

# **Tenpin Bowling Association of Queensland Inc.**

## **Financial Statements**

**For the Year Ended 31 December 2017**

# Tenpin Bowling Association of Queensland Inc.

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For the Year Ended 31 December 2017

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Tenpin Bowling Association of Queensland Inc.

**Statement of Profit or Loss**

For the Year Ended 31 December 2017

	2017	2016
	\$	\$
<b>Income</b>		
Administration income	4,152	2,773
Equipment sales	67,766	84,514
Interest received	5,618	7,264
Membership	20,000	20,000
SRQ state funding	202,300	202,300
State development and events	30,689	72,114
State team income	278,147	234,974
Sundry income	-	226
	<u>608,672</u>	<u>624,165</u>
<b>Expenditure</b>		
Administration expenses	25,080	27,889
Committee expenses	5,860	15,398
Cost of goods sold	29,902	37,545
Employee entitlements	218,887	187,378
Occupancy costs	10,785	10,137
Postage, printing and stationery	5,824	7,529
State development and team expenses	354,455	267,016
Sundry expenses	21,190	10,127
Telephone and fax	2,570	2,765
	<u>674,553</u>	<u>565,784</u>
<b>Profit/(loss) for the year</b>	<u>(65,881)</u>	<u>58,381</u>

The accompanying notes form part of these financial statements.

Tenpin Bowling Association of Queensland Inc.

**Statement of Assets and Liabilities**

31 December 2017

	Note	2017 \$	2016 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	305,429	348,547
Trade and other receivables	5	19,715	27,749
Inventories	6	78,214	68,383
Other assets		2,271	2,138
<b>TOTAL CURRENT ASSETS</b>		<b>405,629</b>	446,817
<b>NON-CURRENT ASSETS</b>			
<b>TOTAL ASSETS</b>		<b>405,629</b>	446,817
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	44,795	41,815
Employee benefits	8	74,468	57,947
Other accruals		-	1,400
<b>TOTAL CURRENT LIABILITIES</b>		<b>119,263</b>	101,162
<b>NON-CURRENT LIABILITIES</b>			
Employee benefits	8	6,593	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>6,593</b>	-
<b>TOTAL LIABILITIES</b>		<b>125,856</b>	101,162
<b>NET ASSETS</b>		<b>279,773</b>	345,655
<b>MEMBERS' FUNDS</b>			
Retained profits		279,773	345,655
<b>TOTAL MEMBERS' FUNDS</b>		<b>279,773</b>	345,655

The accompanying notes form part of these financial statements.

Tenpin Bowling Association of Queensland Inc.

**Statement of Changes in Equity**

For the Year Ended 31 December 2017

2017

	Retained Earnings	Total
	\$	\$
<b>Balance at 1 January 2017</b>	<b>345,655</b>	<b>345,655</b>
Loss for the year	(65,882)	(65,882)
<b>Balance at 31 December 2017</b>	<b>279,773</b>	<b>279,773</b>

2016

	Retained Earnings	Total
	\$	\$
<b>Balance at 1 January 2016</b>	<b>287,274</b>	<b>287,274</b>
Profit for the year	58,381	58,381
<b>Balance at 31 December 2016</b>	<b>345,655</b>	<b>345,655</b>

Tenpin Bowling Association of Queensland Inc.

**Statement of Cash Flows**

For the Year Ended 31 December 2017

	2017	2016
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	611,088	622,130
Payments to suppliers and employees	(659,823)	(588,075)
Interest received	5,618	7,264
Net cash provided by/(used in) operating activities	<u>(43,117)</u>	<u>41,319</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Net increase/(decrease) in cash and cash equivalents held	(43,117)	41,319
Cash and cash equivalents at beginning of year	<u>348,547</u>	<u>307,228</u>
Cash and cash equivalents at end of financial year	<u>4</u> <u>305,430</u>	<u>348,547</u>

The accompanying notes form part of these financial statements.

## Tenpin Bowling Association of Queensland Inc.

### Notes to the Financial Statements

For the Year Ended 31 December 2017

The financial statements cover Tenpin Bowling Association of Queensland Inc. as an individual entity. Tenpin Bowling Association of Queensland Inc. is a not-for-profit Association incorporated in Queensland under the *Associations Incorporation Act (QLD) 1981 (as amended by the Associations Incorporation and Other Legislation Amendment Act (QLD) 2007)* ('the Act').

The functional and presentation currency of Tenpin Bowling Association of Queensland Inc. is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

#### 1 Basis of Preparation

In the opinion of the Committee of Management, the Association is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the Act.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* and AASB 1054 *Australian Additional Disclosures*.

#### 2 Summary of Significant Accounting Policies

##### (a) Income Tax

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

##### (b) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Association and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

##### Grant revenue

Grant revenue is recognised in the statement of profit or loss when the entity obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of assets and liabilities as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Tenpin Bowling Association of Queensland Inc. receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of assets and liabilities, with a corresponding amount of income recognised in the statement of profit or loss.

## Notes to the Financial Statements

For the Year Ended 31 December 2017

### 2 Summary of Significant Accounting Policies

#### (b) Revenue and other income

##### Interest revenue

Interest is recognised using the effective interest method.

##### Other income

Other income is recognised on an accruals basis when the Association is entitled to it.

