



2017/18

FINANCIAL STATEMENTS

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Financial Report

I am pleased to be able to present the financial report for the year ending 31 March 2018 to our membership.

Traditionally, our finances have been the domain of the Resources Director, working in conjunction with the CEO and staff. In November 2017 the Resources Director, Greg Dickson suffered a medical episode which prevented him from carrying out his duties as a Director. As a consequence of this unfortunate incident and due to the impending transition to a company limited by guarantee, the Board of Management initiated a review of the current arrangements for managing our finances.

Following that review the structure of the financial management of Little Athletics New South Wales has changed somewhat. The day to day financial tasks now rest with the CEO and staff, thus placing some additional responsibility with the staff.

A Finance & Audit Committee was also established to assist in overseeing the day to day financial management and to work with the Board on the strategic financial objectives. This Committee consists of the following personnel: Glen Taylor (Chair), Craig Scott, Russell Briggs and Kerry O'Keefe.

One of the first tasks of the Finance and Audit Committee was to review our external auditor and, as a result, KMPG were recently appointed. As advised to the membership at last year's Annual General Meeting, the Income and Expenditure budget for the year was working towards a deficit of \$258,646.00. This was to allow additional staffing resources to be deployed, specifically in Regional areas.

The income and expenditure deficit for the year was greater than the budgeted deficit by \$40,793.00 meaning the total deficit for the year was \$299,439.00. The cause of the greater than projected deficit was lower than expected revenue. A decrease in registration numbers from the previous year resulted in registration income being \$102,742.73 (5.5%) less than budget. In a pleasing result, expenditure was less than the amount allowed for in the budget.

The Balance sheet has seen some movement

over the year as well. Items of note include the correction to the 2017 Balance sheet to reflect the revaluation of the land and building (office) last year. The financial statements explain this in greater detail. We of course used some of our cash reserves to fund the income and expenditure deficit resulting in a slight decrease in the overall total equity.

Our challenge over the short term is implementing the necessary changes to complete the transition from an incorporated association to a company limited by guarantee and to return to a balanced budget as soon as possible.

On a personal note I would like to take the opportunity to thank the members of the Finance and Audit Committee and our staff for all their efforts over the previous twelve months. I would also like to thank and acknowledge Greg Dickson who has been in the role of Resources Director for many years. Over this time, he has made an enormous contribution to the portfolio and to our sport.

Overall, the current financial position of Little Athletics New South Wales remains strong giving us the ability to continue to fund our strategic objectives going forward.

Glen Taylor
DIRECTOR

FINANCE & AUDIT COMMITTEE (CHAIR)



**Little Athletics Association of New South
Wales Inc.**

ABN 69 731 039 358

Financial Statements

For the year ended 31 March 2018

Little Athletics Association of New South Wales Inc.

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Little Athletics Association of New South Wales Inc.

Statement of profit or loss and other comprehensive income

For the year ended 31 March 2018

<i>In AUD</i>	Note	2018	2017 Restated*
Revenue - operating	2	2,638,379	2,418,802
Revenue - non-operating	2	73,538	78,152
		<u>2,711,916</u>	<u>2,496,954</u>
Administrative expenses		(769,088)	(641,337)
Advertising and marketing expenses		(106,986)	(44,615)
Employee benefits expenses		(883,642)	(702,357)
Championship expenses		(293,713)	(234,732)
Other expenses		(333,932)	(343,078)
Program and project expenses		(623,993)	(382,032)
(Deficit)/surplus for the year		<u>(299,439)</u>	<u>148,803</u>
Other Comprehensive income			
Other comprehensive income of the year		-	648,500
Total comprehensive (loss)/income for the year		<u>(299,439)</u>	<u>797,303</u>

The notes on pages 5 to 17 are an integral part of these financial statements.

* see note 18.

Little Athletics Association of New South Wales Inc.

