



TOUCH FOOTBALL AUSTRALIA

2021/2022

FINANCIAL REPORT



TOUCH FOOTBALL AUSTRALIA

Suite 1/18 Napier Close, Deakin ACT 2600

www.touchfootball.com.au

ABN 55 090 088 207

TOUCH FOOTBALL AUSTRALIA

2021 – 2022 Annual Financial Statements

EXECUTIVE SUMMARY

FINANCIAL SUMMARY

Touch Football Australia (TFA) achieved an operating surplus of \$150,787 for the financial year ended 30 June 2022. For comparison, the organisation reported an operating surplus in 2021 of \$829,911 (\$1,051,870 total comprehensive surplus).

| Financial Year 2022 | \$ | Financial Year 2021 (Comparison) | \$ |
|------------------------------------|------------------|------------------------------------|------------------|
| Operations surplus | 150,787 | Operations surplus | 829,911 |
| Other comprehensive income | - | Other comprehensive income | 221,959 |
| Total comprehensive surplus | 150,787 | Total comprehensive surplus | 1,051,870 |
| Cash at bank | 3,549,950 | Cash at bank | 2,989,610 |
| Trade and other receivables | 1,650,590 | Trade and other receivables | 1,758,820 |
| Trade and other payables | 1,626,686 | Trade and other payables | 1,381,863 |
| Net Assets (Equity) | 5,220,414 | Net Assets (Equity) | 5,069,627 |

| | 2022 (\$) | 2021 (\$) |
|--|----------------|----------------|
| Operational Income | 8,259,738 | 7,391,383 |
| Operational Expenditure | 8,108,951 | 6,561,472 |
| Operating Result (net of revaluation 2021)* | 150,787 | 829,911 |
| Return % | 1.8% | 11.2% |

* (Total comprehensive result 2021) 1,051,870 @ 13.8%

SUMMARY OF OPERATING RESULT

The reported consolidated operating result of \$150,787 surplus is indicative of TFA's ability to maintain and deliver operations in what proved to be another unpredictable reporting year. This was accomplished through TFA's responsiveness, the rationalisation of resources across the business, strong commercial performance and continued support from Government partners for agreed programs and initiatives.

Cost containment across the organisation was initiated to address the levels of COVID and weather-related interruptions to national affiliation and centrally managed competition revenue. A number of operational programs were reduced in delivery or postponed; the NRL Touch Premiership was again postponed, and the high-performance program was significantly reduced with international travel remaining limited.

Further, the 2022 national affiliation and insurance fees were again contained to the same level since 2013 with the organisation absorbing natural inflation and CPI adjustment; this decision is considered an investment into the sport and a strategic benefit to the membership.

EQUITY GROWTH

TFA's net equity is \$5.220m at the end of the reporting year which is a demonstration of the organisation's capacity for resilience, coupled with the ability to respond to crisis while maintaining cautious risk management determinations.

| | 2022 (\$) | 2021 (\$) |
|-----------------------|------------------|------------------|
| Equity 1 July | 5,069,627 | 4,017,757 |
| Operating result | 150,787 | 829,911 |
| Asset revaluation | - | 221,959 |
| Equity 30 June | 5,220,414 | 5,069,627 |

ANALYSIS OF REVENUE AND COST DRIVERS

Reported revenue activity as a contribution to total revenue:

| Operating Revenue % of Total | 2022 | 2021 |
|------------------------------|---------|---------|
| Sport Management | 52.48% | 55.65% |
| Sport Development | 26.28% | 25.65% |
| Sport Operations | 20.18% | 20.56% |
| High Performance | 0.01% | 0% |
| Business Operations | (0.01)% | (2.91)% |
| Property and IT | 1.06% | 1.05% |
| Total | 100.00% | 100.00% |

Reported expense activity as a contribution to total costs:

| Operating Expenses % of Total | 2022 | 2021 |
|-------------------------------|---------|---------|
| Human Resources | 39.14% | 38.17% |
| Corporate Development | 1.27% | 1.45% |
| Sport Management | 14.60% | 16.80% |
| Sport Development | 17.16% | 14.35% |
| Sport Operations | 13.86% | 14.00% |
| High Performance | 1.48% | 0.05% |
| Business Operations | 7.37% | 8.52% |
| Property and IT | 5.12% | 6.66% |
| Total | 100.00% | 100.00% |

FINANCIAL ANALYSIS

Key Financial Ratios

Measuring Stability

Financial stability indicators can be obtained by examining reported financial statements using ratio analysis for the purposes of expressing the relationship and interpretation of reported information.

| Liquidity | 2022 | 2021 |
|--|----------|----------|
| current assets current liabilities (often described as current ratio) | = 2.47:1 | = 2.53:1 |

This indicator is the most common demonstration of an organisation's ability to settle short term debts and commitments. The ratio is a statement of TFA's working capital position as at the reported balance date. The above analysis demonstrates in 2022 TFA has \$2.47 in current assets to meet every \$1 in short term debt.

| Stability | 2022 | 2021 |
|---|-----------|-----------|
| Debt to equity ratio: total liabilities total equity | = 0.424:1 | = 0.391:1 |

The above analysis examines TFA's ability to withstand adverse conditions and meet overall long-term obligations. TFA demonstrates that for every 42 cents debt there is \$1 member's equity available. Effectively, this means that 58 cents per \$1 equity would be returned to members if liquidated, as at 30 June 2022. TFA member's interests are being continually protected.

