

Squash Australia Ltd

ABN: 73 072 625 935

Consolidated Financial Statements

For the Year Ended 30 June 2021

Squash Australia Ltd

ABN: 73 072 625 935

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For the Year Ended 30 June 2021

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Directors' Report 30 June 2021

The directors present their report, together with the financial statements of the Group, being the Company and its controlled entities, for the financial year ended 30 June 2021.

1. General information

Information on directors

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

Joanne Brodie
Qualifications

Bachelor of Arts in Modern Languages, Business Administration
Certified Practising Project Director
Graduate of Australian Institute of Company Directors course
Dive Master

Experience

Over 20 years management experience
Director of The Community Transport Company
Former Director of Local Land Services North Coast
Member of Australian Institute of Project Management
Category Chief Judge for the Australian Institute of Project Management
Member of Institute of Community Directors
Member of Women on Boards
Landcare volunteer

Jo is an experienced Program Manager with expertise in strategic planning, governance, risk management, business transformation and safety.

Jo is passionate about sport, has played representative level hockey and netball, is a martial artist, and has participated in sailing, mixed indoor netball, mixed indoor cricket, scuba diving and squash. Has worked at two summer and two winter Olympics & the 2018 Commonwealth Games.
Chair Governance Working Team

Matthew Schmidt
Qualifications

Bachelor of Applied Science, University of SA (Recreation, Planning & Management)

Experience

20 years' experience as a successful results-oriented leader with extensive experience in education, event delivery, sports management, business development, marketing and sponsorship. Considerable experience with strategic planning and in delivering effective governance leadership. Currently Executive Director of ACHPER SA-(The Australian Council for Health, Physical Education and Recreation).
Areas of specialty: Governance, stakeholder management, Marketing, project management 10 years of Directorships of various public, private and not-for profit organisations including Squash South Australia, South Australian Cricket Association-Game Development, Uni SA Sport- Chair, Sport SA Awards Committee-Chair, Good Shepherd Lutheran School -Chair, Past President Concordia Old Collegians Cricket Club.

Squash Australia Profile Working Team Chair

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Directors' Report

30 June 2021

1. General information

Information on directors

Alexander William Dore
Qualifications

Squash Australia Nominations Committee Member
Juris Doctor - University of Sydney
Bachelor of International and Global Studies - University of Sydney

Experience

Alex is a management consultant at PwC Australia with functional experience in strategy, process improvement, and project management. He has over a decade of successful governance experience in membership-based, not-for-profit organisations, and has led multiple organizational reviews.

Adam Bret Carter
Qualifications

AFRC Committee Member
Chair Participation Working Team

Bachelor of Commerce - University of South Africa
Governance Institute - GIA Cert
Member of Australian Institute of Company Directors - MAICD
Member of Governance Institute of Australia – GIA Cert
Member of Australian Institute of Managers and Leaders – AFIML

Experience

Business Manager/Finance Manager– Martin Collins Australia Group/New Zealand, Martin Collins Enterprises Holdings
Chief Navigator - Carmalk Consulting mentors and provides business advisory services to clubs, not for profits and small to medium sized businesses to help you reach your goals.
Adam is a business advisor who gets businesses on track. Adam is a multi-skilled leader, who provides operational and strategic support to businesses. Using a skill set acquired over 25 years in CEO, Executive and Senior Management positions with strong focuses in the areas of Finance, Auditing, Corporate Governance, Risk Management and Compliance. Adam is committed to enhancing internal business processes and systems to improve business performance – both internally and to their clients. His energy and naturally curious nature constantly challenges businesses to apply innovation and creativity to every task.
Passionate sportsman, Squash, BMX, Mountain Biking, Horse Racing, Cricket, Soccer and Rugby Union
Represented Zimbabwe in Squash and BMX
Squash Player for over 25 years
Chairman St Patricks College Advisory Council Shorncliffe, Brisbane
St Patricks College Finance Committee
Director – Carrara Squash Centre Ltd
Squash Australia Finance Committee Member

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Directors' Report 30 June 2021

1. General information

Information on directors

Cindy Flower
Qualifications

Certificate in Neuroscience, Neuroscience School, Canada
Positive Psychology Course, Positive Difference, Melbourne
Company Directors Course, Australian Institute of Company Directors
Member of Australian Institute of Company Directors - MAICD
Coaching Skills, Forton Group, Australia
Master in Business Administration, University of South Australia
Certificate IV in Training and Assessment, ASC Training and Development
Bachelor in Human Resource Management, University of South Australia

Experience

Cindy has over 20 years' expertise in organisational reform and development to optimise performance improvement, supporting leaders to identify, develop and implement innovative solutions to complex cultural challenges.

