

ACT BASKETBALL INCORPORATED

A.B.N. 11 936 731 929

GENERAL PURPOSE FINANCIAL REPORT FOR THE YEAR ENDED

30 SEPTEMBER 2014

ACT BASKETBALL INCORPORATED

ABN 11 936 731 929

BOARD OF MANAGEMENT REPORT

Your Board of Management submit the financial report of the ACT Basketball Incorporated (trading as Basketball ACT) for the year ended 30 September 2014.

BOARD OF MANAGEMENT

The Board of Management throughout the year and at the date of this report are:

Melissa Backhouse	(term expired 25/02/2014)
Eric Malcolm	(term expired 25/02/2014)
Greg Evans	(term expired 24/02/2015)
Brad Barnes	(term expired 24/02/2015)
Jocelyn Martin	(appointed 30/09/2014)
David Leaney	(elected 25/02/2014)
Stephanie Lynch	(term expired 25/02/2014)
Jerry Lee	(term expired 24/02/2015)
Debbie Arsego	(resigned 24/06/2014)
Kate Corkery	(appointed 25/03/2014)
David Simpson	(elected 25/02/2014)
Debbie Cook	(elected 24/02/2015)
Gary Pettigrove	(elected 24/02/2015)

PRINCIPAL ACTIVITIES

The principal activities of the Association during the financial year ended 30 September 2014 were:

- (a) To control, promote and encourage basketball in the Australian Capital Territory; and
- (b) To be duly affiliated with BA Limited (trading as Basketball Australia).

SIGNIFICANT CHANGES

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

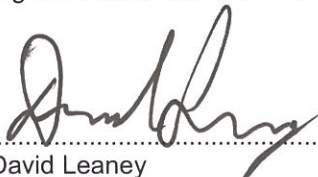
OPERATING RESULT

The loss for the year was \$349,461 (2013: profit \$267,136).

SUBSEQUENT EVENTS

No matters or circumstances have arisen since the end of the financial year which have 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 subsequent financial years.

Signed in accordance with a resolution of the Board of Management


.....
David Leaney

President


.....
Jocelyn Martin

Treasurer

Dated this **2ND** day of **JUNE** 2015

ACT BASKETBALL INCORPORATED

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STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2014

	NOTE	2014 \$	2013 \$
Revenue	2	4,213,091	3,938,144
Depreciation & Amortisation		(83,821)	(64,338)
Development programmes		(1,383,930)	(325,466)
Facilities		(854,312)	(464,771)
National competitions		(1,404,154)	(1,059,291)
Administration expenses		(836,335)	(1,757,142)
Total Expenditure		(4,562,552)	(3,671,008)
(LOSS)/PROFIT FROM OPERATIONS	3	(349,461)	267,136
Other comprehensive income			
Movement in Asset revaluation reserve		1,630,587	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,281,126	264,136

The accompanying notes form part of these financial statements.

ACT BASKETBALL INCORPORATED

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BALANCE SHEET

AS AT 30 SEPTEMBER 2014

	NOTE	2014 \$	2013 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	413,147	356,975
Trade and other receivables	5	349,034	409,413
Inventories	6	12,107	63,823
Other current assets	7	417	83,729
TOTAL CURRENT ASSETS		<u>774,705</u>	<u>1,033,940</u>
NON-CURRENT ASSETS			
Property, plant and equipment	8	5,028,494	3,494,457
Investments	9	72,743	65,000
Intangibles	10	3,314	4,598
Trade and other receivables	5	-	120,000
Other		6,480	5,000
TOTAL NON-CURRENT ASSETS		<u>5,111,031</u>	<u>3,569,055</u>
TOTAL ASSETS		<u>5,885,736</u>	<u>4,602,995</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	555,781	389,679
Provisions	12	31,491	28,011
Unearned Revenue	13	94,923	259,432
TOTAL CURRENT LIABILITIES		<u>682,195</u>	<u>677,122</u>
NON CURRENT LIABILITIES			
Provisions	12	8,140	2,405
TOTAL NON CURRENT LIABILITIES		<u>8,140</u>	<u>2,405</u>
TOTAL LIABILITIES		<u>690,335</u>	<u>679,527</u>
NET ASSETS		<u>5,195,401</u>	<u>3,923,468</u>
EQUITY			
Retained earnings		2,458,758	2,817,412
Asset Revaluation Reserve		2,736,643	1,106,056
TOTAL EQUITY		<u>5,195,401</u>	<u>3,923,468</u>

The accompanying notes form part of these financial statements.