Measuring Performance

| Operating return | 2022 | 2021 |
|---|--------|---------|
| Return on equity: net profit/loss equity | = 2.9% | = 16.4% |

| Safety margin | 2022 | 2021 |
|---|--------|---------|
| Safety margin: net income/loss total revenue | = 1.8% | = 11.2% |

The safety margin indicator is an amount by percentage by which revenue is able to drop before TFA's breakeven is reached. On examination it is identified that the safety margin for TFA is reasonably low historically (as with a not-for-profit enterprise) and large movements in revenue may place operations at risk, without consideration of cost management.

SUMMARY

The reported operating result for the year of \$150,787 surplus as summarised, reflects the outcome of another challenging reporting year. Various contributing factors have been explained; with leadership and sound financial stewardship the organisation remains in a sound economic position.



Garry Foran
Chief Finance Officer



TOUCH FOOTBALL AUSTRALIA

ABN: 55 090 088 207

**FINANCIAL
REPORT FOR
THE YEAR**

ENDED 30 JUNE 2022

TOUCH FOOTBALL AUSTRALIA LIMITED
ABN 55 090 088 207
DIRECTORS' REPORT

Your Directors submit this report on the financial year ended 30 June 2022.

Directors

The names of each person who has been a Director during the year and to the date of this report are:

| | | |
|-----------------|----------|--------------------------------------|
| Anita Hagarty | Chair | Continuing |
| Neil Collins | Director | Continuing |
| Andrew Hill | Director | Appointment continuing |
| Erin Taylor | Director | Continuing, re-elected November 2021 |
| Kelvin Lockyer | Director | Continuing |
| Stuart Geros | Director | Elected November 2021 |
| Barry McNamara | Director | Resigned November 2021 |
| Cassandra Lawry | Director | Resigned March 2022 |

The above composite of Directors of Touch Football Australia provides for a complimentary level of qualifications and experience in leading the Company and the sport of touch football. The Board of Directors provides for professional contributions in the areas of business management, education, law, information technology, finance, risk management, and sports administration. Additionally, the Board provides for a consolidated level of experience of participation in the sport. Membership of Board Committees is provided by individual Directors and covers representation in audit and risk, nominations and legal.

The Annual Report to the membership of Touch Football Australia is representative of the Company's achievements over the reporting year. The Annual Report and the accompanying executive summary to the annual financial statements address the achievements to targets and provides for the Company's performance to both the short-term and long-term strategic objectives of Touch Football Australia. Other information included in the annual report covers areas of Director's attendance at board meetings and other advisory information.

Principal Activities

The principal activity of the Company during the financial year was the administration of the sport of Touch Football.

Subsequent Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

TOUCH FOOTBALL AUSTRALIA LIMITED

ABN 55 090 088 207

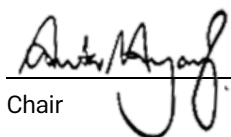
DIRECTORS' REPORT

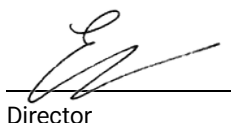
Operating Result

The operating surplus from operations amounted to \$150,787 (2021: \$829,911 operating surplus, \$1,051,870 total comprehensive surplus). In reporting the comprehensive operating result for 2022, the Directors further report that Touch Football Australia provides the reported results for the controlled operations of the National Office and the States of South Australia, Western Australia, Victoria, Tasmania, the Australian Capital Territory and Northern Territory. Member's equity is preserved and accords with the ongoing commercial viability of the Company.

The Directors commend to members, stakeholders and interested parties the reported operating result and the supporting Financial report for the financial year ended 30 June 2022.

Signed in accordance with a resolution of the Board of Directors.


Chair


Director

Dated this 16th day of September 2022



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AUDITOR'S INDEPENDENCE DECLARATION UNDER S307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF TOUCH FOOTBALL AUSTRALIA LIMITED

As lead auditor of Touch Football Australia Limited, I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022 there have been no contraventions of:

- i. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'Sart Spinks', is positioned above the printed name.

Sart Spinks, CA
Registered Company Auditor
BellchambersBarrett

Canberra, ACT
Dated this 16th day of September 2022

Liability limited by a scheme approved under Professional Standards Legislation



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INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF TOUCH FOOTBALL AUSTRALIA LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of Touch Football Australia Limited (the company), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the financial report of Touch Football Australia Limited is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2022 and of its performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Simplified Disclosures and the *Corporations Regulations 2001*.

