

Treasurers Report Year Ended 31 October 2023



It is a pleasure to present the Treasurers report for the year ended 31st October 2023.

Set out below is our performance against budget for the year.

The audited financial statements and audit report are also attached.

	Actual	Budget	Variance
Food & Beverage Sales	94,760	93,030	1,730
Cost of sales	59,293	56,160	(3,133)
Gross profit	35,467	36,870	(1,403)
Members subscriptions	94,954	80,400	14,554
Ground hire	43,968	60,600	(16,632)
Sponsorship, fundraising, grants	19,666	8,100	11,566
Other income	3,014	1,200	1,814
TOTAL OPERATING INCOME	197,069	187,170	9,899
Hockey operations	119,259	106,080	(13,179)
Clubrooms & grounds	44,428	41,620	(2,808)
Other expenses	22,455	23,720	1,265
TOTAL OPERATING EXPENSES	186,142	171,420	(14,723)
OPERATING PROFIT	10,927	15,750	(4,823)
Other non-operating income	27,144	762,600	(735,456)
Other non-operating expenses	39,079	70,200	31,121
NET PROFIT	(1,008)	708,150	(709,158)

For our internal management we calculate an operating profit that excludes capital grant revenue, depreciation, and amortisation of leasehold improvements.

Our operating profit was \$4,823 below budget for the year.

Significant variance in operating income included:

- Members subscription reflect our growing player base and a 5% increase in membership fees.

Treasurers Report Year Ended 31 October 2023



- Ground hire was adversely affected with Grange Royals not training at the ground on Wednesday nights. Some \$15,000.
- Sponsorship was up by \$11,656 on budget. This included collection of \$5,000 that related to the 2022 financial year.

Significant variances in operating expenses included:

- Hockey SA affiliation fees \$2,892 over budget.
- Stadium match fees \$7,395 over budget. Reflects increased fees, more teams and more finals.
- Council rates \$4,001 over budget. This reflected a significant increase of the property valuation.

Non-Operating income variation \$735,456 to budget was due to the impact of not completing the clubroom refurbishment \$750,000.

Non-Operating expenses were down against budget as we reached the point that the playing surface has been fully amortised over 10 years.

In the 2024 financial year the following will have impact:

- We will complete the clubroom refurbishment and realise the \$750,000 capital grant.
- Grange Royals will again train at Port on Wednesday nights albeit at a reduced fee.
- Members subscriptions will be increased by 5%.
- Operating profit budget \$13,880.

Our balance sheet is healthy. The cash balance includes the clubroom refurbishment funds. Once acquitted we will bring to account \$750k in leasehold improvements. Our net assets will approach \$1.5m next year. We acknowledge the support of the SA ALP, the Office of Recreation and Sport and Mykra in this outstanding refurbishment.

Our artificial playing surface will reach end of life with an estimated replacement cost approaching \$400k. Our sinking fund has a balance of \$174k. The Board is working closely with the Port Adelaide Enfield Council to develop a plan that sees the replacement of the playing surface and upgrade of the lighting and perimeter over the next 2 years.

This year we formed our first Finance Committee. Many thanks for the participation and guidance of that committee – Adrian Selder, Stephen Beckmann, Guy Wightman, and Nick Pelham.

Whilst our current financial position is good our stakeholders will need to ensure that we grow revenue from other sources in addition to membership fees to support investment in and operation of our wonderful facility.

Paul Beckmann

3 March 2024

Port Adelaide District Hockey Club Inc.

ABN 88 310 641 559

Financial Statements

For the Year Ended 31 October 2023

Port Adelaide District Hockey Club Inc.

ABN 88 310 641 559

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Port Adelaide District Hockey Club Inc.

ABN 88 310 641 559

Committee's Report 31 October 2023

The committee members submit the financial report of the Association for the financial year ended 31 October 2023.

1. General information

Committee members

The names of committee members throughout the year and at the date of this report are:

Adrian Selder	President
Nick Pelham	Secretary
Paul Beckmann	Treasurer
Guy Wightman	Hockey Director
Steve Beckmann	Committee Member
Mary-Anne Higgins	Committee Member
Helen Bradley	Committee Member
Rebecca Anderson	Committee Member
Michael Bevan	Committee Member

Principal activities

The principal activities of the Association during the financial year was running a sporting club.