ACT BASKETBALL INCORPORATED

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**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

	Asset Revaluation Reserve \$	Retained Earnings \$	Total \$
Balance at 30 September 2012	1,106,056	2,550,276	3,656,332
Profit attributable to members	-	267,136	267,136
Balance at 30 September 2013	1,106,056	2,817,412	3,923,468
Loss attributable to members	-	(349,461)	(349,461)
Asset revaluation	1,630,587	-	1,630,587
Others	-	(9,193)	(9,193)
Balance at 30 September 2014	2,736,643	2,458,758	5,195,401

The accompanying notes form part of these financial statements.

ACT BASKETBALL INCORPORATED

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**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

	NOTE	2014 \$	2013 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and government		4,615,037	5,146,118
Interest received		13,848	6,218
Payments to suppliers and employees		(4,532,801)	(4,913,993)
Net cash provided by operating activities	16	<u>96,084</u>	<u>238,343</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(32,170)	(36,984)
Interest in investments		(7,743)	-
Net cash (used in) investing activities		<u>(39,913)</u>	<u>(36,984)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of borrowings		-	-
Net cash (used in) investing activities		-	-
Net increase in cash held		56,171	201,359
Cash at the beginning of the financial year		356,975	155,616
Cash at the end of the financial year	4	<u>413,147</u>	<u>356,975</u>

The accompanying notes form part of these financial statements

ACT BASKETBALL INCORPORATED

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board. The association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial report covers the ACT Basketball Incorporated ("the Association") as an individual entity. The Association is an association incorporated in the Australian Capital Territory under the *Associations Incorporation Act (ACT) 1991*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply.

The financial statements has 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

Basis of Preparation

The accounting policies set out below have been consistently applied to all years presented.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Accounting Policies

(a) Income Tax

The Association is exempt from income tax pursuant to Section 50-45 of the *Income Tax Assessment Act 1997*.

(b) Inventories

Inventories are measured at the lower of cost and net realisable value.

(c) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

(d) Property, Plant and Equipment

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

Property

Land and buildings are measured at fair value. Fair value is determined based on periodic independent valuations prepared by external valuation experts, based on market values. The fair values are recognised in the financial statements of the association, and are reviewed at the end of each reporting period to ensure that the carrying value of land and buildings is not materially different from their fair values.

Plant and equipment

Plant and equipment is measured on the cost basis and is therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount.

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

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is available for use.

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

Class of Fixed Asset	Depreciation Rate
Office equipment	20-50%
Leased assets	40%
Building	2%

(e) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2014

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

(f) Financial instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the association commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Derecognising

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

Classification and Subsequent Measurement

(i) *Financial assets at fair value through profit or loss*

Financial assets are classified at 'fair value through profit or loss' when they are held for trading for the purpose of short-term profit taking, where they are derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in fair value (ie gains and losses) recognised included in profit or loss.

(ii) *Loans and Receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

(iii) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

(iv) *Financial Liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

(v) *Fair Value*

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

(f) Financial instruments (Cont)

(vi) Impairment

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

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

(h) Revenue

Revenue from the sale of goods and services is recognised upon the delivery of goods and services to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Grants are treated according to the specifications of the grant funding deeds. Grant income and expenses are recognised as specified by each grant funding deed. Grants required to be returned to the funding provider due to specific circumstances are treated as unexpended grants which form part of the liabilities in the balance sheet at the end of the financial year.