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 company 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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Touch Football Australia Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2022 but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Liability limited by a scheme approved under Professional Standards Legislation



INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF TOUCH FOOTBALL AUSTRALIA LIMITED

In preparing the financial report, the directors are responsible for assessing the company'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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the registered entity's financial reporting process.

Auditor's Responsibility 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 company'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 company 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 the directors 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 'Sart Spinks', is positioned above the printed name.

Sart Spinks, CA
Registered Company Auditor
BellchambersBarrett

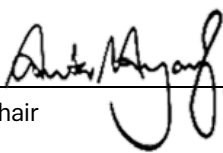
Canberra, ACT
Dated this 16th day of September 2022


TOUCH FOOTBALL AUSTRALIA LIMITED
ABN 55 090 088 207

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Touch Football Australia Limited, the Directors declare that:

1. The financial statements and notes, as set out on pages 7 to 28, are in accordance with the Corporations Act 2001 and:
 - a. comply with Australian Accounting Standards; and
 - b. give a true and fair view of the financial position of the Company as at 30 June 2022 and of its performance for the year ended on that date.
2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.


Chair


Director

Dated this 16th day September 2022

TOUCH FOOTBALL AUSTRALIA LIMITED
ABN 55 090 088 207

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the Year Ended 30 June 2022

| | Note | 2022 \$ | 2021 \$ |
|---|------|----------------|------------------|
| Revenue | 2 | 8,259,738 | 7,391,383 |
| Less expenditure | | | |
| Human Resources | | (3,173,629) | (2,504,339) |
| Corporate Development | | (102,745) | (95,459) |
| Sport Management | | (1,183,956) | (1,102,478) |
| Sport Development | | (1,391,218) | (941,448) |
| Sport Operations | | (1,123,780) | (918,561) |
| High Performance | | (120,293) | (3,189) |
| Business Operations | | (597,643) | (558,749) |
| Property and Information Technology | | (415,687) | (437,249) |
| Surplus from Operations | | 150,787 | 829,911 |
| Other comprehensive income | | - | 221,959 |
| Total comprehensive surplus attributable to the members of the Company | | 150,787 | 1,051,870 |

The accompanying notes form part of these financial statements

TOUCH FOOTBALL AUSTRALIA LIMITED
ABN 55 090 088 207

STATEMENT OF FINANCIAL POSITION
As at 30 June 2022

| | Note | 2022 \$ | 2021 \$ |
|--------------------------------|------|------------|------------|
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash and Cash Equivalents | 4 | 3,549,950 | 2,989,610 |
| Trade and Other Receivables | 5 | 1,650,590 | 1,758,820 |
| Inventories | 6 | 157,995 | 151,720 |
| | | 5,358,535 | 4,900,150 |
| TOTAL CURRENT ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Property, Plant and Equipment | 7 | 2,070,404 | 2,146,455 |
| Goodwill and Other Intangibles | 8 | 3,000 | 3,000 |
| | | 2,073,404 | 2,149,455 |
| TOTAL NON-CURRENT ASSETS | | | |
| | | 7,431,939 | 7,049,605 |
| TOTAL ASSETS | | | |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Trade and Other Payables | 9 | 1,626,686 | 1,381,863 |
| Employee Provisions | 10 | 543,908 | 554,794 |
| | | 2,170,594 | 1,936,657 |
| TOTAL CURRENT LIABILITIES | | | |
| NON-CURRENT LIABILITIES | | | |
| Employee Provisions | 10 | 40,931 | 43,321 |
| | | 40,931 | 43,321 |
| TOTAL NON-CURRENT LIABILITIES | | | |
| | | 2,211,525 | 1,979,978 |
| TOTAL LIABILITIES | | | |
| | | 5,220,414 | 5,069,627 |
| NET ASSETS | | | |
| EQUITY | | | |
| Reserves | | 1,981,921 | 1,981,921 |
| Net State Equity | | 372,112 | 372,112 |
| Retained Earnings | | 2,866,381 | 2,715,594 |
| | | 5,220,414 | 5,069,627 |
| TOTAL EQUITY | | | |

The accompanying notes form part of these financial statements.

TOUCH FOOTBALL AUSTRALIA LIMITED
ABN 55 090 088 207

STATEMENT OF CHANGES IN EQUITY
For the Year Ended 30 June 2022

| | Retained Earnings | Asset Revaluation Reserve | State Equity Movements | Total |
|---|------------------------------|--|-----------------------------------|-------------------------|
| | \$ | \$ | \$ | \$ |
| Balance at 1 July 2020 | 1,885,683 | 1,759,962 | 372,112 | 4,017,757 |
| Surplus Attributable to the Members For the year to 30 June 2021 | 829,911 | 221,959 | - | 1,051,870 |
| Balance at 30 June 2021 | <u>2,715,594</u> | <u>1,981,921</u> | <u>372,112</u> | <u>5,069,627</u> |
| Surplus Attributable to the Members For the year to 30 June 2022 | 150,787 | - | - | 150,787 |
| Balance at 30 June 2022 | <u><u>2,866,381</u></u> | <u><u>1,981,921</u></u> | <u><u>372,112</u></u> | <u><u>5,220,414</u></u> |

