

ACT Canine Association Inc.

11 150 955 611

Financial Statements

For the Year Ended 30 June 2023

ACT Canine Association Inc.

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For the Year Ended 30 June 2023

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ACT Canine Association Inc.

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Committee's Report
For the Year Ended 30 June 2023

The committee members submit the financial report of the Association for the financial year ended 30 June 2023.

1. General information

Committee members

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

Names	Position
David Dawes	President (Resigned 09/06/2023)
John Scholz	Senior Vice President
Eric Birkeland	Junior Vice President
Kirstin Henderson	Treasurer
Linda Stevens	Council
Katrina Manna	Council
Meaghan O'shannasy	Council
Cristasn McCuster	Council
Mel Crossly	Council
Heather Swinbourne	Council
Natasha Davies	Council
Cathy Stirling	Council

Principal activities

The principal activities of the Association during the financial year were:

The principle activity of the ACT Canine Association is to act as the controlling body for purebred dogs and dogs sports within the Australian Capital Territory. The primary objective is to promote in every way, the general improvements of purebred dogs, responsible dog ownership and the varied roles in which dogs contribute to today's society.

Significant changes

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

2. Operating results

The profit of the Association for the financial year amounted to \$ 4,599 (2022: \$ 22,310).

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

Committee member: 

Committee member: 

Dated 22 August 2023

Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2023

		2023	2022
	Note	\$	\$
Revenue	4	196,874	189,944
Other Income	4	1,384	277
Accounting fees		(9,999)	(5,002)
Bank charges		(628)	(653)
Cleaning		(2,382)	(137)
Depreciation expense	7(a)	(12,440)	(10,924)
Dogs Australia (ANKC)		(9,282)	(10,173)
Employee benefits expense		(57,460)	(58,023)
Electricity & water		(480)	(1,693)
Events		(21,620)	(15,271)
Finance expenses		(643)	-
Grounds rent		(20,164)	(19,405)
Hire		(4,017)	(91)
Insurance		(12,416)	(24,324)
IT expenses		(620)	-
Office expenses		(11,436)	-
Other expenses		(14,609)	(9,774)
Postage		(297)	(761)
Printing and stationery		(2,407)	(1,044)
Software expenses		(6,661)	(7,622)
Staff		(1,850)	(67)
Telephone and Internet		(1,915)	(2,035)
Waste disposal		(2,333)	(912)
Profit before income tax		4,599	22,310
Income tax expense	2(b)	-	-
Profit for the year		4,599	22,310
Total comprehensive income for the year		4,599	22,310

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Statement of Financial Position**As At 30 June 2023**

		2023	2022
	Note	\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	115,795	161,578
Trade and other receivables	6	5,439	10,086
Other assets	8	22,272	9,150
TOTAL CURRENT ASSETS		143,506	180,814
NON-CURRENT ASSETS			
Property, plant and equipment	7	87,314	44,888
TOTAL NON-CURRENT ASSETS		87,314	44,888
TOTAL ASSETS		230,820	225,702
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	8,876	26,376
Loan	10	16,239	-
Employee benefits		1,780	-
TOTAL CURRENT LIABILITIES		26,895	26,376
TOTAL LIABILITIES		26,895	26,376
NET ASSETS		203,925	199,326
EQUITY			
Retained earnings		203,925	199,326
TOTAL EQUITY		203,925	199,326

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity For the Year Ended 30 June 2023

2023

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2022	199,326	199,326
Profit for the year	4,599	4,599
Balance at 30 June 2023	203,925	203,925

2022

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2021	177,016	177,016
Profit for the year	22,310	22,310
Balance at 30 June 2022	199,326	199,326

The accompanying notes form part of these financial statements.

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Statement of Cash Flows
For the Year Ended 30 June 2023

	Note	2023 \$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers		206,305
Payments to suppliers		<u>(213,461)</u>
Net cash (used in) operating activities	14	<u>(7,156)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of plant and equipment		<u>(54,866)</u>
Net cash (used in) investing activities		<u>(54,866)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from Repayment		<u>16,239</u>
Net cash provided by financing activities		<u>16,239</u>
Net (decrease) in cash and cash equivalents held		(45,783)
Cash and cash equivalents at beginning of year		<u>161,578</u>
Cash and cash equivalents at end of financial year	5	<u><u>115,795</u></u>

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2023

The financial statements cover ACT Canine Association Inc. as an individual entity. ACT Canine Association Inc. is a Association incorporated in the Australian Capital Territory under the *Associations Incorporation Act (ACT) 1991* ('the Act').

The functional and presentation currency of ACT Canine Association Inc. is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the Act.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Association expects to receive in exchange for those goods or services.

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Association have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Association are:

Membership Subscriptions

Revenue is recognised when subscriptions are invoiced to the various members for the corresponding period during the financial year.

Other income

Other income is recognised on an accruals basis when the Association is entitled to it.

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(b) Income tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(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 payables are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(d) 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 significantly less than fair value have been recorded at the acquisition date fair value.

Land and buildings

Land and buildings are measured using the cost model.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment, excluding leasehold land, is depreciated on a straight-line basis over the asset's useful life to the Association, commencing when the asset is ready for use.