Statement of financial position

As at 31 March 2018

<i>In AUD</i>	Note	2018	2017 Restated*
Assets			
Cash and cash equivalents	5	545,953	573,076
Trade and other receivables	6	172,468	80,852
Other financial assets	7	2,279,852	2,454,086
Other assets	8	113,638	95,093
Total current assets		3,111,911	3,203,107
Property, plant and equipment	9	2,116,867	2,117,166
Total non-current assets	18	2,116,867	2,117,166
Total assets		5,228,778	5,320,273
Liabilities			
Trade and other payables	10	530,276	355,993
Provisions	11	169,689	131,108
Total current liabilities		699,965	487,101
Provisions	11	12,219	17,139
Total non-current liabilities		12,219	17,139
Total liabilities		712,184	504,240
Net assets		4,516,594	4,816,033
Equity			
Reserves	12	1,646,459	1,646,459
Retained earnings		2,870,135	3,169,574
Total equity		4,516,594	4,816,033

The notes on pages 5 to 17 are an integral part of these financial statements.

* see Note 18.

Little Athletics Association of New South Wales Inc.

Statement of changes in equity

For the year ended 31 March 2018

	Retained Earnings	Asset Revaluation Reserve	Total
<i>In AUD</i>			
<i>Balance at 1 April 2016</i>	3,020,771	997,959	4,018,730
Total comprehensive income for the year (restated)			
Profit for the year	148,803	-	148,803
Other comprehensive income	-	648,500	648,500
Total comprehensive income for the year (restated)	148,803	648,500	797,303
Restated balance at 31 March 2017	3,169,574	1,646,459	4,816,033
<i>Balance at 1 April 2017</i>	3,169,574	1,646,459	4,816,033
Total comprehensive loss for the year			
Deficit for the year	(299,439)	-	(299,439)
Other comprehensive income	-	-	-
Total comprehensive loss for the year	(299,439)	-	(299,439)
Balance at 31 March 2018	2,870,135	1,646,459	4,516,594

The notes on pages 5 to 17 are an integral part of these financial statements.

Little Athletics Association of New South Wales Inc.

Statement of cash flows

For the year ended 31 March 2018

<i>In AUD</i>	<i>Note</i>	2018	2017
Cash flows from operating activities			
Receipts from grants		111,000	49,471
Receipts from members		2,601,729	2,371,403
Receipts from sponsorship		260,022	149,725
Interest received		73,538	78,152
Payments to suppliers		(2,326,982)	(1,573,271)
Payments to employees		(849,982)	(702,357)
Net cash (used in)/from operating activities		(130,675)	373,123
Cash flows from investing activities			
Payments for property, plant and equipment		(70,681)	3,498
Payments for held to maturity investments		174,234	(71,979)
Net cash from/(used in) investing activities		103,553	(68,481)
Net cash from financing activities		-	-
Net (decrease)/increase in cash and cash equivalents		(27,122)	304,642
Cash and cash equivalents at beginning of year		573,076	268,434
Cash and cash equivalents at end of year	5	545,954	573,076

The notes on pages 5 to 17 are an integral part of these financial statements.

Little Athletics Association of New South Wales Inc.

Notes to the financial statements

For the year ended 31 March 2018

1 Significant accounting policies

Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the Associations Incorporation Act 2009, and comply with other requirements of the law.

For the purpose of preparing the financial statements, the Association is a not-for-profit entity.

The financial statements were authorised for issue by the Committee on 18 July 2018.

Basis of preparation

The financial statements have been prepared on the basis of historical cost, except for certain properties and financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The financial statements have been prepared on the going concern basis of accounting, which assumes the continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The principal accounting policies are set out below.

(a) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Contributions - Government grants / donations

A contribution occurs when the Association receives an asset, including the right to receive cash or other forms of asset without directly giving approximately equal value to the other party to the transfer; that is, when there is a non-reciprocal transfer. Contributions would include donations and government grants. Contributions that are income exclude contributions by owners.

Income from contributions is recognised when all the following conditions are satisfied:

- the Association obtains control of the contribution or right to receive the contribution;
- it is probable the economic benefits comprising the contribution will flow to the Association;
- the amount of contribution can be measured reliably.

Income arising from contributions is measured at the fair value of the contributions received or receivable

Rendering of services

Revenue from the rendering of a service is recognised upon the delivery of the service to the members.

Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Association and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Little Athletics Association of New South Wales Inc.

Notes to the financial statements (continued)

For the year ended 31 March 2018

1 Significant accounting policies (continued)

(b) Taxation

The Association is exempted from income tax under Division 50 of the Income Tax Assessment Act 1997.

(c) Leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

(d) Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, and long service leave when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of short-term employee benefits, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of long term employee benefits are measured as the present value of the estimated future cash outflows to be made by the Association in respect of services provided by employees up to reporting date.