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS
For the Year Ended 30 June 2022

| | Note | 2022 \$ | 2021 \$ |
|--|----------|------------------|------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Receipts from Customers and Government Grants | | 9,604,638 | 7,794,116 |
| Interest Received | | 1,819 | 3,311 |
| Payments to Suppliers and Employees | | (8,512,276) | (5,657,654) |
| Net GST Remitted | | (430,230) | (320,021) |
| | | <hr/> | <hr/> |
| Net Cash generated from / (used in) Operating Activities | | 663,951 | 1,819,752 |
| | | <hr/> | <hr/> |
| CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Purchase of Plant & Equipment | | (32,059) | (56,620) |
| Purchase of Goodwill & Other Intangibles | | (60,000) | - |
| Interest Paid | | (11,522) | (10,169) |
| Proceeds from Member Loan Repayments | | - | 73,000 |
| | | <hr/> | <hr/> |
| Net Cash generated from / (used in) Investing Activities | | (103,611) | 6,211 |
| | | <hr/> | <hr/> |
| Net increase (decrease) in Cash Held | | 560,340 | 1,825,963 |
| Cash at Beginning of Financial Year | | 2,989,610 | 1,163,647 |
| | | <hr/> | <hr/> |
| Cash at End of the Financial Year | 4 | 3,549,950 | 2,989,610 |
| | | <hr/> <hr/> | <hr/> <hr/> |

TOUCH FOOTBALL AUSTRALIA LIMITED
ABN 55 090 088 207
Notes To The Financial Report
For the Year Ended 30 June 2022

The financial statements cover Touch Football Australia Limited as an individual entity, incorporated and domiciled in Australia. Touch Football Australia Limited is a company limited by guarantee.

The financial statements were authorised for issue on 16 September 2022 by the Directors of the Company.

Note 1 – Summary of Significant Accounting Policies

Basis of Preparation

Touch Football Australia applies Australian Accounting Standards – Simplified Disclosures as set out in AASB 1060: Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities.

These general purpose financial statements have been prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The Company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual 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. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

a) **Income Tax**

The Company is exempt from income tax under the provisions of Section 50-5 of *the Income Tax Assessment Act 1997*.

b) **Inventories**

Inventories consist of clothing, publications and videos and are measured at the lower of cost and net realisable value.

c) **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 losses.

Freehold property

Freehold land and buildings are shown at their fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses. Where parts of an item of plant and equipment have different useful lives, they are accounted for as separate items of plant and equipment.

TOUCH FOOTBALL AUSTRALIA LIMITED
ABN 55 090 088 207
Notes To The Financial Report
For the Year Ended 30 June 2022

Note 1 – Statement of Significant Accounting Policies (continued)

c) Property, Plant and Equipment (continued)

The carrying amount of plant and equipment is reviewed annually by the Company to determine whether there is an indication of impairment. If any such indication exists, the assets recoverable amount is estimated. The recoverable amount is the greater of fair value less costs to sell and value in use. Value in use means the 'depreciated replacement cost' of an asset when the future economic benefits of the asset are not primarily dependant on the assets ability to generate net cash inflows and where the entity would if deprived of the asset, replace its remaining future economic benefits.

Depreciated replacement cost is defined as the current replacement cost of an asset less where applicable, accumulated depreciation calculated on the basis of such costs to reflect the already consumed or expired future economic benefits of the asset. The current replacement cost of an asset is its cost measured by reference to the lowest cost of which the gross future economic benefits of that asset could currently be obtained in normal course of business.

The cost of fixed assets constructed within the entity includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

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 Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets of assets, including buildings and capitalised lease assets, are depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation and amortisation rates used for each class of depreciable assets are:

| Class of Asset | Depreciation Rate |
|----------------------------|-------------------|
| Leasehold Buildings | 2.5% |
| Fixtures and Fittings | 6.66% - 20% |
| Plant and Equipment | 6.66% – 33.33% |
| Computers and Software | 20% – 33.33% |
| Motor Vehicles | 20% |
| Competition Infrastructure | 10% |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When re-valued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

TOUCH FOOTBALL AUSTRALIA LIMITED
ABN 55 090 088 207
Notes To The Financial Report
For the Year Ended 30 June 2022

Note 1 – Statement of Significant Accounting Policies (continued)

d) **Leases**

The Company as lessee

At inception of a contract, the Company assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Company where the Company is a lessee. In the current period, all leases are classified as short-term leases (lease with remained lease term of 12 months or less) or leases of low value assets and are recognised as an operating expense on a straight line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Company uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

The Company as lessor

The Company leases some rooms in their building to external parties.

Upon entering into each contract as a lessor, the Company assesses if the lease is a finance or operating lease

The contract is classified as a finance lease when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases not within this definition are classified as operating leases.