As a self-employed Organisational Change Consultant, and highly experienced in gender diversity, governance and workplace culture she specialises in organisational change and development, implementing creative approaches to change and the deployment of resources to achieve this. She is passionate about shaping an engaged high-performing culture and thrives on building and leveraging an extensive network, facilitating those 'hard to have' conversations.

Currently:

- Chair of Diving SA
- Director of Squash Australia
- Director for Women in Innovation

Previously:

- Director, Squash SA
- Deputy Chair, Make-A-Wish Foundation
- Founding Member of the Women in Leadership Executive Sub Committee, Department for Environment, Water and Natural Resources.
- 2019 Finalist in the Australian Human Resources Institute, Organisational Development Awards
- 2010 Winner in the Australian Human Resources Institute, Diversity and Inclusion Awards

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Directors' Report 30 June 2021

1. General information

Information on directors

Greg Blycha
Qualifications

Graduate Australian Institute of Company Directors
Masters of Business University of New South Wales
Fellow Australian Institute of Management WA
Bachelor of Professional Studies (Management) University of New England
Governance Foundations for Not-For-Profit Directors Australian Institute of Company Directors
Graduate Royal Military College Duntroon
Advanced Diploma in Personnel Management
Advanced Diploma in Logistics Management
Diploma in Project Management

Experience

Chief Executive Officer Shire of Cranbrook
Chief Operating Officer Football West
Director Operations Road Safety Commission WA State Government
Australian Regular Army Officer
Chair National Facilities Working Group Squash Australia
Chair Nominations Committee Squash Australia
Nominations Committee Member Gymnastics WA

Considerable experience in leading and managing large teams across Defence, Government (State and Local) and the sporting not-for-profit sector. Focus areas include strategic planning, governance, sports administration and continuous improvement.

Selina Steele
Qualifications

Bachelor of Business Major in Journalism

Experience

Selina Steele is an award-winning sports writer and journalist, news reporter and media professional with more than 25 years' experience. Highlights include Olympic Games, most recently Tokyo Olympics, multiple Commonwealth Games, Rugby World Cup, Ashes Series and AFL Grand Finals. She has run News Corp's national news desk and has managed the likes of Federal elections, Royal weddings and international terror attacks. Write it, sub it, create it or manage it, Selina has worked across all News Corp mastheads, juggling editorial and commercial demands across multiple platforms.

Selina has also helped run numerous campaigns for News Corp including:

* "Serial Killer" campaign that saw the Federal Government introduce Medicare rebate for a heart health check;

* Indigenous Sports Month - a whole of business approach to celebrate Indigenous Sports stars across all arms of the business;

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Directors' Report 30 June 2021

1. General information Information on directors

Selina Steele
Experience

* And helped run investigations across News Corp multiple mastheads and partners including the award-winning MH370: The Untold Story - longform premium journalism that sat across print and Sky to record ratings.
Have held senior executive roles for News Corp including:

- * Women's Sports Editor, News Corp Australia
- * National Deputy Head of News, News Corp Australia
- * Sports Campaigns and Partnerships, News Corp Australia
- * Assistant Editor
- * News Editor
- * Campaign and Partnerships Editor
- * Tablet Deputy Editor
- * Sports Editor

Selina is experienced and agile in crisis management, strategic planning and has implemented long-term projects that change the dial on the news agenda but also resonate with the Australian public. Has managed large teams and juggled multiple stakeholders.

Selina is passionate about all sports, has played representative level at hockey, cricket and athletics and runs marathons when her calves allow her to.

She has also been a judge for the International Cricket Council International Cricketer of the Year selections and for Women's Sport Australia's annual photography competitions.

