,906
Total Assets		1,644,683	1,410,827
Current Liabilities			
Trade and Other Payables	10	77,040	71,319
Short Term Provisions	11	49,167	32,458
Other Accruals	12	-	8,700
Total Current Liabilities		126,207	112,477
Non-Current Liabilities			
Long Term Provisions	11	10,745	9,940
Total Non-Current Liabilities		10,745	9,940
Total Liabilities		136,952	122,417
Net Assets		1,507,731	1,288,410
Equity			
Retained Profits	13	1,507,731	1,288,410
Total Equity		1,507,731	1,288,410

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements cover Manly Warringah Basketball Assoc Ltd as an individual entity. Manly Warringah Basketball Assoc Ltd is a company limited by shares, incorporated and domiciled in Australia.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board and the Corporations Act 2001.

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. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements 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.

Accounting Policies

(a) **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

(b) **Provisions**

Provisions are recognised when the company 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 using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(c) **Employee Benefits**

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employees may not satisfy vesting requirements. These cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

(d) **Property, Plant and Equipment**

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

Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less accumulated depreciation for buildings.

In the periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the land and buildings' carrying value is not materially different to the fair value.

Increases in the carrying value arising on revaluation of land and buildings are credited to a revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are recognised against fair value reserves directly in equity; all other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying value of the asset and the net amount is restated to the revalued amount of the asset.

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. In the event the carrying value of plant and equipment is greater than the estimated recoverable amount, the carrying value is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Accounting Policy note - Impairment).

The cost of fixed assets constructed within the consolidated group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying value or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciation method and useful life used for items of property, plant and equipment (excluding freehold land) reflects the pattern in which their future economic benefits are expected to be consumed by the company. Depreciation commences 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 method and useful life of assets is reviewed annually to ensure they are still appropriate.

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

Buildings	2 %
Plant and Equipment	5 - 10 %
Leased Plant and Equipment	10 %

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

An asset's carrying value is written down immediately to its recoverable amount if the asset's carrying value is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying value. These gains or losses are recognised immediately in profit or loss. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(e) **Financial Instruments**

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company 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 transactions costs except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

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

Amortised cost is calculated as:

- the amount at which the financial asset or financial liability is measured at initial recognition;

- less principal repayments;

- plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and

- less any reduction for impairment.

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 value of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense item in profit or loss.

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

The group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

<u>Financial Assets at Fair Value through Profit and Loss</u>
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 value being included in profit or loss.

<u>Impairment</u>
At the end of each reporting period, the company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are immediately recognised in profit or loss. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

Derecognition

Financial assets are derecognised where the contractual rights 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 where the related obligations are either discharged, cancelled or expire. The difference between the carrying value 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 of loss.

(f) **Financial Guarantees**

Where material, financial guarantees issued, which requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due, are recognised as a financial liability at fair value on initial recognition. The guarantee is subsequently measured at the higher of the best estimate of the obligation and the amount initially recognised less, when appropriate, cumulative amortisation in accordance with AASB 118: Revenue. Where the entity gives guarantees in exchange for a fee, revenue is recognised under AASB 118.

The fair value of financial guarantee contracts has been assessed using a probability weighted discounted cash flow approach. The probability has been based on:

- the likelihood of the guaranteed party defaulting in a year period;

- the proportion of the exposure that is not expected to be recovered due to the guaranteed party defaulting; and

- the maximum loss exposed if the guaranteed party were to default.

(g) **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. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

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

(h) **Trade and Other Payables**

Trade and other payables represent the liabilities at the end of the reporting period for goods and services received by the company that remain unpaid.

(i) **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.

(j) **Comparative Figures**

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

Where the company has retrospectively applied an accounting policy, made a retrospective restatement of items in the financial statements or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

(k) **Critical Accounting Estimates and Judgments**

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key Estimates - Impairment

The company assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

(l) **New Accounting Standards for Application in Future Periods**

The Australian Accounting Standards Board has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the company has decided not to early adopt. The company does not anticipate early adoption of any of the reporting requirements would have any material effect on the company's financial statements.