Rental income received from operating leases is recognised on a straight-line basis over the term of the specific lease.

Initial direct costs incurred in entering into an operating lease (for example legal cost, cost to setup) are included in the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

TOUCH FOOTBALL AUSTRALIA LIMITED
ABN 55 090 088 207
Notes To The Financial Report
For the Year Ended 30 June 2022

Note 1 – Statement of Significant Accounting Policies (continued)

d) Leases (continued)

Rental income due under finance leases are recognised as receivables at the amount of the Company's net investment in the leases.

When a contract is determined to include lease and non-lease components, the Company uses the relative stand-alone price to allocate the consideration under the contract to the lease and non-lease components.

e) Financial Instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Impairment of Financial Assets

At the end of the reporting period the Company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Company classifies its financial assets into the following category, those measured at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

TOUCH FOOTBALL AUSTRALIA LIMITED
ABN 55 090 088 207
Notes To The Financial Report
For the Year Ended 30 June 2022

Note 1 – Statement of Significant Accounting Policies (continued)

e) Financial Instruments (continued)

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The entity's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Financial liabilities

The entity measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables, bank and other loans and finance lease liabilities.

f) Impairment of Non-Financial Assets

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

TOUCH FOOTBALL AUSTRALIA LIMITED
ABN 55 090 088 207
Notes To The Financial Report
For the Year Ended 30 June 2022

Note 1 – Statement of Significant Accounting Policies (continued)

g) Employee Benefits

Short-term employee benefits

Provision is made for the Company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

The Company classifies employees' long service leave and may classify annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the terms of the obligations. Any re-measurements of obligations for other long-term employee benefits for changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

The Company's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Company does not have an unconditional right to defer settlement for at least 12 months after the reporting date, in which case the obligations are presented as current provisions.

Defined contribution superannuation funds

Obligations for contributions to defined contribution superannuation funds are recognised as an expense in the income statement as incurred.

Wages, salaries, annual leave, sick leave and non-monetary benefits

Liabilities for employee benefits for wages, salaries and annual leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to reporting date, are calculated at undiscounted amounts based on remuneration wage and salary rates that the Company expects to pay as at reporting date, including related on-costs, such as workers compensation insurance and payroll tax. Non-accumulating monetary and non-monetary benefits, such as medical care, sick leave, housing, cars and free or subsidised goods and services, are expensed based on net marginal cost to the Company as the benefits are taken by the employees.

h) 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.

TOUCH FOOTBALL AUSTRALIA LIMITED
ABN 55 090 088 207
Notes To The Financial Report
For the Year Ended 30 June 2022

Note 1 – Statement of Significant Accounting Policies (continued)

i) Goodwill

Goodwill is initially measured at the amount by which the purchase price for a business combination exceeds the fair value attributed to the interest in the net fair value of identifiable assets, liabilities and contingent liabilities acquired at date of acquisition.

Goodwill is subsequently measured at cost less any impairment losses.

Goodwill is subject to impairment testing when the Board consider that there is objective evidence the business has been impaired. Impairment losses are calculated based on the Board's assessment of the business' recoverable amount. Recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted in determining recoverable amount.

Gains and losses on the disposal of a business include the carrying amount of goodwill relating to the business sold.

j) Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold or services provided in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets.

Accounts receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(f) for further discussion on the determination of impairment losses.

k) Revenue

Revenue from the sale of goods is recognised in the income statement when performance obligations relating to the transfer of goods have been met. Revenue from services rendered is recognised in the income statement by proportion of performance obligations met at the balance sheet date. The stage of completion is assessed by reference to surveys of work performed. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, the costs incurred or to be incurred cannot be measured reliably, there is a risk of return of goods or there is continuing management involvement with the goods.

TOUCH FOOTBALL AUSTRALIA LIMITED
ABN 55 090 088 207
Notes To The Financial Report
For the Year Ended 30 June 2022

Note 1 – Statement of Significant Accounting Policies (continued)

l) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in income in the period in which they are incurred.

m) 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.

n) Income in Advance and Prepaid Expenditure

Affiliation revenue is recognised based on competition commencement dates. Where a competition commences in 'Season 1', which runs from 1 January to 30 June or where a competition commences in 'Season 2', which runs 1 July to 31 December, affiliation revenue is invoiced and recognised in the relevant financial year. This policy has been conservatively applied for a number of years. In the reporting year a more consistent treatment has been applied. Grants received from government relating to calendar years are apportioned by performance obligations met over the financial year to which they relate.

o) Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. Any rounding is in whole dollar presentation.

p) Accounts Payable and Other Payables

Accounts payable and other payables represent the liabilities outstanding at the end of the reporting period for goods and services received by the Company during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

TOUCH FOOTBALL AUSTRALIA LIMITED
ABN 55 090 088 207
Notes To The Financial Report
For the Year Ended 30 June 2022

Note 1 – Statement of Significant Accounting Policies (continued)

q) Critical Accounting Estimates and Judgements

(i) *Impairment*

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

(ii) *Provision for impairment of receivables*

Included in trade receivables and other receivables at the end of the reporting period are amounts receivable from members in relation to unpaid revenue from goods or services provided outstanding for greater than 18 months amounting to \$274,225. A provision for doubtful debts has been raised for these receivables as at 30 June 2022.