Nathan Turnbull – 10/2018 - 11/2020
Qualifications

Bachelor Arts (Sports Studies and Psychology)
Talent Development Coach

Experience

Playing squash for 23 years.
President of Brisbane City Squash
Director of Qsquash
QLD Sharks junior team coach
Brisbane City Squash (northside) volunteer competition coordinator
WSF Referee
Head Coach at Sandgate Squash

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Christine Sinclair – 10/2018 - 09/2020
Qualifications

Bachelor Arts (Psych)
Master Arts (Hons) Master History (Hons)
Currently working on PhD
Librarian, Researcher, Historian, Archivist

Experience

Vice President NSW Squash
World Squash Referee over 20 years
Refereed World, Commonwealth Games finals
Tournament Referee World, Commonwealth Games level.
WSF Senior Assessor
WSF Rules and Referees Committees
Played pennant squash in 3 States
Played second top-grade Sydney.
Lecturer, Mentor and Presenter
Chair SQA Education Working Group

Leah Gabriel – 07/2020 - 11/2020
Qualifications

Bachelor of Commerce (UQ)
Bachelor of Laws Honours (QUT)
Masters of Commercial Law (UofMelb)
Graduate Diploma of Applied Corporate Governance (GIA)

Experience

Leah is a respected director, company secretary and inhouse commercial legal, risk and governance advisor with over 15 years professional experience, most recently advising an ASX200 infrastructure and resources company and practicing predominantly in the commercial, construction and contract areas of law (although being a 'general counsel' she is across broader areas of law as well). With a background in corporate governance accountability Leah brings passion and energy to the commercial, as well as not for profit/for purpose sectors (specifically in relation to women, children and sport). Leah is a director/company secretary for Brisbane Women's Club, Co-Chair of the UN Women Australia Brisbane Committee for International Women's Day and recently appointed director of the Carrara Squash Board and Squash Australia. Leah holds a Bachelor of Commerce (UQ), Bachelor of Laws Honours (QUT) and Masters of Commercial Law (UofMelb) as well as a Graduate Diploma of Applied Corporate Governance (GIA). She is recognised as a "fellow" of the Governance Institute of Australia and the international Institute of Chartered Secretaries and Administrators. Leah is an amateur squash player enjoying the social side of the game and would welcome any playing tips!

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Company secretary

Richard Vaughan July 2020 – October 2020
Reena Raja November 2020 – January 2021
Robert Donaghue February 2021 – Current

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Directors' Report 30 June 2021

Review of operations

The consolidated profit of the Group for the financial year after providing for income tax amounted to \$ 64,979 (2020: consolidated loss of (\$136,851)).

Principal activities

The principal activities of the Group during the financial year were to manage and promote the sport of Squash in Australia.

No significant change in the nature of these activities occurred during the year. Current activities are in line with the Memorandum and Articles of Association. Company policies have been maintained throughout the period and the operating results are set out in the accompanying Financial Statements.

Members' guarantee

Payments and other benefits

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

2. Other items

Environmental issues

The Group's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Benefits received directly or indirectly by officers

In line with the SportAUS Mandatory Governance Principles, the total Executive Management Team (Pay Grade 3 and 4) salaries was \$452,064.36. The Executive Management Team consisted of five employees in the roles of Chief Executive Officer and General Manager grade during the period. The pay grades are:

Grade 4 > \$100,000 – \$165,000
Grade 3 > \$80,000 – \$100,000

Management Changes

The former CEO departed on 8 October, 2020 with an interim CEO appointed from 9 October 2020 until 24 January, 2021. The current CEO started on 25 January, 2021. The aggregate compensation made is disclosed at Note 22 Key management personnel disclosures.

Options

No options over issued shares or interests in the Company or a controlled entity were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

Meetings of directors

During the financial year, 10 meetings of directors (including committees of directors) were held.

Attendances by each director during the year were as follows:

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Directors' Report 30 June 2021

	Directors' Meetings	
	Number eligible to attend	Number attended
Joanne Brodie	10	10
Matthew Schmidt	10	10
Adam Carter	10	9
Alex Dore	10	9
Cindy Flower	8	8
Greg Blycha	8	8
Selina Steel	1	1
Leah Gabriel – Finish 11/2020	2	2
Christine Sinclair - Finish 09/2020	2	2
Nathan Turnbull – Finish 11/2020	2	2

Indemnification and insurance of officers and auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of Squash Australia Ltd with the exception of the following matters:

The company has paid a premium in respect of a contract insuring against liability for the costs or expenses to defend legal proceedings and for the award of damages against officers and directors.

