

# OTAGO CRICKET ASSOCIATION (INC.)

## FINANCIAL REPORT FOR THE YEAR ENDED 31 JULY, 2015

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**Otago Cricket Association (Inc.)**  
**Statement of Financial Performance**  
**For the year ended 31 July 2015**

Revenue	Notes	2015 \$	2014 \$
Grants & Levies	2	2,703,309	2,508,877
Sponsorships		300,391	298,588
Gate Receipts		37,115	53,274
Champions League		36,374	59,405
Marketing Activities		149,684	108,968
Coaching & Facilities		84,873	92,682
Interest Received		8,843	6,377
Sundry Revenue		86,065	36,905
Gain on Sale of Assets		-	1,146
<b>Total Revenue</b>		<u>3,406,654</u>	<u>3,166,222</u>
Less Contribution to Professional Revenue		<u>171,034</u>	<u>199,694</u>
<b>Net Revenue</b>		<b>3,235,620</b>	<b>2,966,528</b>
<b>Expenditure</b>			
Administration	3	102,688	95,444
Marketing & Promotion		105,280	124,687
Staff, Contractors & Service Providers		1,249,218	1,200,201
Office, Grounds & Facilities		150,837	88,554
Match and Preparation		354,380	301,486
Player Payments		794,326	704,034
Travel, Accommodation & Allowances		350,815	276,103
Grants to Affiliates		114,957	112,077
Depreciation		<u>23,634</u>	<u>24,313</u>
<b>Total Expenses</b>		<b>3,246,135</b>	<b>2,926,899</b>
<b>Net (Deficit)/Surplus from operations</b>		<b>\$ (10,515)</b>	<b>\$ 39,629</b>
Grant - Otago Cricket Trust	4	<u>121,172</u>	<u>-</u>
<b>Net Surplus for the year</b>		<b><u>\$ 110,657</u></b>	<b><u>\$ 39,629</u></b>

**Statement of Movement in Equity**  
**For the year ended 31 July 2015**

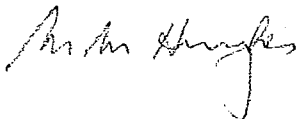
	2015 \$	2014 \$
Opening Equity	321,863	282,234
Net Surplus for the year	<u>110,657</u>	<u>39,629</u>
<b>Closing Equity</b>	<b><u>\$ 432,520</u></b>	<b><u>\$ 321,863</u></b>

Otago Cricket Association (Inc.)

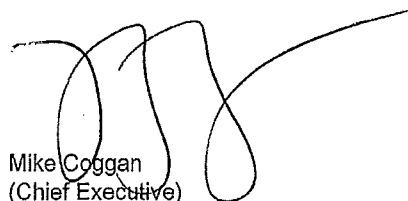
Statement of Financial Position  
As at 31 July 2015

	Notes	2015 \$	2014 \$
<b>Current Assets</b>			
Bank of New Zealand	5	447,138	321,354
Petty Cash		293	250
Accounts Receivable		39,974	22,912
Prepayments		35,242	25,253
Inventories	6	22,808	41,815
		<u>545,455</u>	<u>411,584</u>
<b>Non Current Assets</b>			
Property, Plant & Equipment	7	77,501	86,157
<b>Total Assets</b>		622,956	497,741
<b>Current Liabilities</b>			
Accounts Payable		72,107	95,286
Employee Entitlements		32,757	43,694
Future Income	8	85,572	36,898
		<u>190,436</u>	<u>175,878</u>
<b>Total Liabilities</b>		190,436	175,878
<b>Net Assets</b>		<u>\$ 432,520</u>	<u>\$ 321,863</u>
<b>Equity</b>			
Retained Earnings		<u>432,520</u>	<u>321,863</u>
<b>Equity</b>		<u>\$ 432,520</u>	<u>\$ 321,863</u>

For and on behalf of the Board of Otago Cricket Association (Inc.) which authorised the issue of the financial report on 21st September 2015



Murray Hughes  
(Chairman)



Mike Coggan  
(Chief Executive)

Otago Cricket Association (Inc.)

Statement of Cashflows  
For the year ended 31 July 2015

	Note	2015 \$	2014 \$
<b><u>Cash Flow from Operating Activities</u></b>			
<b>Cash was provided from:</b>			
Grants from New Zealand Cricket		2,491,697	2,246,478
Receipts from Association Activities		1,229,034	1,156,133
Less: Contribution to Professional Revenue		<u>(171,034)</u>	<u>(199,694)</u>
		3,549,697	3,202,917
<b>Cash was applied to:</b>			
Payments to Suppliers and Employees		<u>3,408,891</u>	<u>3,102,632</u>
		3,408,891	3,102,632
<b>Net Cash Inflow from Operating Activities</b>	14	<u>140,806</u>	<u>100,285</u>
<b><u>Cash Flow from Investing Activities</u></b>			
Purchase of Fixed Assets		<u>(14,978)</u>	<u>(8,606)</u>
<b>Net Cash Outflow from Investing Activities</b>		<u>(14,978)</u>	<u>(8,606)</u>
<b>Net Increase in Cash Held</b>		125,828	91,679
<b>Add: Cash Balance at 1 August, 2014</b>		<u>321,603</u>	<u>229,924</u>
<b>Cash Balance at 31 July, 2015</b>		<u>\$ 447,431</u>	<u>\$ 321,603</u>

## Otago Cricket Association (Inc.)

### Notes to the Accounts for the year ended 31 July 2015

#### 1. Statement of Accounting Policies

##### Reporting Entity

The Otago Cricket Association (Inc.) ("Otago Cricket") is registered under the Incorporated Societies Act 1908. These financial statements have been prepared in accordance with generally accepted accounting principles.

##### Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on a historical basis are followed by the Association.

##### Differential Reporting

The financial statements are a general purpose financial report which has been prepared recognising the Framework for Differential Reporting issued by the New Zealand Institute of Chartered Accountants.

In the opinion of the Board, the Association qualifies for differential reporting as it has no public accountability and the Association is not considered as large within the terms of reference in paragraph 4.23 of the Framework for Differential Reporting. The Board has taken advantage of all differential reporting exemptions.

##### Receivables

Receivables are stated at anticipated realisable value. An estimate is made for doubtful debts based on a review of all outstanding amounts at year end. Bad Debts are written off during the period in which they are identified.

##### Inventories

Inventories are stated at the lower of cost and net realisable value after making due allowance for obsolete or damaged stock. Costs have been assigned to inventory quantities on hand at balance date using the first in first out basis.

##### Goods and Services Tax

All items in the financial statements are stated exclusive of GST except for Accounts Receivable and Accounts Payable which are stated inclusive of GST.

##### Property, Plant & Equipment

Property, Plant and Equipment is stated at cost less aggregate depreciation. Depreciation is provided for on a straight line basis on all tangible property, plant and equipment, at depreciation rates calculated to allocate the assets' costs over their estimated useful lives.

Depreciation has been calculated on the following basis:

Office Equipment	9.6 – 80.40%	SL
Other Equipment	5 – 48%	SL
High Performance Centre	7.8 – 28.80%	SL
Furniture and Fittings	0.01 - 48%	SL
Motor Vehicles	21%	SL
Leasehold Improvements	0 - 21%	SL

## Otago Cricket Association (Inc.)

### Notes for the Accounts for the year ended 31 July 2015

#### Changes in Accounting Policies

There have been no changes in accounting policies, which have been applied on basis consistent with those used in previous years.

#### 2. Grants & Levies

	2015	2014
	\$	\$
Grants – New Zealand Cricket	1,697,371	1,558,900
Grants – New Zealand Cricket Player Payments	794,326	687,578
Grants – Gaming Trusts	96,124	166,137
Grants – Trusts	55,000	55,000
Grants - Other	17,700	3,826
Grants - Government	2,217	-
Levies & Fees	<u>40,571</u>	<u>37,436</u>
	\$2,703,309	\$2,508,877

#### 3. Audit Fees

Included in the Administration costs are:

	2015	2014
	\$	\$
Fees paid to Auditors	<u>4,048</u>	<u>3,575</u>
	\$4,048	\$3,575

#### 4. Otago Cricket Trust Dissolution

The Trustees of the Otago Cricket Trust resolved in April 2015 that the Trust was wound up and the residual net assets (\$121,171.89) be distributed to the beneficiary, the Otago Cricket Association.

While this income has been recognised in the current financial year, it is intended the funds will be used to assist with funding the extension and upgrade of the Association's Indoor Centre at the Edgar Stadium in Dunedin during the next financial year.

#### 5. Bank Facilities

	2015	2014
	\$	\$
BNZ Cheque Account	25,070	19,547
BNZ Deposit Account	<u>422,068</u>	<u>301,807</u>
	\$447,138	\$321,354

Otago Cricket Association (Inc.)

Notes to the Accounts (cont)  
for the year ended 31 July 2015

6. Inventories

Stock on hand at balance date consists of Clothing, Cricket Balls, Match and Longroom Resources. The breakdown of Stock on Hand at 31 July 2015 is:

	2015 \$	2014 \$
Clothing	3,155	13,699
Cricket Balls	15,649	22,115
Longroom	<u>4,004</u>	<u>6,001</u>
	\$22,808	\$41,815

7. Property, Plant & Equipment

Property, Plant and Equipment at balance date was:

2015

	Opening B/Value	Additions/ (Disposals)	Depreciation Current Year	Accumulated Depreciation on Disposal	Closing B/Value
HPC – Edgar Centre	866	-	195	-	670
Office Equipment	11,204	1,791	4,114	-	8,882
Other Equipment	2,897	10,704	1,352	-	12,249
Furniture & Fittings	9,912	1,266	2,284	-	8,894
Motor Vehicles	6,144	-	2,404	-	3,740
Leasehold Improvements	<u>55,134</u>	<u>1,217</u>	<u>13,285</u>	-	<u>43,066</u>
	\$86,157	\$14,978	\$23,634	\$ -	\$77,501