Significant changes

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

Benefits as a result of contracts

During the financial year, there were no benefits received or entitled to be received as a result of a contract between an officer, firm or body corporate and the Association except for the following:

- Chris Abineri	\$4,000
- Fiona Prentice	\$2,000
- Nicola Higgins	\$1,000
- Damon Victory	\$1,000

Payments and other benefits

No payments or benefits of a pecuniary value were received by any officers of the Association during the financial year.

Port Adelaide District Hockey Club Inc.

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Committee's Report

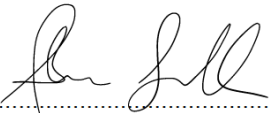
31 October 2023


2. Operating results and review of operations for the year

Operating result

The net deficit of the Association for the financial year amounted to \$ 1,006 (2022: \$ 45,113).

Signed in accordance with a resolution of the Members of the Committee:

President

Adrian Selder

Treasurer:

Paul Beckmann

Dated 16 February 2024

Port Adelaide District Hockey Club Inc.

ABN 88 310 641 559

Statement of Profit or Loss
For the Year Ended 31 October 2023

	Note	2023 \$	2022 \$
Income			
Revenue	3	273,048	254,029
Other income	3	29,107	4,255
		<u>302,155</u>	<u>258,284</u>
Expenditure			
Bar and canteen expenses		(49,478)	(47,293)
Depreciation expense		(39,223)	(67,560)
Ground and facility expenses		(48,467)	(49,000)
Hockey, coaching and development		(54,195)	(45,738)
Hockey SA expenses		(51,274)	(38,591)
Stadium match fee expenses		(26,595)	(19,055)
Administrative expenses		(17,608)	(18,134)
Functions and events		(15,773)	(16,691)
Fundraising expenses		(548)	(1,335)
		<u>(303,161)</u>	<u>(303,397)</u>
Surplus/(deficit) for the year		<u>(1,006)</u>	<u>(45,113)</u>

The accompanying notes form part of these financial statements.

Port Adelaide District Hockey Club Inc.

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Statement of Assets and Liabilities
As At 31 October 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	933,997	976,324
Trade and other receivables	5	7,966	4,002
Inventories		4,614	3,869
TOTAL CURRENT ASSETS		946,577	984,195
NON-CURRENT ASSETS			
Plant and equipment	6	692,843	665,247
TOTAL ASSETS		1,639,420	1,649,442
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	14,331	7,129
Deferred income	8	753,000	769,218
TOTAL LIABILITIES		767,331	776,347
NET ASSETS		872,089	873,095
MEMBERS' FUNDS			
Retained surplus		872,089	873,095
TOTAL MEMBERS' FUNDS		872,089	873,095

The accompanying notes form part of these financial statements.

Port Adelaide District Hockey Club Inc.

ABN 88 310 641 559

Statement of Changes in Equity
For the Year Ended 31 October 2023

2023

	Retained Surplus	Total
	\$	\$
Balance at 1 November 2022	873,095	873,095
Deficit during the year	(1,006)	(1,006)
Balance at 31 October 2023	872,089	872,089

2022

	Retained Surplus	Total
	\$	\$
Balance at 1 November 2021	918,208	918,208
Deficit during the year	(45,113)	(45,113)
Balance at 31 October 2022	873,095	873,095

The accompanying notes form part of these financial statements.

Port Adelaide District Hockey Club Inc.

ABN 88 310 641 559

Notes to the Financial Statements For the Year Ended 31 October 2023

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 Associations Incorporation Act (SA) 1985.

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 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.

Cash sales, donations and bequests are recognised as revenue when received.

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

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

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Grant income is recognised when the entity obtains control over the funds, which is generally at the time of receipt. If conditions are attached to the grant that must be satisfied before the association is eligible to receive the contribution, recognition of the grant as revenue will be deferred until those conditions are satisfied.

(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.

Port Adelaide District Hockey Club Inc.

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Notes to the Financial Statements For the Year Ended 31 October 2023

2 Summary of Significant Accounting Policies

(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) 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 nil or nominal consideration 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 assets useful life to the Association, commencing when the asset is ready for use.

(f) 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.

3 Revenue and Other Income

Revenue from continuing operations

	2023	2022
	\$	\$
Revenue		
- Bar & canteen income	93,992	87,514
- Grants, sponsorship and fundraising	19,500	9,911
- Membership, match fees & subscriptions	94,954	80,992
- Ground revenue	43,968	58,769
- Function revenue	19,389	15,232
- Uniforms and merchandise	1,245	1,611
	<u>273,048</u>	<u>254,029</u>
Other revenue		
- Interest income	6	2,902
- Other sundry income	29,101	1,353
	<u>29,107</u>	<u>4,255</u>
	<u>302,155</u>	<u>258,284</u>

Port Adelaide District Hockey Club Inc.