Manly Warringah Basketball Assoc Ltd
18 003 482 835
Notes to the Financial Statements
For the Year ended 31 December 2022

	2022 $	2021 $
2. Revenue		
Other Income		
Interest Received	3,568	551
Revenues	1,933,717	1,047,086
Other Revenue	14,507	37,478
Government Subsidies	1,000	81,472
	1,952,792	1,166,587
	1,952,792	1,166,587

3. Expenses

	2022 $	2021 $
Employee Benefits Expense	248,284	194,284
Depreciation and Amortisation Expenses	38,622	3,700
Advertising	18,778	1,733
Bank Charges	13,171	8,668
Freight & Cartage	765	36
Insurance	6,098	7,274
Printing & Stationery	2,950	1,740
Rent	20,583	16,250
Repairs & Maintenance	990	977
Telephone	8,230	8,696
Other Expenses	1,375,000	790,780
	1,733,471	1,034,138

4. Profit for the Year

Profit before income tax expense from continuing operations includes the following specific expenses:

Charging as Expense

	2022 $	2021 $
Movements in Provisions		
Depreciation		
- Depreciation of Property, Plant and Equipment	-	3,700
Amortisation of Non-Current Assets		
- capitalised leased assets	38,622	-
Net Expenses Resulting from Movement in Provisions	38,622	3,700

	2022 $	2021 $
Bad & Doubtful Debts:-		
- Bad debts written off	5	-
	5	-
Research and Development Costs	7,059	1,029
Crediting as Income:		
Interest from :		
- Other Corporations	3,568	551
Total Interest Revenue	3,568	551

5. **Cash and Cash Equivalents**

	2022 $	2021 $
CBA Trading Account	102,855	83,484
Boyd Trust	24,029	23,987
Business Online Saver	111,207	10,919
Bendigo Business Saver	1,060,160	864,087
Petty Cash	3,586	5,109
Canteen Petty Cash	200	200
	1,302,037	987,786
Cash Reconciliation		
Cash and Cash Equivalents	1,302,037	987,786
	1,302,037	987,786

6. **Cash Flow Information**

Reconciliation of Cash Flow from Operations with Profit after Income Tax

	2022 $	2021 $
Profit after Income Tax	219,321	132,449
Adjustments for Non-Cash Components in Profit:		
Depreciation	-	3,700
Impairment	38,622	-
Changes in Assets and Liabilities		
Decrease in Trade and Other Receivables	41,932	16,666
Decrease in Trade and Other Payables	(2,979)	(25,719)
Increase in Provisions	17,514	(23,753)
Net Cash Increase in Cash Held	314,410	103,343

	2022 $	2021 $
7. Trade and Other Receivables		
Current		
Trade Debtors	1,518	(11,864)
Less Provision for Doubtful Debts	(1,357)	(1,357)
	161	(13,221)
Total Trade and Other Receivables	161	(13,221)
8. Other Assets		
Current		
Prepayments	-	22,728
Prepaid Court Hire - NBISC	97,041	129,628
	97,041	129,628
	97,041	152,356
9. Property, Plant and Equipment		
Land and Buildings		
NBISC		
NBISC	450,660	450,660
Less Accumulated Amortisation & Impairment	298,166	259,704
	152,494	190,956
Alley Hoops		
Alley Hoops	90,000	90,000
	90,000	90,000
Total Land and Buildings	242,494	280,956
Plant and Equipment		
Basketball Equipment	58,828	58,828
Less Accumulated Depreciation & Impairment	58,828	58,828
Office Equipment	65,191	65,191
Less Accumulated Depreciation & Impairment	65,191	65,191
General Assets	2,950	2,950
	2,950	2,950
Total Plant and Equipment	2,950	2,950
Total Property, Plant and Equipment	245,444	283,906

Manly Warringah Basketball Assoc Ltd
18 003 482 835
Notes to the Financial Statements
For the Year ended 31 December 2022

	2022 $	2021 $
10. Trade and Other Payables		
Current		
Trade Creditors	6,630	5,740
Payable Joint Venture	56,000	56,000
Provision for GST	14,410	9,579
	77,040	71,319
Total Trade and Other Payables	77,040	71,319
11. Provisions		
Current		
Employee Taxes Payable	19,625	6,731
Provision for Long Service Leave	29,542	25,727
	49,167	32,458
Non-Current		
Provision for Long Service Leave	10,745	9,940
Total Provisions	59,912	42,398
12. Other		
Current		
Accrued Charges	-	8,700
	-	8,700
13. Retained Earnings		
Retained Earnings at the Beginning of the Financial Year	1,288,410	1,157,497
Add		
Net profit attributable to members of the company	219,321	132,449
Less		
Loss from Extraordinary Items after Related Income Tax	-	1,536
Retained Earnings at the End of the Financial Year	1,507,731	1,288,410