(e) Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated at fair value, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from those that would be determined using fair values at the end of each reporting period.

Freehold land is not depreciated.

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

(f) Financial Instruments

Financial assets and financial liabilities are recognised when the Association becomes a party to the contractual provisions to the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Little Athletics Association of New South Wales Inc.

Notes to the financial statements (continued)

For the year ended 31 March 2018

1 Significant accounting policies (continued)

(f) Financial instruments (continued)

Financial assets

Financial assets are classified as 'held-to-maturity' investments and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt.

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

Bills of exchange and debentures with fixed or determinable payments and fixed maturity dates that the Association has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial assets, such as trade receivables, assets are assessed for impairment on a collective basis even if they were assessed not to be impaired individually. Objective evidence of impairment for a portfolio of receivables could include the Association's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

Little Athletics Association of New South Wales Inc.

Notes to the financial statements (continued)

For the year ended 31 March 2018

1 Significant accounting policies (continued)

(f) Financial instruments (continued)

Impairment of financial assets (continued)

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Derecognition of financial assets

The Association derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Association neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Association recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Association retains substantially all the risks and rewards of ownership of a transferred financial asset, the Association continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

Derecognition of a financial asset other than in its entirety (e.g. when the Association retains an option to repurchase part of a transferred asset), the Association allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Little Athletics Association of New South Wales Inc.

Notes to the financial statements (continued)

For the year ended 31 March 2018

1 Significant accounting policies (continued)

(f) Financial instruments (continued)

Financial liabilities

Other financial liabilities

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Association derecognises financial liabilities when, and only when, the Association's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(g) Impairment of tangible assets

At the end of each reporting period, the Association reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When 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. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(h) 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.

Little Athletics Association of New South Wales Inc.

Notes to the financial statements (continued)

For the year ended 31 March 2018

1 Significant accounting policies (continued)

(i) Good and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- i. where the amount of GST incurred is not recoverable from the Australian Taxation Authority (ATO), it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- ii. for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the ATO is classified within operating cash flows.

(j) Provisions

Provisions are recognised when the Association has a present obligation (legal or constructive) as a result of a past event, it is probable that the Association will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(k) Comparative figures

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

(l) Critical accounting estimates and judgements

In the application of the Association's accounting policies, the Committee members are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The significant estimates and judgements made have been described below.

Held-to-maturity financial assets

The committee members have reviewed the Association's held-to-maturity financial assets in the light of its capital maintenance and liquidity requirements and have confirmed the association's positive intention and ability to hold those assets to maturity. The carrying amount of the held-to-maturity financial assets is \$2.307 (31 March 2017: \$2.454 million). Details of these assets are set out in note 7.

Useful lives of property, plant and equipment

As described at (e) above, the Association reviews the estimated useful lives of property, plant and equipment at the end of each reporting period.

Little Athletics Association of New South Wales Inc.

Notes to the financial statements (continued)

For the year ended 31 March 2018

1 Significant accounting policies (continued)

(m) Application of new and revised Accounting standards

In the current year, the Association has adopted all of the new and revised Standards and interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period. There has been no material impact of these changes on the Association's accounting policies.

(n) List of standards and interpretations in issue not yet effective

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 April 2018, and have not been applied in preparing these financial statements. Those which may be relevant to the Entity are set out below. The Entity does not plan to adopt these standards early.

AASB 9 Financial Instruments (2014)

AASB 9 replaces the existing guidance in AASB 139 Financial Instruments: Recognition and Measurement. AASB 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from AASB 139.

AASB 9 is effective for annual reporting periods beginning on or after 1 January 2019, with early adoption permitted.

The Entity has considered the impact on its financial instruments and financial assets and does not expect a material impact.

AASB 15 Revenue from Contracts with Customers

AASB 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including AASB 118 Revenue, AASB 111 Construction Contracts and AASB Interpretation 13 Customer Loyalty Programmes.

AASB 15 is effective for annual reporting periods beginning on or after 1 January 2019, with early adoption permitted. The Entity is currently assessing the potential impact of the new standard on its existing revenue streams. The new standard may impact the timing of recognition for certain revenue streams, and the Entity is continuing to quantify the impact on its financial statements.