(iii) *Employee Benefits*

For the purpose of measurement, AASB 119: Employee Benefits defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. The company expects most employees will take their annual leave entitlements within 24 months of the reporting period in which they were earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

r) Treatment of Equity

Prior to 1 July 2008, the Company incurred amounts for the operations of the states of Victoria, West Australia, Tasmania and Northern Territory had been accumulated against state entities within the ledger structures of the national office (South Australia was reported as national operations prior to 2008). This has been treated as equity rather than an asset or liability of the national office. Upon entering the model the accumulated funds of each state have been offset against any net costs paid by Touch Football Australia Limited, or added to any net contributions made to Touch Football Australia Limited, as disclosed above.

TOUCH FOOTBALL AUSTRALIA LIMITED

ABN 55 090 088 207

Notes To The Financial Report**For the Year Ended 30 June 2022****Note 1 – Statement of Significant Accounting Policies (continued)****s) Fair Value of Assets and Liabilities**

The Company measures some of its assets at fair value on a recurring basis.

Fair value is the price the Company would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at reporting date (i.e. the market that maximises the receipts from the sale of the asset or minimises the payment made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use, or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

t) New and Amended Accounting Policies Adopted by the Company

Initial adoption of AASB 1060: General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

The Company has adopted AASB 1060: General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities for the first time this reporting period. The Standard, which sets out a new separate disclosure Standard to be applied by all entities that are reporting under Tier 2 of the Differential Reporting Framework in AASB 1053: Application of Tiers of Australian Accounting, replaces the previous Reduced Disclosure Requirements (RDR) framework. The application of this standard has resulted in reductions in disclosures compared to RDR in Revenue, Leases and Financial Instruments; however has resulted in new and/or increased disclosures in areas such as Audit Fees and Related Parties.

TOUCH FOOTBALL AUSTRALIA LIMITED
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Notes To The Financial Report
For the Year Ended 30 June 2022

| Note 2 - Revenue | 2022 | 2021 |
|-------------------------------------|------------------|------------------|
| | \$ | \$ |
| Operating activities | | |
| Sport Management | 4,334,829 | 4,113,303 |
| Sport Development | 2,170,550 | 1,895,700 |
| Sport Operations | 1,666,734 | 1,519,829 |
| High Performance | 460 | 244 |
| Business Operations | (1,106) | (215,374) |
| Property and Information Technology | 88,271 | 77,681 |
| Total Revenue | <u>8,259,738</u> | <u>7,391,383</u> |

Note 3 – Deficit for the year

The deficit has been determined after:

a. Expenses

| | | |
|-----------------------|-----------|-----------|
| Rental expenses: | | |
| - minimum lease costs | 93,550 | 66,118 |
| Finance costs | 11,552 | 10,169 |
| Depreciation | 108,110 | 136,153 |
| Employee Benefits | 3,053,251 | 2,999,157 |
| Cost of Sales | 119,723 | 42,029 |

Note 4 – Cash and Cash Equivalents

| | | |
|--------------|------------------|------------------|
| Cash on hand | 450 | 450 |
| Cash at bank | 3,287,281 | 2,726,967 |
| Term deposit | 262,219 | 262,193 |
| | <u>3,549,950</u> | <u>2,989,610</u> |
| 16 | <u>3,549,950</u> | <u>2,989,610</u> |

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 | <u>3,549,950</u> | <u>2,989,610</u> |
| | <u>3,549,950</u> | <u>2,989,610</u> |

TOUCH FOOTBALL AUSTRALIA LIMITED
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Notes To The Financial Report
For the Year Ended 30 June 2022

| | Note | 2022 \$ | 2021 \$ |
|--|-----------|------------------|------------------|
| Note 5 – Trade and Other Receivables | | | |
| CURRENT | | | |
| Trade receivables | | 1,790,282 | 1,792,516 |
| Provision for doubtful debts | | (274,225) | (197,887) |
| Security deposits | | 9,944 | 14,969 |
| Prepayments | | 103,232 | 112,072 |
| Accrued revenue | | 21,357 | 37,152 |
| Total Trade and other receivables | | <u>1,650,590</u> | <u>1,758,822</u> |
| | | | |
| a. Financial assets at amortised cost classified as trade and other receivables | | | |
| Accounts receivable and other debtors: | 16 | <u>1,516,057</u> | <u>1,594,629</u> |
| | | | |
| Financial assets at amortised cost classified as trade and other receivables | | | |
| - total current | | 1,516,057 | 1,594,629 |
| | | | |
| Note 6 – Inventories | | | |
| CURRENT | | | |
| Merchandising Stock - at cost | | <u>157,995</u> | <u>151,720</u> |