ABN 88 310 641 559

Notes to the Financial Statements
For the Year Ended 31 October 2023

4 Cash and Cash Equivalents

	2023	2022
	\$	\$
Cash at bank and in hand	933,997	976,324

5 Trade and Other Receivables

Trade receivables	7,966	4,002
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6 Property, plant and equipment

	2023	2022
	\$	\$
Capital works in progress		
At cost	63,100	16,440
Plant and equipment		
At cost	32,602	32,602
Accumulated depreciation	(25,779)	(22,603)
	6,823	9,999
Bar and canteen equipment		
At cost	6,426	6,426
Accumulated depreciation	(4,276)	(3,867)
	2,150	2,559
Office equipment		
At cost	7,890	7,890
Accumulated depreciation	(5,129)	(3,660)
	2,761	4,230
Computer equipment		
At cost	11,937	12,436
Accumulated depreciation	(5,069)	(5,035)
	6,868	7,401
Hockey equipment		
At cost	19,867	18,189
Accumulated amortisation	(11,195)	(9,729)
	8,672	8,460

Port Adelaide District Hockey Club Inc.

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Notes to the Financial Statements
For the Year Ended 31 October 2023

6 Property, plant and equipment

Leasehold improvement

At cost

1,112,508 1,095,795

Accumulated depreciation

(510,039) (479,637)

602,469 616,158

692,843 665,247

7 Trade and Other Payables

2023 **2022**

\$ **\$**

Trade payables

10,390 4,937

Sundry payables and accrued expenses

3,941 2,132

Corporate credit cards

- 60

14,331 7,129

8 Deferred income

Unspent grant - clubroom upgrade

753,000 769,218

9 Contingencies

In the opinion of the Committee of Management, the Association did not have any contingencies at 31 October 2023 (31 October 2022:None).

10 Events after the end of the Reporting Period

The financial report was authorised for issue on 27 January 2024 by the Committee of Management.

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 Association is:

Port Adelaide District Hockey Club Inc.

John Hart Reserve, Swan Terrace

Semaphore SA 5019

Port Adelaide District Hockey Club Inc.

ABN 88 310 641 559

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 3 to 9:

1. Presents fairly the financial position of Port Adelaide District Hockey Club Inc. as at 31 October 2023 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Port Adelaide District Hockey Club 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 .....
Adrian Selder

Treasurer .....
Paul Beckmann

Dated 16 February 2024



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PORT ADELAIDE DISTRICT HOCKEY CLUB INC

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Port Adelaide District Hockey Club (the Entity) which comprises the statement of assets and liabilities as at 31 October 2023, the statement of profit or loss and statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the statement by members of the committee.

In our opinion the accompanying financial report presents fairly, in all material respects, the financial position of the Entity as at 31 October 2023 and of its financial performance and cash flows for the year then ended in accordance with the *Associations Incorporation Act 1985 (SA)*.

Basis for 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 entity in accordance with the auditor independence requirements of the Corporations Act 2001 and 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 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 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 for the purpose of fulfilling the entity's financial reporting responsibilities under the *Associations Incorporation Act 1985 (SA)*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibility of Management Committee for the Financial Report

The management committee 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 1985 (SA)* and is appropriate to meet the needs of members. The management committees' responsibility also includes such internal control as the management committee determines is necessary to enable the preparation of a 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, the directors are responsible for assessing the entity'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 directors either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

The management committee is responsible for overseeing the Entity'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



MGI Assurance (SA) Pty Ltd
ABN 31 118 195 547
212 Greenhill Road, Eastwood 5063
PO Box 96, Fullarton SA 5063
Tel: 08 8299 8888
Fax: 08 8373 1451
Website: www.mgiadelaide.com.au

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF PORT ADELAIDE DISTRICT HOCKEY CLUB INC
(CONTINUED)**

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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

MGI Assurance (SA) Pty Ltd
Chartered Accountants

A handwritten signature in black ink, appearing to read 'Clayton Lawrence', written over a horizontal line.

Clayton Lawrence
Director

Eastwood, South Australia
20 February 2024