AASB 16 Leases

AASB 16 removes the classification of leases as either operating lease or finance leases - for the lessee - effectively treating all leases as finance leases. Short-term leases (less than 12 months) and leases of low-value assets (such as personal computers) are exempt from the lease accounting requirements. There are also changes in accounting over the life of the lease. In particular, entities will recognise a front-loaded pattern of expenses for most leases, even when they pay constant rentals.

AASB 16 is effective for annual reporting periods beginning on or after 1 January 2019, with early adoption permitted where AASB 15 Revenue from Contracts with Customers is adopted at the same time.

The Entity has limited arrangements which meet the definition of an operating lease and would require recognition under the new AASB 16 Leases Standard. The Entity will continue to monitor the arrangements in place and any new arrangements entered into to ensure they are accounted for in accordance with the new accounting standard from the effective date.

Little Athletics Association of New South Wales Inc.

Notes to the financial statements (continued)

For the year ended 31 March 2018

2 Revenue

In AUD

	2018	2017
Operating activities		
Centre numbers & age patches	-	340
Championships - ALAC	26,243	24,641
Championships - ALAC (hosting)	81,226	-
Championships - NSW	57,848	65,601
Championships - Trans Tasman Tour	252,711	1,821
Conference fees	13,431	40,025
Grants	91,409	49,471
Insurance	7,863	9,051
Projects and programs income	127,530	174,848
Registration fees	1,758,807	1,891,419
Sponsorship	198,982	149,725
Other revenue	22,328	11,860
Total revenue	<u>2,638,379</u>	<u>2,418,802</u>

Interest revenue	<u>73,538</u>	<u>78,152</u>
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The following is an analysis of investment income by category of asset.

Loans and receivables (including cash and bank balances)	<u>73,538</u>	<u>78,152</u>
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Total interest income earned on financial assets that are not designated as at fair value through profit or loss

	<u>73,538</u>	<u>78,152</u>
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3 Profit for the year

In AUD

	2018	2017
Profit for the year has been arrived at after charging (crediting):		
Depreciation of property, plant and equipment	70,980	73,199
Employee benefits expenses	883,642	702,357

4 Key management personnel expenses

The aggregate compensation made to key management personnel of the Association is set out below:

In AUD

	2018	2017
Compensation to key management personnel of the Association	<u>125,128</u>	<u>136,487</u>

Little Athletics Association of New South Wales Inc.

Notes to the financial statements (continued)

For the year ended 31 March 2018

5 Cash and cash equivalents

In AUD

	2018	2017
Cash and bank balances	545,953	573,076
	<u>545,953</u>	<u>573,076</u>

Reconciliation of cash

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

Cash and cash equivalents	<u>545,954</u>	<u>573,076</u>
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6 Trade and other receivables

In AUD

Current

	2018	2017
Trades receivables	86,472	12,106
Interest receivable	26,990	30,526
GST receivable	59,007	38,220
	<u>172,468</u>	<u>80,852</u>

7 Financial assets

In AUD

Held-to-maturity investments:

ING term deposit	2,279,852	2,454,086
	<u>2,279,852</u>	<u>2,454,086</u>

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8 Other current assets

Prepayments	<u>113,638</u>	<u>95,093</u>
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Little Athletics Association of New South Wales Inc.

Notes to the financial statements (continued)

For the year ended 31 March 2018

9 Property, plant and equipment

Carrying amounts of:

In AUD

	2018	2017 Restated*
Freehold land	1,600,000	1,600,000
Buildings	390,000	400,000
Plant and equipment	126,867	117,166
	<u>2,116,867</u>	<u>2,117,166</u>

* see Note18

Movement in carrying amounts

Movement in the carrying amount for each class of property, plant and equipment between the beginning and the end of the current financial year:

<i>In AUD</i>	Land and buildings	Plant and equipment	Total
Cost			
Balance at 1 April 2017	2,000,000	562,515	2,562,515
Additions	-	70,681	70,681
Disposals	-	(109,857)	(109,857)
Balance at 31 March 2018	<u>2,000,000</u>	<u>523,339</u>	<u>2,523,339</u>
Depreciation			
Balance at 1 April 2017	-	(445,349)	(445,349)
Depreciation charge for the year	(10,000)	(60,980)	(70,980)
Disposals	-	109,857	109,857
Balance at 31 March 2018	<u>(10,000)</u>	<u>(396,472)</u>	<u>(406,472)</u>
Carrying amounts			
At 1 April 2017	<u>2,000,000</u>	<u>117,166</u>	<u>2,117,166</u>
At 31 March 2018	<u>1,990,000</u>	<u>126,867</u>	<u>2,116,867</u>

The following useful lives are used in the calculation of depreciation.