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

(i) Goods and Services Tax (GST)

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

(j) Comparative Figures

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

(k) Critical Accounting Estimates and Judgments

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

Key Estimates — Impairment

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

(l) New standards and Interpretations Issued but not yet Effective

At the date of this financial report the following standards and interpretations, which may impact the entity in the period of initial application, have been issued but are not yet effective:

Reference	Title	Summary	Application date (financial years beginning)	Expected Impact
AASB 9	Financial Instruments	Replaces the requirements of AASB 139 for the classification and measurement of financial assets. This is the result of the first part of Phase 1 of the IASB's project to replace IAS 39.	1 January 2015	Minimal impact
2009-11	Amendments to Australian Accounting Standards arising from AASB 9	Amends AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 and 1038 and Interpretations 10 and 12 as a result of the issuance of AASB 9.	1 January 2015	Minimal impact
2010-7	Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)	Amends AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127 for amendments to AASB 9 in December 2010	1 January 2015	Minimal impact
2011-7	Amendments to Australian Accounting Standards arising from AASB 10,11,12,127,128	Amends AASB 1,2,3,5,7,9,2009-11,101,107,112,118,121,124,132,133,136,138,139,1023 & 1038 and Interpretations 5,9,16 & 17 as a result of the issuance of AASB 10, 11, 12, 127 and 128	1 January 2013 (1 January 2014 for Not-For-Profit Entities)	Estimate impact on client

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

Reference	Title	Summary	Application date (financial years beginning)	Expected Impact
AASB 9	<i>Financial Instruments</i>	Replaces the requirements of AASB 139 for the classification and measurement of financial assets. This is the result of the first part of Phase 1 of the IASB's project to replace IAS 39.	1 January 2015 (Changed to 1 January 2017 by AASB 2013-9C)	Disclosure only
2009-11	<i>Amendments to Australian Accounting Standards arising from AASB 9</i>	Amends AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 and 1038 and Interpretations 10 and 12 as a result of the issuance of AASB 9.	1 January 2015	Minimal impact
2010-7	<i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)</i>	Amends AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127 for amendments to AASB 9 in December 2010	1 January 2015	Minimal impact
2011-7 (Not-for-Profits Only)	<i>Amendments to Australian Accounting Standards arising from AASB 10,11,12,127,128</i>	Amends AASB 1,2,3,5,7,9,2009-11,101,107,112,118,121,124,132,133,136,138,139,1023 & 1038 and Interpretations 5,9,16 & 17 as a result of the issuance of AASB 10, 11, 12, 127 and 128	1 January 2014	Minimal impact
2012-3	<i>Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities</i>	This Standard adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria of AASB 132.	1 January 2014	Minimal impact
2013-3	<i>Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets</i>	This Standard amends the disclosure requirements in AASB 136 to include additional disclosures about the fair value measurement and discount rates when the recoverable amount of impaired assets is based on fair value less costs of disposal.	1 January 2014	Minimal impact
2013-6	<i>Amendments to AASB 136 arising from Reduced Disclosure Requirements</i>	This Standard amends the Australian Accounting Standards – Reduced Disclosure Requirements for AASB 136 <i>Impairment of Assets</i> .	1 January 2014	Minimal impact

ACT BASKETBALL INCORPORATED

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

	2014 \$	2013 \$
2. REVENUE		
Operating activities:		
- Competition revenue	1,675,909	1,635,724
- Elite & Development programs	803,728	639,415
- Grants & Sponsorship	856,966	772,900
- Admin and facilities	612,640	633,887
	<u>3,949,243</u>	<u>3,681,926</u>
Non-operating activities:		
- Interest received and receivable	13,848	6,218
- Capital grant	250,000	250,000
Total revenue	<u>4,213,091</u>	<u>3,938,144</u>
3. RESULT FOR THE YEAR		
The profit for the year was determined after charging the following expenses		
Auditors remuneration	24,500	14,000
Operating lease payments	16,020	15,195
	<u>40,520</u>	<u>25,148</u>
4. CASH AND CASH EQUIVALENTS		
Cash on hand	300	4,205
Cash at bank	412,847	352,770
	<u>413,147</u>	<u>356,975</u>
5. TRADE AND OTHER RECEIVABLES		
CURRENT		
Trade debtors	397,702	359,938
Provision for doubtful debts	(50,000)	(10,000)
	<u>347,702</u>	<u>349,938</u>
Accrued income	1,332	58,395
Other receivables	-	1,080
	<u>1,332</u>	<u>409,413</u>
NON CURRENT		
Accrued income	-	120,000
Total receivables	<u>349,034</u>	<u>529,413</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