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2021 has been received and can be found on page 8 of the financial report.

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

Director: 
Joanne Brodie - President

Dated this 28th day of October 2021

DECLARATION OF INDEPENDENCE BY D P WRIGHT TO THE DIRECTORS OF SQUASH AUSTRALIA LTD

As lead auditor of Squash Australia Ltd for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Squash Australia Ltd and the entities it controlled during the year.



D P Wright
Director

BDO Audit Pty Ltd

Brisbane, 28 October 2021

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2021

	Note	2021 \$	2020 \$
Finance income		1,987	3,038
Other income	5	2,048,216	1,925,350
Administrative expenses		(190,964)	(197,829)
AUS PSA tour		(15,192)	(117,794)
Depreciation		(261,760)	(221,623)
Employment expenses	6	(858,486)	(814,629)
Events Administration	6	(95,203)	(194,601)
Events related expenses		(29,501)	(94,304)
Finance expenses		(17,595)	(20,100)
Insurance		(108,908)	(126,759)
Marketing expenses		(73,925)	(20,911)
Other expenses	6	(325,565)	(207,483)
Rent		(8,125)	(7,541)
University project grant		-	(41,665)
Profit/(loss) before income tax		64,979	(136,851)
Income tax expense		-	-
Profit/(loss) for the year		64,979	(136,851)
Other comprehensive income, net of income tax		-	-
Total comprehensive income for the year		64,979	(136,851)
Profit attributable to:			
Members of the parent entity		64,979	(136,851)
Total comprehensive income attributable to:			
Members of the parent entity		64,979	(136,851)
		64,979	(136,851)

The accompanying notes form part of these financial statement

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Consolidated Statement of Financial Position As At 30 June 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	1,165,648	747,350
Trade and other receivables	8	88,545	23,727
Inventories	9	24,679	159,586
Other assets	10	33,106	99,683
Loans and advances	12	45,000	-
TOTAL CURRENT ASSETS		1,356,978	1,030,346
NON-CURRENT ASSETS			
Loans and advances	12	-	50,000
Property, plant and equipment	13	1,392,585	1,575,858
Intangible assets	14	8,907	11,553
Right-of-use assets	11	406,224	465,672
TOTAL NON-CURRENT ASSETS		1,807,716	2,103,083
TOTAL ASSETS		3,164,694	3,133,429
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	15	116,006	122,409
Borrowings	16	52,402	41,025
Lease liabilities		68,088	33,217
Employee benefits	17	29,795	55,760
Other financial liabilities	18	461,045	422,171
TOTAL CURRENT LIABILITIES		727,336	674,582
NON-CURRENT LIABILITIES			
Lease liabilities		356,342	442,810
TOTAL NON-CURRENT LIABILITIES		356,342	442,810
TOTAL LIABILITIES		1,083,678	1,117,392
NET ASSETS		2,081,016	2,016,037
EQUITY			
Retained earnings		2,081,016	2,016,037
TOTAL EQUITY		2,081,016	2,016,037

The accompanying notes form part of these financial statements.

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Consolidated Statement of Changes in Equity
For the Year Ended 30 June 2021

2021	Retained Earnings \$	Total \$
	Note	
Balance at 1 July 2020	2,016,037	2,016,037
Profit/(loss) attributable to members of the parent entity	64,979	64,979
Transactions with owners in their capacity as owners	-	-
Balance at 30 June 2021	<u>2,081,016</u>	<u>2,081,016</u>
2020	Retained Earnings \$	Total \$
	Note	
Balance at 1 July 2019	2,152,888	2,152,888
Profit/(loss) attributable to members of the parent entity	(136,851)	(136,851)
Transactions with owners in their capacity as owners	-	-
Balance at 30 June 2020	<u>2,016,037</u>	<u>2,016,037</u>

The accompanying notes form part of these financial statements.