Buildings	2.50%
Plant and equipment	10 to 33.33%

The freehold land and buildings are stated at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The determination of fair value has been based on a valuation by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the properties. The valuation was prepared as at 31 March 2017. The Committee has performed an internal valuation as at 31 March 2018 and confirm that these valuations are still relevant and as such the carrying amount of land and buildings as at 31 March 2018 are not materially different from their fair values at 31 March 2017.

Little Athletics Association of New South Wales Inc.

Notes to the financial statements (continued)

For the year ended 31 March 2018

10 Trade and other payables

In AUD

	2018	2017
Trade payables	222,625	53,348
Income in advance	114,175	103,749
GST payable	20,100	22,958
Other payables	173,376	175,938
	<u>530,276</u>	<u>355,993</u>

(a) Financial liabilities at amortised cost classified as trade payable and other payables

Trade and other payables

Current	530,276	355,995
Non-current	-	-
	<u>530,276</u>	<u>355,995</u>
Less: Grants/income in advance	114,175	103,749
Financial liabilities as trade and other payables	15 <u>416,101</u>	<u>252,246</u>

11 Provisions

In AUD

	2018	2017
Employee benefits	<u>(181,908)</u>	<u>(148,247)</u>
Current	(169,689)	(131,108)
Non-current	(12,219)	(17,139)
	<u>(181,908)</u>	<u>(148,247)</u>

The provision for employee benefits represents annual leave and vested long service leave entitlements.

12 Reserves

Asset revaluation reserve

	2018	2017 Restated*
Balance at beginning of year	1,646,459	997,959
Increase arising on revaluation of properties	-	648,500
Restated balance at end of year	<u>1,646,459</u>	<u>1,646,459</u>

* see note 18

The asset revaluation reserve arises on the revaluation of land and buildings. When revalued land or buildings are sold, the portion of the properties revaluation reserve that relates to that asset is transferred directly to retained earnings. Items of other comprehensive income included in the properties revaluation reserve will not be reclassified subsequently to profit or loss.

Little Athletics Association of New South Wales Inc.

Notes to the financial statements (continued)

For the year ended 31 March 2018

13 Operating lease commitments

Leasing arrangements

Operating leases have been taken out for the phone system and photocopier with lease terms of between 4-5 years.

Payments recognised as an expense

	2018	2017
Lease payment recognised as expense	35,788	-

Non-cancellable operating lease commitments

Non-cancellable operating leases contracted for but not recognised in the financial statements

Payable – minimum lease payments:

	Note	2018	2017
Not later than one year		14,829	3,827
Later than one year		13,845	4,903
		<u>28,674</u>	<u>8,730</u>

14 Contingencies

Contingent Liabilities

Little Athletics Association of New South Wales Inc. had no contingent liabilities at the end of the reporting period.

15 Financial instruments

The Association's financial instruments consist mainly of deposits with banks, short-term investments, trade receivable and trade payable.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

Categories of financial instruments

		2018	2017
<i>In AUD</i>			
Financial assets			
Cash and cash equivalents	5	545,953	573,076
Loans and receivables	6	172,468	80,852
Held-to-maturity investments	7	2,279,852	2,454,086
Total financial assets		<u>2,998,274</u>	<u>3,108,014</u>
Financial liabilities			
Financial liabilities at amortised cost			
Trade and other payables	10(a)	416,101	252,246
Total Financial liabilities		<u>416,101</u>	<u>252,246</u>

Little Athletics Association of New South Wales Inc.

Notes to the financial statements (continued)

For the year ended 31 March 2018

16 Mortgages, charges or other securities

The Association does not have any mortgages, charges or other securities affecting the property of the Association.

17 Association details

The registered office of the Association is:

Little Athletics New South Wales Inc.

90-92 Harris Street

Harris Park NSW 2150

18 Correction of error

In the previous financial year, a valuation report was obtained by the Committee reflecting a fair-value uplift in the Property, Plant and Equipment balance in accordance with the Entity's accounting policy that Land and Buildings held for use are stated at fair value, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. This uplift was not recognised in the Entity's accounting records at 31 March 2017, and the previous auditor qualified their opinion accordingly.