6.	INVENTORIES	2014	2013
		\$	\$
	Merchandise and stock	<u>12,107</u>	<u>63,823</u>
7.	OTHER ASSETS		
	Prepayments	<u>417</u>	<u>83,729</u>
		417	83,729
8.	PROPERTY, PLANT AND EQUIPMENT		
	<i>Belconnen Stadium</i>		
	Leasehold buildings at market value	3,600,000	2,350,000
	Accumulated depreciation	<u>(62,334)</u>	<u>(160,587)</u>
		3,537,666	2,236,413
	<i>Belconnen Land</i>		
	Belconnen Land Block 13 at market value	220,000	-
	Belconnen Land Block 16 at market value	<u>1,224,426</u>	<u>1,224,426</u>
	Total leasehold land and buildings at market value	4,982,092	3,460,839
	<i>Plant and Equipment</i>		
	Plant and equipment at cost	82,730	503,986
	Accumulated depreciation	<u>(36,327)</u>	<u>(423,368)</u>
	Total Plant and Equipment	46,402	80,618
	Total Property Plant and Equipment	5,028,494	3,494,457

Belconnen Stadium and the land Block 13 were valued in November 2014 by CB Richard Ellis Pty Limited. Block 13 land has been brought into account for the first time for the financial year ended 30 September 2014 based on its deconcessionalised value. Prior to this, the value of the land of Block 13 could not be ascertained as the value was based on the concessional value.

The ACT government has been granted a first mortgage over the Block 16 as security for the Association's obligations pursuant to the funding deed.

Movements in carrying amounts

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

	Leasehold buildings \$	Leasehold Land \$	Plant and equipment \$	Total \$
Balance at the beginning of year	2,189,413	1,224,426	80,618	3,494,457
Revaluation	1,410,587	220,000		1,630,587
Additions	-	-	32,170	32,170
Net disposals	-	-	(46,182)	(46,182)
Depreciation expense	(62,334)		(20,203)	(82,537)
Carrying amount at the end of year	3,537,666	1,444,426	46,402	5,028,494

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

	2014 \$	2013 \$
9. INVESTMENTS		
Term Deposit held as security for ACTPLA	71,663	65,000
IAG Shares	1,080	-
	<u>72,743</u>	<u>65,000</u>
10. INTANGIBLES		
Website at cost	9,727	9,727
Less Accumulated Amortisation	(6,413)	(5,129)
	<u>3,314</u>	<u>4,598</u>
11. TRADE AND OTHER PAYABLES		
Trade creditors & accruals	555,781	389,679
	<u>555,781</u>	<u>389,679</u>
12. PROVISIONS		
CURRENT		
Annual Leave and Long Service Leave	31,491	28,011
	<u>31,491</u>	<u>28,011</u>
NON CURRENT		
Long Service Leave	8,140	2,405
	<u>8,140</u>	<u>2,405</u>
13. UNEARNED REVENUE		
Competition revenue in advance	59,973	184,528
Income in advance	25,767	74,664
Deposit received	9,182	240
	<u>94,923</u>	<u>259,432</u>

14. CAPITAL AND LEASING COMMITMENTS

Operating Lease Commitments

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

Payable – minimum lease payments:

– not later than 12 months	6,912	6,912
– between 12 months and five years	3,237	10,149
	<u>10,149</u>	<u>17,061</u>

The photocopier lease commitment is a non-cancellable operating lease with a 5-year term.

Capital Lease Commitments

The ACT government has been granted a first mortgage over the Belconnen land as security for the Association's obligations pursuant to the funding deed.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

15. RELATED PARTY TRANSACTIONS

The members of the Board of Management who served during the year were:

David Leaney
Melissa Backhouse
Eric Malcolm
Greg Evans
Brad Barnes
Stephanie Lynch
Jocelyn Martin
David Simpson
Kate Corkery
Jerry Lee
David Arsego

No income was paid or payable, or otherwise made available, to any members of the Board of Management or any related party.