#### (c) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

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

#### (d) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and is net of any rebates and discounts received. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

#### (e) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

#### (f) Employee benefits

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

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements..



## Notes to the Financial Statements

For the Year Ended 31 December 2017

### 3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

#### Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

### 4 Cash and Cash Equivalents

	2017	2016
	\$	\$
Cash at bank and in hand	152,858	200,059
Term Deposit	152,571	148,488
	<u>305,429</u>	<u>348,547</u>

### 5 Trade and Other Receivables

	2017	2016
	\$	\$
CURRENT		
Trade receivables	41,723	36,135
Provision for impairment	(34,133)	(24,725)
	<u>7,590</u>	11,410
GST Receivable	12,125	16,339
<b>Total current trade and other receivables</b>	<u>19,715</u>	<u>27,749</u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

### 6 Inventories

	2017	2016
	\$	\$
CURRENT		
At cost:		
Inventory on hand	78,214	68,383
	<u>78,214</u>	<u>68,383</u>

## Notes to the Financial Statements

For the Year Ended 31 December 2017

### 7 Trade and Other Payables

	2017	2016
	\$	\$
Current		
Trade payables	8,195	20,650
GST payable	28,973	13,662
Other payables	7,628	7,503
	<u>44,796</u>	<u>41,815</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

### 8 Employee Benefits

	2017	2016
	\$	\$
Current liabilities		
Long service leave	29,493	25,900
Annual leave	44,975	32,047
	<u>74,468</u>	<u>57,947</u>
	2017	2016
	\$	\$
Non-current liabilities		
Long service leave	6,593	-
	<u>6,593</u>	<u>-</u>

### 9 Contingencies

In the opinion of the Committee of Management, the Association did not have any contingencies at 31 December 2017 (31 December 2016:None).

### 10 Events after 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 Association, the results of those operations or the state of affairs of the Association in future financial years.

### 11 Statutory Information

The registered office and principal place of business of the company is:

Tenpin Bowling Association of Queensland Inc.  
Office 2.3 Sportshouse  
150 Caxton Street  
Brisbane QLD 4064

**Tenpin Bowling Association of Queensland Inc.**

**Statement by Members of the Committee**

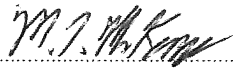
The committee has determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 2 to the financial statements.

In the opinion of the committee the financial report as set out on pages 1 to 8:

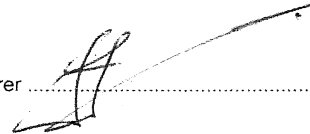
1. Presents fairly the financial position of Tenpin Bowling Association of Queensland Inc. as at 31 December 2017 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Tenpin Bowling Association of Queensland Inc. will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the committee and is signed for and on behalf of the committee by:

President .....



Treasurer .....



Dated

16.05.2018

## INDEPENDENT AUDITOR'S REPORT

To the Members of Tenpin Bowling Association of Queensland Inc.

### *Report on the Audit of the Financial Report*

#### *Qualified Opinion*

We have audited the financial report of Tenpin Bowling Association of Queensland Inc, which comprises the statement of financial position as at 31 December 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statement, including a summary of significant accounting policies, and the Statement by the Members of the Committee.

In our opinion, except for the effects of the matter described in the *Basis of Qualified Opinion* section of our report, the accompanying financial report presents fairly, in all material aspects, the financial position of Tenpin Bowling Association of Queensland Inc as at 31 December 2017, and its financial performance for the year ended then in accordance with Australian Accounting Standards and *Associations Incorporation Act (Qld) 1981* (as amended by the *Associations Incorporation and other Legislation Amendment Act (QLD) 2007*.

#### *Basis for Qualified Opinion*

The association has determined that it is impracticable to establish control over the collection of cash receipts prior to entry into its financial records. Accordingly, as the evidence available to use regarding tracing revenue (other than membership income and SRQ state funding) amounting to \$396,423 from this source was limited, our audit procedures had to be restricted to the amounts recorded in the financial records. We therefore are unable to express an opinion on whether the recorded revenue (other than membership income and SRQ state funding income) of the association are complete and accurate.

Furthermore, we were unable to verify the completeness, existence and accuracy of inventories (\$78,214) due to the fact that the majority of stock is loaned to local bowling centres and schools and we were not able to satisfy ourselves as to the inventory quantities at these locations.

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 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 report in Australia.

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

### *Emphasis of Matter – Basis of Accounting*

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Tenpin Bowling Association of Queensland Inc to meet the requirements of the *Associations Incorporation Act (Qld) 1981*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

### *Responsibilities of Management and Those Charged with Governance for the Financial Report*

Management is responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Associations Incorporation Act (Qld) 1981* and is appropriate to meet the needs of the members. The management's responsibility also includes such internal control as the officers determine 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 Association's ability to continue as a going concern, disclosing as applicable, matters relating to going concern and using the going concern basis of accounting unless Management either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Management are responsible for overseeing the Association'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 assurance, but is not a guarantee that an audit conducted in accordance with the 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.

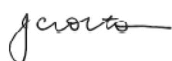
As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Association.
- Conclude on the appropriateness of Association's 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 Association'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 Association 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 fair presentation.

We communicate with those charged with governance 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.



.....  
Jason Croston  
**SRJ Walker Wayland**  
**Director**

Date: 16 May 2018

Address: Unit 3, 27 South Pine Road, BRENDAL QLD 4500