

Queensland Volleyball Association Inc.

Financial Statements

For the Year Ended 31 December 2021

Queensland Volleyball Association Inc.

ABN45 476 392 018

For the Year Ended 31 December 2021

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Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 31 December 2021

		2021	2020
	Note	\$	\$
Revenue	4	1,759,832	1,227,766
Government Grants		231,100	231,100
Tournament competition related costs		(644,236)	(388,799)
Employee benefits expense		(514,211)	(437,662)
Administrative expense		(335,228)	(198,510)
Depreciation and amortisation expense		(2,457)	(15,068)
Bad Debts		(30)	(1,132)
Merchandise		(4,320)	(224)
Event labour costs		(89,236)	(65,702)
Competition fees		(27,378)	(13,227)
Sundry expense		(4,096)	(5,010)
Other expenses		(14,283)	(36,067)
Profit / (loss) for the year		355,457	297,465
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		355,457	297,465

Queensland Volleyball Association Inc.

Statement of Financial Position

As At 31 December 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	1,132,311	648,548
Trade and other receivables	6	7,098	29,539
Inventories		19,207	24,764
Other Asset	7	-	34,902
TOTAL CURRENT ASSETS		1,158,616	737,753
NON-CURRENT ASSETS			
Plant and equipment	8	16,490	18,947
TOTAL NON-CURRENT ASSETS		16,490	18,947
TOTAL ASSETS		1,175,106	756,700
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	379,464	316,515
TOTAL CURRENT LIABILITIES		379,464	316,515
TOTAL LIABILITIES		379,464	316,515
NET ASSETS		795,642	440,185
MEMBERS' FUNDS			
Retained profits		795,642	440,185
TOTAL MEMBERS' FUNDS		795,642	440,185

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 31 December 2021

2021

	Retained Earnings	Total
	\$	\$
Balance at 1 January 2021	440,185	440,185
Profit / (loss) for the year	355,457	355,457
Balance at 31 December 2021	795,642	795,642

2020

	Retained Earnings	Total
	\$	\$
Balance at 1 January 2020	142,720	142,720
Profit / (loss) for the year	297,465	297,465
Balance at 31 December 2020	440,185	440,185

Statement of Cash Flows

For the Year Ended 31 December 2021

	2021	2020
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers / government grants	2,212,521	1,731,151
Payments to suppliers and employees	(1,728,758)	(1,207,081)
Net cash provided by/(used in) operating activities	10 <u>483,763</u>	<u>524,070</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of plant and equipment	-	31,756
Net cash provided by/(used in) investing activities	-	<u>31,756</u>
Net increase/(decrease) in cash and cash equivalents held	483,763	555,826
Cash and cash equivalents at beginning of year	648,548	92,722
Cash and cash equivalents at end of financial year	5 <u>1,132,311</u>	<u>648,548</u>

Notes to the Financial Statements

For the Year Ended 31 December 2021

The financial statements cover Queensland Volleyball Association Inc. as an individual entity. Queensland Volleyball Association 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').

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*.

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.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

(a) Going concern

The Board of Management have prepared the financial statements on a going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business. This is deemed to be appropriate notwithstanding that subsequent to year end, there was significant business instability in the last quarter of the 2021 calendar year on a global level due to the COVID-19 pandemic.

This is based on the cashflow projections of the Board of Management on the assumption that the company will be able to trade in the future and is not subject to any significant regulatory or other conditions that could impact trading for any significant length of time.

These financial statements do not include adjustments relating to the recoverability and classification of recorded assets amounts or to the amounts and classification of liabilities that might be necessary should the company be affected by the above business instability as the Board are uncertain as to what the outcome of the situation might be at this point of time. The Board will continue to assess the COVID-19 situation as Government announcements are made.

(b) Change in accounting policy

Adoption of AASB 16 Leases

The Association has not adopted AASB 16 Leases as the standard's key changes would have minimum impact on these financial statements.

Notes to the Financial Statements

For the Year Ended 31 December 2021

2 Summary of Significant Accounting Policies (continued)

(c) Revenue and other income

Specific revenue streams

Grant revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income 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 there are conditions attached to grant revenue relating to the use of those grants for a specific purposes it is recognised in the balance sheet as a liability until such conditions are met or services provided. Where the grant is for a specific period of time, it is recognised over that period of time.

Membership fees and competition fees

Membership and competition fees revenue is recognised when money is received.