	2014 \$	2013 \$
16. CASH FLOW INFORMATION		
Reconciliation of Cash Flow from Operations with Profit after Income Tax		
(Loss)/Profit after income tax	(349,461)	267,136
Non-cash flows in profit		
Depreciation	83,823	64,338
Loss on disposal of asset	45,740	-
Changes in assets and liabilities		
(Increase) / Decrease in trade debtors	180,379	(284,415)
Decrease / (Increase) in other debtors	80,832	(46,606)
Decrease / (Increase) in inventories	51,716	379
(Increase) in investments	(7,743)	-
(Decrease) / Increase in trade payables	166,102	121,376
(Decrease) / Increase in other liabilities	(164,509)	124,795
Increase / (Decrease) in employee benefits	9,205	(8,660)
Net cash provided by operating activities	<u>96,084</u>	<u>238,343</u>

17. KEY MANAGEMENT PERSONNEL COMPENSATION

	Salary \$	Superannuation Contribution \$	Other Long - Term Benefits \$	Total \$
2014				
Total compensation	165,344	11,347	-	<u>176,691</u>
2013				
Total compensation	97,227	9,980	-	<u>107,207</u>

ACT BASKETBALL INCORPORATED

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2014

18. FINANCIAL INSTRUMENTS

(a) Financial Risk Management Policies

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

The Association does not have any derivative instruments at 30 September 2014.

i. Treasury Risk Management

The Board members meet on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts

ii. Financial Risk Exposures and Management

The main risks the Association is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Foreign Currency Risk

The Association is not exposed to fluctuations in foreign currencies.

Liquidity Risk

The Association manages liquidity risk by monitoring forecast cash flows and maintaining adequate cash reserves.

Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. The Association does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Association. There are no material amounts of collateral held as security at 30 September 2014.

Credit risk is managed by the Association and reviewed regularly by the board members. It rises from exposures to customers as well as through deposits with financial institutions.

Price Risk

The Association is not exposed to any material commodity price risk.

ACT BASKETBALL INCORPORATED

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2014

18. FINANCIAL INSTRUMENTS (CONT)

(b) Financial instruments Composition and Maturity Analysis

The table below reflects the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the balance sheet.

	Weighted Average Effective Interest Rate		Floating Interest Rate		Non-interest Bearing		Fixed Interest Rate		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
	%	%	\$	\$	\$	\$	\$	\$	\$	\$
<i>Financial assets</i>										
Cash at bank	2.00	2.02	412,847	352,770	300	4,205	71,663	65,000	484,809	421,975
Trade and other receivables	-	-	-	-	149,451	528,333	-	-	149,451	528,223
Total financial assets			412,847	352,770	149,751	532,539	71,663	65,000	634,260	467,164
<i>Financial liabilities</i>										
Trade and other payables	-	-	-	-	555,745	370,111	-	-	555,745	370,111
Total financial liabilities	-	-	-	-	555,745	370,111	-	-	555,745	370,111

Trade and sundry payables are expected to be paid as follows:

	2014	2013
	\$	\$
<i>Trade payables</i>		
Less than 12 months	555,745	389,679
Total trade and sundry payables	555,745	389,679

19. ASSOCIATION DETAILS

ACT Basketball Incorporated
42 Oatley Court
BELCONNEN ACT 2617

ACT BASKETBALL INCORPORATED

ABN 11 936 731 929

STATEMENT BY BOARD OF MANAGEMENT

In the opinion of the Board of Management the financial report as set out on pages 2 to 18:

1. Represent a true and fair view of the financial position of ACT Basketball Incorporated as at 30 September 2014 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe ACT Basketball Incorporated will be able to pay its debts as and when they become due and payable.

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



.....
David Leaney

President



.....
Jocelyn Martin

Treasurer

Dated this **2ND** day of **JUNE** 2015

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
A.C.T. BASKETBALL INCORPORATED

We have audited the accompanying financial report of A.C.T. Basketball Incorporated ("the entity"), which comprises the balance sheet as at 30 September 2014, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and Statement by Board of Management.

Board of Management's Responsibility for the Financial Report

The board of management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Associations Incorporation Act (ACT) 1991*, and for such internal control as management determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board of management, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Opinion

In our opinion the financial report presents fairly, in all material respects, the financial position of A.C.T. Basketball Incorporated as at 30 September 2014 and its financial performance for the year then ended in accordance with Australian Accounting Standards and the *Associations Incorporation Act (ACT) 1991*.

RSM Bird Cameron



Canberra, Australian Capital Territory

Dated: *4 June 2015*

G M STENHOUSE
Director