2014

	Opening B/Value	Additions/ (Disposals)	Depreciation Current Year	Accumulated Depreciation on Disposal	Closing B/Value
HPC – Edgar Centre	2,615	-	1,749	-	866
Office Equipment	2,261	12,694	3,751	-	11,204
Other Equipment	4,083	-	1,186	-	2,897
Furniture & Fittings	11,982	-	2,070	-	9,912
Motor Vehicles	11,490	(4,088)	2,404	1,146	6,144
Leasehold Improvements	<u>68,287</u>	-	<u>13,153</u>	-	<u>55,134</u>
	\$100,718	\$8,606	\$24,313	\$ 1,146	\$86,157

**Otago Cricket Association (Inc.)**

**Notes to the Accounts (cont)  
for the year ended 31 July 2015**

**8. Future Income**

Otago Cricket receives funding from a number of different funding organisations. These grants can cover a period across two financial years. Where this occurs, the grant is apportioned based on the expenditure it covers. That portion relating to a future year is treated as Future Income and will be recognised in the following financial year.

**9. Lease Commitments**

The Association has various operating lease commitments relating primarily to the Telephone system, Mobile phones and Vehicles.

	2015	2014
Non-Cancelable Operating Lease Commitments	\$	\$
Current Portion	38,212	47,298
Non Current Portion	<u>16,218</u>	<u>25,414</u>
	\$54,430	\$72,712

**10. International Financial Reporting Standards (IFRS)**

International Financial Reporting Standards (NZ IFRS) has now been introduced into New Zealand, effective for financial years commencing on or after 1 January, 2007.

Otago Cricket qualifies for an exemption from NZ IFRS by virtue of its size. The Board and Management have resolved therefore not to adopt NZ IFRS at this point.

**11. Related Party Transactions**

During the year the Association had maintenance work completed by Aotea Electric. Murray Hughes (a board member) is a director of Aotea Electric. All transactions were made on an arm's length basis and at market rates.

During the year the Association had Legal advice provided by Webb Farry. James Lovelock (Director of the board) is a Partner at Webb Farry. All transactions were made on an arm's length basis and at market rates.

**12. Contingent Liabilities**

There were no contingent liabilities at balance date (2014, Nil).

**13. Capital Commitments**

The Association has committed to fund up to \$100,000 of the cost of the development of floodlighting and extension of the embankments at the University of Otago Oval in Dunedin in conjunction with the Dunedin City Council. This development is anticipated to commence in the next financial year subject to obtaining appropriate consents and external fundraising commitments (2014, Nil).



Otago Cricket Association (Inc.)

Notes to the Accounts (cont)  
for the year ended 31 July 2015

14. RECONCILIATION OF NET SURPLUS WITH NET CASH INFLOW FROM OPERATIONS

	2015	2014
	\$	\$
Net Surplus	110,657	39,629
<i>Add Non-Cash Items:</i>		
Depreciation	23,634	24,313
Loss/(Gain) on Sale of Assets	<u>-</u>	<u>(1,146)</u>
	23,634	23,167
	<u>134,291</u>	<u>62,796</u>
<i>Add (Less) Movements in Working Capital:</i>		
(Decrease) Increase in Accounts Payable	(24,373)	26,442
(Decrease) in Income in Advance	48,674	6,088
Decrease in Prepayments	(9,989)	(17,000)
Decrease (Increase) in Accounts Receivable	(17,062)	30,747
Decrease (Increase) in Inventories/WIP	19,007	(9,794)
Movement in GST	<u>(9,742)</u>	<u>1,006</u>
	<u>6,515</u>	<u>37,489</u>
Net Cash Inflow from Operating Activities	<u>\$140,806</u>	<u>\$100,285</u>

**INDEPENDENT AUDITOR'S REPORT**  
**To the Members of Otago Cricket Association Incorporated**

**Report on the Financial Statements**

We have audited the financial statements of Otago Cricket Association Incorporated on pages 2 to 9 which comprise the statement of financial position as at 31 July 2015, and the statement of changes in equity, and statement of comprehensive income and statement of cash flow's for the year then ended, and a summary of significant accounting policies and other explanatory information.

This report is made solely to the Members, as a body, in accordance with the Incorporated Societies Act 1908 and the Constitution of Otago Cricket Association Incorporated. Our audit has been undertaken so that we might state to the Members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Board of Directors Responsibility for the Financial Statements**

The Board are responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in New Zealand and for such internal control as the Board determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand) and International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, 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 statements 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, as well as evaluating the overall presentation of the financial statements.

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

In addition to audit services, our firm provides other services in the areas of business services. We have no other relationship with or interests in the Otago Cricket Association Incorporated.

**Opinion**

In our opinion, the financial statements on pages 2 to 9 present fairly, in all material respects, the financial position of Otago Cricket Association Incorporated as at 31 July 2015, and its financial performance and its cash flows for the year then ended in accordance with generally accepted accounting practice in New Zealand.

A handwritten signature in cursive script that reads 'BDO Christchurch'.

BDO Christchurch  
21 September 2015  
Christchurch  
New Zealand