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Statement of Cash Flows For the Year Ended 30 June 2021

	2021	2020
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	1,997,137	2,203,821
Payments to suppliers and employees	(1,544,507)	(1,782,006)
Interest received	1,987	3,038
Finance costs	(17,595)	(53,642)
Net cash provided by/(used in) operating activities	<u>437,022</u>	<u>371,211</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of plant and equipment	-	24,265
Purchase of property, plant and equipment	(16,392)	(118,312)
Proceeds from repayment of loans receivable	5,000	-
Net cash provided by/(used in) investing activities	<u>(11,392)</u>	<u>(94,047)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net Proceeds from/(repayments for) borrowings and lease liabilities	(7,332)	395,137
Net cash provided by/(used in) financing activities	<u>(7,332)</u>	<u>395,137</u>
Net increase/(decrease) in cash and cash equivalents held	418,298	672,301
Cash and cash equivalents at beginning of year	<u>747,350</u>	<u>75,049</u>
Cash and cash equivalents at end of financial year	7 <u>1,165,648</u>	<u>747,350</u>

The accompanying notes form part of these financial statements.

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Notes to the Financial Statements For the Year Ended 30 June 2021

The financial report covers Squash Australia Ltd and its controlled entities ('the Group'). Squash Australia Ltd is a not-for profit Company limited by guarantee, incorporated and domiciled in Australia.

Each of the entities within the Group prepare their financial statements based on the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Comparatives are consistent with prior years, unless otherwise stated.

1 (a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001*.

(b) Parent entity information

In accordance with the *Corporations Act 2001*, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 25.

(c) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Squash Australia Limited ('company' or 'parent entity') as at 30 June 2021 and the results of all subsidiaries for the year then ended. Squash Australia Ltd and its subsidiaries together are referred to in these financial statements as the 'Group'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated.

2 Change in Accounting Policy

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. There have been no material impacts from the adoption of these.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

3 Summary of Significant Accounting Policies

(a) Income Tax

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

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Notes to the Financial Statements For the Year Ended 30 June 2021

3 Summary of Significant Accounting Policies

(b) Revenue and other income

Grant revenue

Grant revenue is recognised in profit or loss when the company satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the company is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Other income

Other revenue is recognised when it is received or when the right to receive payment is established.

(c) Goods and services tax (GST)

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

Receivables and payable are stated inclusive of GST.

(d) Inventories

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

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Notes to the Financial Statements For the Year Ended 30 June 2021

3 Summary of Significant Accounting Policies

(e) Property, plant and equipment

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

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

Depreciation

Property, plant and equipment is depreciated on a straight-line basis over the assets useful life to the Group, 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
Plant and Equipment	5-40%
Squash Courts	10%

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.

(f) Financial instruments

Impairment of Financial Assets

At the end of the reporting period the Group 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 instruments are recognised initially on the date that the Group 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).

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Notes to the Financial Statements For the Year Ended 30 June 2021

3 Summary of Significant Accounting Policies

(f) Financial instruments (continued)

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 Group 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)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

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

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 Group'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.

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 Group 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 Group 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.

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Notes to the Financial Statements For the Year Ended 30 June 2021

3 Summary of Significant Accounting Policies

(f) Financial instruments (continued)

Financial liabilities

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

(g) Intangibles

Goodwill

Goodwill is calculated as the excess of the sum of:

- i) the consideration transferred;
- ii) any non-controlling interest; and
- iii) the acquisition date fair value of any previously held equity interest;

over the acquisition date fair value of net identifiable assets acquired in a business combination.

The value of goodwill recognised on acquisition of each subsidiary in which the Group holds less than a -% interest will depend on the method adopted in measuring the aforementioned non-controlling interest. The Group can elect to measure the non-controlling interest in the acquiree either at fair value ('full goodwill method') or at the non-controlling interest's proportionate share of the subsidiary's identifiable net assets ('proportionate interest method'). The Group determines which method to adopt for each acquisition.

Under the 'full goodwill method', the fair values of the non-controlling interests are determined using valuation techniques which make the maximum use of market information where available.

Amortisation

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(h) 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.

Squash Australia Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2021

3 Summary of Significant Accounting Policies

(i) Leases

At inception of a contract, the Group assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Group has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Group has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

At the lease commencement, the Group recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Group believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Group's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Group's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Exceptions to lease accounting

The Group has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Group recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

Squash Australia Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2021

3 Summary of Significant Accounting Policies

(j) **Employee benefits**

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

(k) **Economic dependence**

Squash Australia Ltd is dependent on the funding provided by Squash Australia's principal partner SportAus, an agency of the Australian Government for the majority of its revenue used to operate the business. At the date of this report the directors have no reason to believe the funding provided by Squash Australia's principal partner SportAus, an agency of the Australian Government will not continue to support Squash Australia Ltd.