In these financial statements, this error has been corrected by restating each of the affected financial statement line items for prior periods. The following tables summarise the impacts on the Entity's financial statements.

i. Statement of financial position

As at 31 March 2017	Impact of correction of error		
	As previously reported	Adjustment	As restated
Land	1,000,000	600,000	1,600,000
Buildings	351,500	48,500	400,000
Property, plant and equipment	1,468,666	648,500	2,117,166
Total assets	4,671,773	648,500	5,320,273
Total liabilities	504,242	-	504,242
Asset revaluation reserve	997,959	648,500	1,646,459
Net assets / Equity	4,167,531	648,500	4,816,031

ii. Statement of profit or loss and OCI

For the year ended 31 March 2017	Impact of correction of error		
	As previously reported	Adjustment	As restated
Surplus for the year	148,803	-	148,803
Other comprehensive income			
Revaluation of property, plant and equipment	-	648,500	648,500
Total comprehensive income	148,803	648,500	797,303

There is no material impact on the Entity's total operating, investing or financing cash flows for the year ended 31 March 2017.

Little Athletics Association of New South Wales Inc.

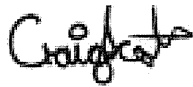
Association's committee members' declaration

In the opinion of the association's committee members of Little Athletics Association of New South Wales Inc. (the Association):

- (a) the Association is not publicly accountable;
- (b) the financial statements and notes that are set out on pages 5 to 17 are in accordance with the Associations Incorporations Act 2009, including:
 - (i) giving a true and fair view of the Association's financial position as at 31 March 2018 and of its performance, for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards - Reduced Disclosure Regime; and
- (c) there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the committee members:

On behalf of the Association's committee



Craig Scott
President



Glen Taylor
Business Development Director

Dated at 18 July 2018



Independent Auditor's Report

To the members of Little Athletics Association of New South Wales Inc.

Opinion

We have audited the **Financial Statements** of Little Athletics Association of New South Wales Inc. (the Association).

In our opinion, the accompanying Financial Statements give a true and fair view of the financial position of the Association as at 31 March 2018 and of its financial performance for the year then ended in accordance with *Australian Accounting Standards - Reduced Disclosure Requirements* and the *Associations Incorporation Act 2009*.

The **Financial Statements** comprise:

- Statement of financial position as at 31 March 2018
- Statement of profit or loss and other comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended
- Notes including a summary of significant accounting policies
- the statement by the Association's committee members

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Statements* section of our report.

We are independent of the Association in accordance with 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 Statements in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

Emphasis of matter – restatement of comparative balances

We draw attention to Note 18 to the financial statements, which states that amounts reported in the previously issued 31 March 2017 financial statements have been restated and disclosed as comparatives in these financial statements. Our opinion is not modified in respect of this matter.

The financial statements of Little Athletics Association of New South Wales Inc. for the year ended 31 March 2017 were audited by another auditor who issued a Qualified opinion on those financial statements on 12 April 2018.

Other Information

Other Information is financial and non-financial information in Little Athletics Association of New South Wales Inc.'s annual reporting which is provided in addition to the Financial Statements and the Auditor's Report. The Association's committee members are responsible for the Other Information.

Our opinion on the Financial Statements does not cover the Other Information and, accordingly, we do



not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Association's committee members for the Financial Statements

The Association's committee members are responsible for:

- preparing Financial Statements that give a true and fair view in accordance with *Australian Accounting Standards - Reduced Disclosure Requirements* and the *Associations Incorporation Act 2009*.
- implementing necessary internal control to enable the preparation of Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error
- assessing the Association's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our objective is:

- to obtain reasonable assurance about whether the Financial Statements as a whole are 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. They 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 Statements.

A further description of our responsibilities for the audit of the Financial Statements is located at the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_responsibilities/ar8.pdf. This description forms part of our Auditor's Report.

KPMG

KPMG

Niraj Singh
Partner

Parramatta
18 July 2018



LITTLE ATHLETICS NSW
90 - 92 Harris Street
HARRIS PARK 2150
Ph: 9633 4511
Website: lansw.com.au
Email: admin@lansw.com.au