

Tenpin Bowling Association of Queensland Inc.

Financial Statements

For the Year Ended 31 December 2020

Tenpin Bowling Association of Queensland Inc.

Contents

For the Year Ended 31 December 2020

	Page
Financial Statements	
Statement of Profit or Loss	1
Statement of Assets and Liabilities	2
Statement of Changes in Equity	3
Statement of Cash Flows	4
Notes to the Financial Statements	5
Statement by Members of the Committee	10
Independent Audit Report	11

Tenpin Bowling Association of Queensland Inc.

Statement of Profit or Loss
For the Year Ended 31 December 2020

	2020	2019
	\$	\$
Income		
Administration income	1,163	1,886
Equipment sales	39,377	37,789
Interest received	3,610	5,398
SRQ state funding	215,568	222,300
State development and events	6,266	39,890
State team income	24,303	296,828
Government subsidies	89,122	-
Other income	-	3,612
	<u>379,409</u>	<u>607,703</u>
Expenditure		
Administration expenses	23,108	35,605
Committee expenses	750	4,896
Cost of goods sold	18,427	20,877
Employee entitlements	202,620	192,450
Occupancy costs	5,644	11,265
Other expenses	-	2,626
Postage, printing and stationery	2,395	2,724
Depreciation	355	-
State development and event expenses	3,100	333,989
State team expenses	44,148	-
Sundry expenses	5,099	71
Telephone and fax	3,839	3,395
	<u>309,485</u>	<u>607,898</u>
Profit/(loss) for the year	<u>69,924</u>	<u>(195)</u>

The accompanying notes form part of these financial statements.

Tenpin Bowling Association of Queensland Inc.

Statement of Assets and Liabilities

31 December 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	438,878	333,697
Trade and other receivables	5	12,824	16,519
Inventories	6	38,459	11,355
Other assets		(1,382)	26,662
TOTAL CURRENT ASSETS		<u>488,779</u>	<u>388,233</u>
NON-CURRENT ASSETS			
Plant and equipment		2,788	-
		<u>2,788</u>	<u>-</u>
TOTAL NON-CURRENT ASSETS		<u>2,788</u>	<u>-</u>
TOTAL ASSETS		<u>491,567</u>	<u>388,233</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	115,861	71,228
Employee benefits	8	56,934	68,157
TOTAL CURRENT LIABILITIES		<u>172,795</u>	<u>139,385</u>
NON-CURRENT LIABILITIES			
TOTAL LIABILITIES		<u>172,795</u>	<u>139,385</u>
NET ASSETS		<u>318,772</u>	<u>248,848</u>
MEMBERS' FUNDS			
Retained profits		<u>318,772</u>	<u>248,848</u>
TOTAL MEMBERS' FUNDS		<u>318,772</u>	<u>248,848</u>

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 2020

2020

	Retained Earnings	Total
	\$	\$
Balance at 1 January 2020	248,848	248,848
Profit/(Loss) for the year	69,924	69,924
Balance at 31 December 2020	318,772	318,772

2019

	Retained Earnings	Total
	\$	\$
Balance at 1 January 2019	249,044	249,044
Profit/(Loss) for the year	(196)	(196)
Balance at 31 December 2019	248,848	248,848

The accompanying notes form part of these financial statements.

Tenpin Bowling Association of Queensland Inc.

Statement of Cash Flows

For the Year Ended 31 December 2020

	2020	2019
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	379,316	622,555
Payments to suppliers and employees	(274,602)	(630,906)
Interest received	3,610	5,398
Net cash provided by/(used in) operating activities	10	(2,953)
Purchase of property, plant and equipment	(3,143)	-
Net cash provided by/(used in) investing activities	(3,143)	-
Net increase/(decrease) in cash and cash equivalents held	105,181	(2,953)
Cash and cash equivalents at beginning of year	333,697	336,650
Cash and cash equivalents at end of financial year	4	333,697

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 2020

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 material accounting policies adopted in the special purpose financial statements are set out in note 2 and indicate how the recognition and measurement requirements in Australian Accounting Standards have not been complied with.

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.

All grant income has been deferred upon receipt and not recognised as revenue until the related expenses are incurred, without assessing whether enforceable performance obligations exist. This does not comply with *AASB 15 Revenue from Contracts with Customers* or *AASB 1058 Income of Not-for-Profit Entities*.

Notes to the Financial Statements

For the Year Ended 31 December 2020

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.

Long-term provisions recognised for long service leave has been measured on the undiscounted basis. The probability that an employee may satisfy vesting requirements has not been taken into account. This treatment of long service leave entitlements does not comply with *AASB 119 Employee Benefits*.

Notes to the Financial Statements

For the Year Ended 31 December 2020

2 Summary of Significant Accounting Policies

(g) Leases

Operating leases are recognised through the profit and loss when payment is made.

The method of not recognising operating leases on the statement of financial position does not comply with *AASB 16 Leases*.

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

	2020	2019
	\$	\$
Cash at bank and in hand	175,131	172,933
Term Deposit	263,747	160,764
	<u>438,878</u>	<u>333,697</u>

5 Trade and Other Receivables

	2020	2019
	\$	\$
CURRENT		
Trade receivables	9,574	10,282
Provision for impairment	-	(4,057)
	<u>9,574</u>	<u>6,225</u>
GST Receivable	2,916	8,585
Other receivables	334	1,709
Total current trade and other receivables	<u>12,824</u>	<u>16,519</u>

Tenpin Bowling Association of Queensland Inc.

Notes to the Financial Statements
For the Year Ended 31 December 2020

6 Inventories

	2020	2019
	\$	\$
CURRENT		
At cost:		
Inventory on hand	38,459	11,355
	<u>38,459</u>	<u>11,355</u>

7 Trade and Other Payables

	2020	2019
	\$	\$
Current		
GST payable	4,565	41,065
Other payables	111,296	30,163
	<u>115,861</u>	<u>71,228</u>

8 Employee Benefits

	2020	2019
	\$	\$
Current liabilities		
Long service leave	30,542	32,423
Annual leave	26,392	35,734
	<u>56,934</u>	<u>68,157</u>
Non-current liabilities		

9 Contingencies

In the opinion of the Committee of Management, the Association did not have any contingencies at 31 December 2020 (31 December 2019:None).

Notes to the Financial Statements

For the Year Ended 31 December 2020

10 Cash Flow Information

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

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

	2020	2019
	\$	\$
Profit for the year	69,924	(196)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	355	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	3,695	20,251
- (increase)/decrease in other assets	28,044	(24,090)
- (increase)/decrease in inventories	(27,104)	18,857
- increase/(decrease) in trade and other payables	44,633	(6,030)
- increase/(decrease) in provisions	(11,223)	(11,745)
Cashflows from operations	<u>108,324</u>	<u>(2,953)</u>

11 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.

12 Statutory Information

The registered office and principal place of business of the association 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 9:

1. Presents fairly the financial position of Tenpin Bowling Association of Queensland Inc. as at 31 December 2020 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 *MT McKenna*

Treasurer 

Dated 29/4/2021

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 2020, 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 2020, 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 regarding tracing revenue (other than sale of goods and SRQ state funding) amounting to \$119,562 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 sale of goods and SRQ state funding income) of the association are complete and accurate.

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

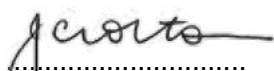
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level assurance but is not a guarantee that an 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.

A handwritten signature in black ink, appearing to read 'j croston', written over a dotted line.

Jason Croston
SRJ Walker Wayland
Director

Date: 5 May 2021

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