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

(d) Income Tax

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

(e) 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. Long service leave is recognised after 7 years of service.

(f) 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.

(g) Property, plant and equipment

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

Items of property, plant and equipment acquired for significantly less than fair value have been recorded at the acquisition date fair value.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Association, commencing when the asset is ready for use.

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

Notes to the Financial Statements

For the Year Ended 31 December 2021

2 Summary of Significant Accounting Policies (continued)

(g) **Property, plant and equipment (continued)**

Fixed asset class	Depreciation rate
Opening balance - Leased	30%
Furniture, Fixtures and Fittings	15%
Motor Vehicles	15%
Office Equipment	7.5 - 37.5%
Computer Equipment	10%

(h) **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.

(i) **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). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown 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.

(j) **Economic Dependence and Continuing Operations**

The Association is dependent upon the on-going receipt of grant income from the Department of National Parks, Sport, Recreation and Racing.

Should the financial support from the above mentioned party be withdrawn or significantly reduced, there would be uncertainty as to whether the Association would continue as a going concern and it might have to significantly restructure its overall financial and business activities. At the date of this report the directors have secured funding commencing from 30 June 2021 to 30 June 2022.

This funding is based on performance measures of a quantitative and qualitative nature focusing on grassroots participation, club and association support and development and service delivery by the Association.

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.

Notes to the Financial Statements

For the Year Ended 31 December 2021

3 Critical Accounting Estimates and Judgments (continued)

Key estimates - provisions

The Association is party to an arrangement with Volleyball Australia for the "We are Volleyball" program. This program has occurred in previous years and the Board of Management expects that the program is likely to exist going forward. The program includes costs for consultants, equipment and insurance. The Board of Management has estimated a provision of \$70,000 which is to be used towards this program. The provision is based on the 2021 budgeted number of members of approximately 7,000 at \$10 each. The assessment of this provision required a degree of estimation and judgement. The Board of Management has estimated this provision based on historical information relating to this program and other related programs. The costs for this program may increase or decrease as members as at 31 December 2021 are at approximately 11,000. As such, future provisions for this program are likely to increase.

4 Revenue

	2021	2020
	\$	\$
Participant contributions	1,222,456	638,351
Membership Fees	381,036	225,870
Reimbursements	3,366	3,177
Sale of merchandise	3,953	28,363
Australian Government Cash Flow Boost	-	81,332
Australian Government JobKeeper	-	139,500
Sponsorship	72,353	67,178
Administration and management fees	83	113
Other income	11,580	9,333
Course fees and accreditation	65,005	34,549
Total Revenue	1,759,832	1,227,766

5 Cash and Cash Equivalents

Cash at bank and in hand	1,132,311	648,548
	1,132,311	648,548

6 Trade and Other Receivables

CURRENT		
Trade receivables	7,098	29,539
	7,098	29,539

7 Other Assets

CURRENT		
Other Asset	-	31,836
Prepayments	-	3,066
	-	34,902

Notes to the Financial Statements

For the Year Ended 31 December 2021

8 Property, plant and equipment

	2021 \$	2020 \$
PLANT AND EQUIPMENT		
Motor vehicles		
At cost	39,012	39,012
Accumulated depreciation	(34,789)	(34,044)
Total motor vehicles	4,223	4,968
Office equipment		
At cost	10,615	10,615
Accumulated depreciation	(7,149)	(5,691)
Total office equipment	3,466	4,924
Competition equipment		
At cost	16,624	16,624
Accumulated depreciation	(7,823)	(7,569)
Total competition equipment	8,801	9,055
Total property, plant and equipment	16,490	18,947

9 Trade and Other Payables

CURRENT		
Trade payables	13,048	9,790
Income in advance	58,645	62,210
Grants in advance	115,550	115,550
Provision - other	70,000	-
Employee benefits	122,221	128,965
	379,464	316,515

10 Cash Flow Information

(a) Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	1,132,311	648,548
	1,132,311	648,548

Notes to the Financial Statements

For the Year Ended 31 December 2021

10 Cash Flow Information (continued)

10 Cash Flow Information (continued)

(b) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2021	2020
	\$	\$
Profit for the year	355,457	297,465
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	2,458	15,068
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	22,441	19,748
- (increase)/decrease in prepayments and other assets	34,902	28,894
- (increase)/decrease in inventories	5,557	1,346
- increase/(decrease) in income in advance	(3,615)	114,810
- increase/(decrease) in trade and other payables	(3,487)	(705)
- (increase)/decrease in other creditors and accruals	70,000	40,634
- increase/(decrease) in provisions	-	6,810
Cashflows from operations	483,713	524,070

11 Capital and leasing commitments

(a) Operating leases

Payable - minimum lease payments - not later than one year	17,255	17,255
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Operating leases have been taken out for the rent on the office premises.