TOUCH FOOTBALL AUSTRALIA LIMITED
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Notes To The Financial Report
For the Year Ended 30 June 2022

| Note 7 – Property, Plant and Equipment | 2022 | 2021 |
|---|-------------------------|-------------------------|
| | \$ | \$ |
| Leasehold buildings – at fair value | 1,960,000 | 1,960,000 |
| Accumulated Depreciation | (49,000) | - |
| | <u>1,911,000</u> | <u>1,960,000</u> |
| Fixtures and fittings – at cost | 198,892 | 198,892 |
| Accumulated Depreciation | (161,236) | (148,685) |
| | <u>37,656</u> | <u>50,207</u> |
| Plant and office equipment – at cost | | |
| Work in Progress | 286,755 | 269,104 |
| Accumulated Depreciation | (238,458) | (223,853) |
| | <u>48,297</u> | <u>45,251</u> |
| Computers and Software – at cost | 282,477 | 289,380 |
| Accumulated Depreciation | (209,026) | (198,383) |
| | <u>73,451</u> | <u>90,997</u> |
| Total Property, Plant and Equipment | <u><u>2,070,404</u></u> | <u><u>2,146,455</u></u> |

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.

| | Land & Buildings \$ | Fixtures & Fittings \$ | Plant & Equipment \$ | Computers & Software \$ | TOTAL \$ |
|-----------------------------------|---------------------------|------------------------------|----------------------------|-------------------------------|------------------|
| Balance at 1 July 2021 | 1,960,000 | 50,207 | 45,251 | 90,997 | 2,146,455 |
| Additions | - | - | 17,651 | 14,408 | 32,059 |
| Disposals | - | - | - | (21,311) | (21,311) |
| Accumulated Depn. (write back) | - | - | - | 21,311 | 21,311 |
| Depreciation Expense | (49,000) | (12,551) | (14,605) | (31,954) | (108,110) |
| Balance at 30 June 2022 | <u>1,911,000</u> | <u>37,656</u> | <u>48,297</u> | <u>73,451</u> | <u>2,070,404</u> |

TOUCH FOOTBALL AUSTRALIA LIMITED
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Notes To The Financial Report
For the Year Ended 30 June 2022

| | 2022 | 2021 |
|--|--------------|--------------|
| Note 8 - Goodwill and Other Intangibles | \$ | \$ |
| Goodwill | 130,838 | 130,838 |
| Accumulated amortisation | (130,838) | (130,838) |
| | <u>-</u> | <u>-</u> |
| Intellectual Property | 3,000 | 3,000 |
| Accumulated amortisation | - | - |
| | <u>3,000</u> | <u>3,000</u> |
| Total Goodwill and Other Intangibles | <u>3,000</u> | <u>3,000</u> |

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.

| | Goodwill | Intellectual Property | TOTAL |
|-------------------------|----------|--------------------------|--------------|
| | \$ | \$ | \$ |
| Balance at 1 July 2021 | - | 3,000 | 3,000 |
| Additions | 60,000 | - | 60,000 |
| Disposals/write off | (60,000) | - | (60,000) |
| Disposals (Acc. Amort.) | - | - | - |
| Amortisation Expense | - | - | - |
| | <u>-</u> | <u>3,000</u> | <u>3,000</u> |
| Balance at 30 June 2022 | <u>-</u> | <u>3,000</u> | <u>3,000</u> |

| | Note | 2022 | 2021 |
|---|-------------|------------------|------------------|
| Note 9 – Accounts Payable and Other Payables | | \$ | \$ |
| CURRENT | | | |
| Trade creditors | | 373,728 | 604,283 |
| Accrued expenses | | 246,866 | 154,656 |
| Other liabilities | | 1,006,092 | 622,924 |
| | | <u>1,626,686</u> | <u>1,381,863</u> |
| | 9a | <u>1,626,686</u> | <u>1,381,863</u> |

**a. Financial liabilities at amortised cost
classified as accounts payable and other
payables**

Accounts payable and other payables:

| | | |
|--|----------------|----------------|
| - total current | 1,626,686 | 1,381,863 |
| GST receivable / (payable) | (126,614) | (104,670) |
| Less accrued expenses | (246,866) | (154,656) |
| Less revenue in advance | (895,918) | (447,748) |
| Financial liabilities as accounts payable and other payables | <u>357,288</u> | <u>674,789</u> |
| | 16 | |