4 Critical Accounting Estimates and Judgments

The directors 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 - impairment of property, plant and equipment

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

Key judgements – grant revenue recognition

Grant revenue is recognised in profit or loss when the company satisfies the performance obligations stated within the funding agreements

If conditions are attached to the grant which must be satisfied before the company is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Judgement has been exercised in forming the conclusion that the performance obligations are sufficiently specific to apply AASB 15 and recognise the revenue as the performance obligations are satisfied.

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Notes to the Financial Statements For the Year Ended 30 June 2021

5 Revenue and Other Income

	2021	2020
	\$	\$
Other Income		
- coaches education	8,503	9,908
- fees	180,320	162,052
- grants	1,314,176	1,298,421
- Insurance recoveries from states	131,713	138,984
- other income	142,004	149,486
- jobkeeper and cash flow boost	271,500	166,500
Total Revenue and Other Income	<u>2,048,216</u>	<u>1,925,351</u>

6 Expenses

	2021	2020
	\$	\$
Profit/(loss) before income tax includes the following specific expenses:		
<i>Superannuation expense</i>		
Defined contribution superannuation expense	66,969	68,100
<i>Events administration expense</i>		
Write down of stock held for an extended period of time	15,268	-
<i>Other expenses</i>		
Write down of stock held for an extended period of time	94,924	-

7 Cash and Cash Equivalents

	2021	2020
	\$	\$
Cash at bank and in hand	<u>1,165,648</u>	<u>747,350</u>
	<u>1,165,648</u>	<u>747,350</u>

Squash Australia Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2021

8 Trade and Other Receivables

	2021	2020
	\$	\$
CURRENT		
Trade receivables	79,540	22,897
Deposits	<u>9,005</u>	<u>830</u>
Total current trade and other receivables	<u>88,545</u>	<u>23,727</u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

9 Inventories

	2021	2020
	\$	\$
CURRENT		
At cost:		
Stock on hand	24,679	159,586

As at 30 June 2021, management wrote down stock that had been held for an extended period of time to nil value.

10 Other Assets

	2021	2020
	\$	\$
CURRENT		
Prepayments	33,106	66,683
Accrued income	<u>-</u>	<u>33,000</u>
	<u>33,106</u>	<u>99,683</u>

Squash Australia Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2021

11 Right-of-use assets

	2021	2020
	\$	\$
Land and buildings – right-of-use	525,120	525,120
Less: Accumulated depreciation	<u>(118,896)</u>	<u>(59,448)</u>
	<u>406,224</u>	<u>465,672</u>

12 Loans and Advances

	2021	2020
	\$	\$
CURRENT		
Victorian Squash Federation Inc	<u>45,000</u>	-
	<u>45,000</u>	-
NON-CURRENT		
Victorian Squash Federation Inc	<u>-</u>	<u>50,000</u>
	<u>-</u>	<u>50,000</u>

Loan balance was moved to current as loan agreement was renegotiated to be paid out by 31 December 2021.

13 Property, plant and equipment

	2021	2020
	\$	\$
Plant and equipment		
At cost	419,609	443,570
Accumulated depreciation	<u>(92,976)</u>	<u>(76,181)</u>
	<u>326,633</u>	<u>367,389</u>
Squash courts		
At cost	1,466,442	1,462,067
Accumulated depreciation	<u>(400,490)</u>	<u>(253,598)</u>
	<u>1,065,952</u>	<u>1,208,469</u>
Total property, plant and equipment	<u>1,392,585</u>	<u>1,575,858</u>

Squash Australia Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2021

14 Intangible Assets

	2021	2020
	\$	\$
Goodwill		
Cost	9,000	9,000
Accumulated impairment losses	<u>(3,000)</u>	<u>(2,000)</u>
Net carrying value	<u>6,000</u>	<u>7,000</u>
Formation costs		
Cost	8,233	8,233
Accumulated amortisation and impairment	<u>(5,326)</u>	<u>(3,680)</u>
Net carrying value	<u>2,907</u>	<u>4,553</u>
Total Intangibles	<u>8,907</u>	<u>11,553</u>

15 Trade and Other Payables

	2021	2020
	\$	\$
Current		
Trade payables	114,660	121,590
GST payable	<u>1,346</u>	<u>819</u>
	<u>116,006</u>	<u>122,409</u>

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.