12 Contingencies

In the opinion of the Committee of Management, the Association did not have any contingencies at 31 December 2021 (31 December 2020: None).

13 Events after the end of the Reporting Period

On 11 March 2020, the World Health Organisation ("WHO") declared a pandemic in respect of the increasing cases of Coronavirus being recorded on a global basis. Since the WHO declaration, the government has been implementing various policy measures to respond to the pandemic, including quarantine measures and economic stimulus packages. Arrangements for quarantine and economic stimulus continue to evolve at the reporting date and can be expected to change during the course of the year.

At this time, the pandemic is on-going and the Company is unable to determine the extent of the future impact of the pandemic. However, the Queensland Volleyball Association Inc Board of Management is closely monitoring the situation on a regular basis and has resolved to perform the following actions:

Notes to the Financial Statements

For the Year Ended 31 December 2021

13 Events after the end of the Reporting Period (continued)

- Take the necessary steps during the COVID-19 virus pandemic to preserve staffing where possible;
- Eliminate unnecessary expenditure during any closure period;
- Ensure ongoing solvency; and
- Ensure the organisation is in a financial position at the end of the closure to return its operations to the customary calendar of events.

The Pirates Camp which was originally planned to take place in January 2022 was cancelled due to the impacts of COVID-19 along with other events in early 2022. Refunds were issued to the members in relation to the Pirates Camp in January 2022.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

14 Association details

The registered office and principal place of business of the company is:
Queensland Volleyball Association Inc.
Suite 1.11, Sports House
150 Caxton Street
Milton QLD 4064

Queensland Volleyball Association Inc.

Statement of Board of Management

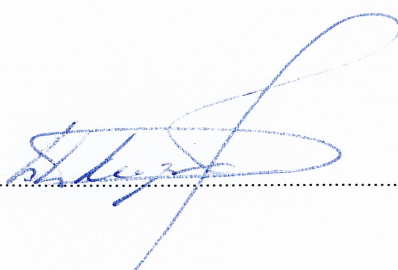
The Board of Management has determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 2 to the financial statements.

In the opinion of the Board of Management the financial report as set out on pages 2 to 11:

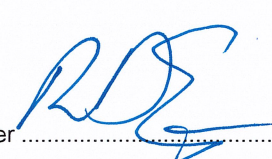
1. Presents fairly the financial position of Queensland Volleyball Association Inc. as at 31 December 2021 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Queensland Volleyball Association Inc. will be able to pay its 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 22 April 2022

Queensland Volleyball Association Inc.

Independent Audit Report to the members of Queensland Volleyball Association Inc.

Report on the Audit of the Financial Report

Audit Opinion

We have audited the accompanying financial report, being a special purpose financial report of Queensland Volleyball Association Inc. (the Association), which comprises the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement of board of management.

In our opinion, the accompanying financial report of the Association for the year ended 31 December 2021 is prepared, in all material respects, in accordance with the Associations Incorporation Act (QLD) 1981 (as amended by the Associations Incorporation and Other Legislation Amendment Act (QLD) 2007).

Basis for Audit Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Association in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report is prepared to assist the Association in compliance requirements. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the Association and should not be distributed to or used by parties other than the Association. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with the Associations Incorporation Act (QLD) 1981 (as amended by the Associations Incorporation and Other Legislation Amendment Act (QLD) 2007), and for such internal control as management determines is necessary to enable the preparation of the financial report 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 related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.



Queensland Volleyball Association Inc.

Independent Audit Report to the members of Queensland Volleyball Association Inc.

Those charged with governance 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 of 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 this financial report.

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

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



Queensland Volleyball Association Inc.

Independent Audit Report to the members of Queensland Volleyball Association Inc.

We communicate with the management 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.

A stylized, handwritten signature of the Mazars firm in black ink.

Mazars Assurance Pty Ltd
Authorised Audit Company: 338599

A handwritten signature of Michael Georghiou in black ink.

Michael Georghiou
Director

Brisbane, 27 April 2022