TOUCH FOOTBALL AUSTRALIA LIMITED
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Notes To The Financial Report
For the Year Ended 30 June 2022

| | 2022 | 2021 |
|--|----------------|----------------|
| | \$ | \$ |
| Note 10 – Employee Benefits | | |
| CURRENT | | |
| Annual leave | 371,620 | 406,820 |
| Long service leave | 172,288 | 147,974 |
| | <u>543,908</u> | <u>554,794</u> |
| NON-CURRENT | | |
| Long service leave | 40,931 | 43,321 |
| | <u>584,839</u> | <u>598,115</u> |
| | | |
| Analysis of Employee Provisions – Annual Leave Entitlements | | |
| Opening balance | 406,820 | 277,127 |
| Additional provisions | 243,993 | 271,173 |
| Amounts used | (279,193) | (141,480) |
| | <u>371,620</u> | <u>406,820</u> |
| | | |
| Employee Provisions – Annual Leave Entitlements | | |
| The provision for employee benefits represents amounts accrued for annual leave. | | |
| Based on past experience, the Company expects the full amount of annual leave balance to be settled within the next 12 months. Further, these amounts must be classified as current liabilities since the Company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlements. | | |
| | | |
| Analysis of Employee Provisions – Long Service Leave Entitlements | | |
| Opening balance | 191,295 | 200,024 |
| Additional provisions | 21,924 | 30,242 |
| Amounts used | - | (38,971) |
| | <u>213,219</u> | <u>191,295</u> |

TOUCH FOOTBALL AUSTRALIA LIMITED
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Notes To The Financial Report
For the Year Ended 30 June 2022

| | 2022 | 2021 |
|--|-------------|-------------|
| Note 11 – Leasing Commitments | \$ | \$ |
| a. 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 | 37,808 | 38,456 |
| - Between 12 months and five years | 72,197 | 81,289 |
| | 110,005 | 119,745 |

The following property lease commitments are non-cancellable operating leases contracted for but not capitalised in the financial statements with the following terms. Increases in lease commitments may occur in line with the consumer price index:

- City of Adelaide Park Lands: five-year lease, expiring December 2024
- Fleet Partners vehicle lease: one year extension, expiring July 2023
- Fleet Partners vehicle lease: four years, expiring November 2024
- Fleet Partners vehicle lease: five years, expiring May 2026

Note 12 – Reserves

Asset Revaluation Reserve

The Asset Revaluation Reserve records revaluations of non-current assets.

State Equity Movements

The State Equity movements reserve consists of funds allocated from the state bodies on amalgamation into the Company.

Note 13 – Contingent Liabilities and Contingent Assets

As at balance date the Company has no contingency that will or may affect the reported assets and liabilities of the Company.

Note 14 – Events after the Balance Sheet Date

There are no events after Balance Sheet Date to report.

TOUCH FOOTBALL AUSTRALIA LIMITED
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Notes To The Financial Report
For the Year Ended 30 June 2022

Note 15 – Related Party Transactions

No Directors received either directly or indirectly any fees, salaries or bonuses. However, the following honorariums were paid during the financial year.

| | | |
|----------------|----------|---------|
| Anita Hagarty | Chair | \$6,018 |
| Neil Collins | Director | \$4,012 |
| Erin Taylor | Director | \$4,012 |
| Kelvin Lockyer | Director | \$4,012 |

A financial facility has been provided to Queensland Touch Association with the balance as at 30 June 2022 being \$205,586. This amount is carried in Trade Receivables.

Note 16 – Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB9 Financial Instruments: Recognition and Measurement as detailed in the accounting policies to these financial statements, are as follows:

| | Note | 2022 | 2021 |
|--|-------------|------------------|------------------|
| | | \$ | \$ |
| Financial assets | | | |
| Cash and cash equivalents | 4 | 3,549,950 | 2,989,610 |
| Financial assets | 5a | 1,516,057 | 1,594,629 |
| | | <u>5,066,007</u> | <u>4,584,239</u> |
| Financial liabilities | | | |
| Financial liabilities at amortised cost: | | | |
| Trade and other payables | 9a | 357,288 | 674,789 |
| | | <u>357,288</u> | <u>674,789</u> |

TOUCH FOOTBALL AUSTRALIA LIMITED
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Notes To The Financial Report
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Note 17 – Fair Value Measurements

The Company has the following assets, as set out in the table below, that are measured at fair value on a recurring basis after initial recognition.

The Company does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

| | Note | 2022 \$ | 2021 \$ |
|--|------|------------------|------------------|
| Recurring fair value measurements | | | |
| Non-Financial assets | | | |
| - Buildings | 7 | <u>1,911,000</u> | <u>1,960,000</u> |

Note 18 – Key Management Personnel Compensation

The totals of remuneration paid to key management personnel (KMP) of the Company during the year are as follows:

| | | |
|---------------------------------------|----------------|----------------|
| Key management personnel compensation | <u>579,053</u> | <u>538,401</u> |
|---------------------------------------|----------------|----------------|

Note 19 – Company Details

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

Touch Football Australia Limited
18 Napier Close
DEAKIN ACT 2600

Note 20 – Auditor's Remuneration

Remuneration of the auditor:

| | | |
|-------------------------------------|---------------|---------------|
| - auditing the financial statements | <u>39,600</u> | <u>37,200</u> |
|-------------------------------------|---------------|---------------|



2021/2022
FINANCIAL REPORT



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