16 Borrowings

	2021	2020
	\$	\$
CURRENT		
Unsecured liabilities:		
Insurance premium funding	52,402	41,025

17 Employee Benefits

	2021	2020
	\$	\$
CURRENT:		
Provision for employee benefits	29,795	55,760

Squash Australia Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2021

18 Other Financial Liabilities

	2021	2020
	\$	\$
CURRENT		
Income received in advance	<u>461,045</u>	422,171
Total	<u>461,045</u>	<u>422,171</u>

Included in total income received in advance is \$458,874 in unexpended grants from ASC. This is made up of project income for Performance Pathways Workforce \$150,000, Daily Training Environment Video Optimisation \$21,000, Small NSO Infrastructure Grant \$45,000, High Performance \$27,603 and Performance Pathways Solutions \$215,271. All of this deferred income will be expended by 30 June 2022.

19 Contingencies

The Group did not have any contingencies at 30 June 2021 (30 June 2020: None).

20 Events after the end of the Reporting Period

The COVID-19 global pandemic continued to have a significant impact within Australia, with the preventative actions taken by the government and the private sector continuing to result in periods of decline in economic activities in particular through the temporary closure of certain non-essential businesses.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

21 Statutory Information

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

Squash Australia Ltd
Sports House Office
9, Cnr Castlemaine & Caxton Streets
Milton, Qld, 4064

Squash Australia Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2021

22 Key management personnel disclosures

Compensation

The aggregate compensation made to directors and other members of key management personnel of the Company is set out below:

	2021	2020
	\$	\$
Aggregate compensation	264,187	223,293

23 Commitments

The Group had no commitments for expenditure as at 30 June 2021 and 30 June 2020.

24 Interest in Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly-owned subsidiaries in accordance with the accounting policy described in Note 1(c):

Name	Principal place of business	Ownership interest	
		2021	2020
Cararra Squash Centre Ltd	Australia	100%	100%

25 Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2021	2020
	\$	\$
Profit/(loss) for the year	56,373	(127,143)
Total comprehensive income	56,373	(127,143)

Statement of financial position

	Parent	
	2021	2020
	\$	\$
Total current assets	1,382,436	1,136,976
Total assets	3,196,596	3,177,807
Total current liabilities	722,399	673,515
Total liabilities	1,078,741	1,116,325
Equity		
Retained earnings	2,117,855	2,061,482

Squash Australia Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2021

25 Parent entity information

Commitments

The company had no commitments for expenditure as at 30 June 2021 and 30 June 2020.

Commitments

The Company did not have any contingencies at 30 June 2021 and 30 June 2020.

26 Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in Note 22.

Transactions with related parties

There were no transactions with related parties during the current and previous financial year.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Squash Australia Ltd

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Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 9 to 27, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
 - b. give a true and fair view of the financial position as at 30 June 2021 and of the performance for the year ended on that date of the Company and consolidated group.
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.

This declaration is made in accordance with a resolution of the Board of Directors.

Director 
Joanne Brodie - President

Dated

28/10/2021

INDEPENDENT AUDITOR'S REPORT

To the members of Squash Australia Ltd

Report on the Audit of the Financial Report

Qualified opinion

We have audited the financial report of Squash Australia Ltd (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion, except for the effects of the matter described in the Basis for qualified opinion section of our report, the accompanying financial report of Squash Australia Ltd, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

Basis for qualified opinion

We were appointed as auditors of Squash Australia Ltd 25 May 2021 and thus did not observe the counting of the physical inventories at the beginning of the year. We were unable to satisfy ourselves by alternative means concerning inventory quantities held at 30 June 2020. Since opening inventories enter into the determination of the financial performance and cash flows, we were unable to determine whether adjustments might have been necessary in respect of the income for the year reported in the statement of comprehensive income and the net cash flows from operating activities reported in the statement of cash flows.

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 Group in accordance with 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 (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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, 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 qualified opinion.



Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Directors report, 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 on the other information obtained prior to the date of this auditor's report, 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 - Reduced Disclosure Requirements 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 gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group 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 Group or to cease operations, or has no realistic alternative but to do so.

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.

A further description of our responsibilities for the audit of the financial report at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd

BDO

D P Wright

Director

Brisbane, 28 October 2021