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

Fixed asset class	Depreciation rate
Buildings	2.5%
Ground Equipment	20%
Ground Plant & Improvements	20%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(e) Financial instruments

Financial instruments are recognised initially on the date that the Association 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).

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 Association classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)

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

Amortised cost

The Association'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 and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Fair value through other comprehensive income -Equity instruments

The Association holds no investments in listed and unlisted entities.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

The Association has no investments that fall under this category.

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(e) Financial instruments

Financial assets

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial assets has increased significantly since initial recognition and when estimating ECL, the Association considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Association's historical experience and informed credit assessment and including forward looking information.

The Association uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Association uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Association in full, without recourse to the Association to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Association in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Association has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Association renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(e) Financial instruments

Financial liabilities

The Association 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 Association comprise trade payables, bank and other loans and lease liabilities.

(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.

(g) Employee benefits

Provision is made for the Association's liability for employee benefits, those benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

3 Critical Accounting Estimates and Judgments

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Notes to the Financial Statements

For the Year Ended 30 June 2023

4 Other Revenue and Income

	2023	2022
	\$	\$
Revenue from contracts with customers (AASB 15)		
- Grants	-	46,000
- Rendering services	96,814	70,678
- Member subscriptions	28,852	29,345
- Event income	60,814	39,057
- Hire	10,394	4,864
	196,874	189,944
Revenue recognised on receipt (not enforceable or no sufficiently specific performance obligations - AASB 1058)		
- Donations	1,384	277
	1,384	277
Total Revenue	198,258	190,221

5 Cash and Cash Equivalents

	2023	2022
	\$	\$
Cash at bank and in hand	115,795	161,578
	115,795	161,578

6 Trade and Other Receivables

	2023	2022
	\$	\$
CURRENT		
Trade receivables	5,439	10,086
	5,439	10,086

7 Property, Plant and Equipment

Buildings		
At cost	128,501	128,501
Accumulated depreciation	(117,173)	(116,883)
Total buildings	11,328	11,618
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	243,685	188,819
Accumulated depreciation	(167,699)	(155,549)
Total plant and equipment	75,986	33,270

Notes to the Financial Statements

For the Year Ended 30 June 2023

7 Property, Plant and Equipment

(a) 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:

	Buildings	Plant and Equipment	Total
	\$	\$	\$
Year ended 30 June 2023			
Balance at the beginning of year	11,619	33,269	44,888
Additions	-	54,866	54,866
Depreciation expense	(291)	(12,149)	(12,440)
Balance at the end of the year	11,328	75,986	87,314

8 Other Non-Financial Assets

	2023	2022
	\$	\$
CURRENT		
Prepayments	22,272	9,150
	22,272	9,150

9 Trade and Other Payables

	2023	2022
	\$	\$
CURRENT		
Trade payables	-	11,603
GST payable	1,776	5,063
Accrued expense	2,470	2,442
Other payables	4,630	7,268
	8,876	26,376

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

10 Borrowings

	2023	2022
	\$	\$
CURRENT		
Loan	16,239	-
	16,239	-

Notes to the Financial Statements

For the Year Ended 30 June 2023

11 Financial Risk Management

		2023 \$	2022 \$
Financial assets			
Held at amortised cost			
Cash and cash equivalents	5	115,795	161,578
Trade and other receivables	6	5,439	10,086
Total financial assets		121,234	171,664
Financial liabilities			
Trade payables	9	4,630	18,871
Loan	10	16,239	-
Total financial liabilities		20,869	18,871

12 Key Management Personnel Disclosures

The remuneration paid to key management personnel of the Association is \$ 26,975 (2022: \$ 29,463).

13 Contingencies

In the opinion of the Committee of Management, the Association did not have any contingencies at 30 June 2023 (30 June 2022: None).

14 Cash Flow Information

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

	2023 \$
Profit for the year	4,599
Non-cash flows in profit:	
- depreciation	12,440
Changes in assets and liabilities:	
- decrease in trade and other receivables	4,647
- (increase) in prepayments	(13,122)
- (decrease) in trade and other payables	(17,500)
- increase in employee benefits	1,780
Cashflows from operations	(7,156)

15 Events After the End of the Reporting Period

The financial report was authorised for issue on _____ 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.

ACT Canine Association Inc.

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Notes to the Financial Statements

For the Year Ended 30 June 2023

16 Statutory Information

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

ACT Canine Association Inc.

10 Flemington Road,

Flemington, ACT 2602

ACT Canine Association Inc.

Independent Audit Report to the members of ACT Canine Association Inc.

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of ACT Canine Association Inc. (the Association), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by members of the committee.

In our opinion, the accompanying financial report presents fairly, in all material respects, including:

- (i) giving a true and fair view of the Association's financial position as at 30 June 2023 and of its financial performance and its cash flows for the year ended; and
- (ii) complying with the Associations Incorporation Act (ACT) 1991.

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 Association in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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.

Responsibilities of Management and Those Charged with Governance

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

In preparing the financial report, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

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

ACT Canine Association Inc.

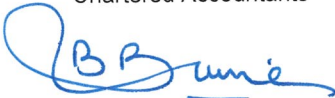
Independent Audit Report to the members of ACT Canine Association Inc.

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 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.



Hardwickes
Chartered Accountants



Bhaumik Bumia
Partner

Canberra

23 August 2023