

Football Northern Territory Incorporated

ABN 83 203 386 861

Special Purpose Financial Report
For the year ended 31 December 2023

FOOTBALL NORTHERN TERRITORY INCORPORATED

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**FOOTBALL NORTHERN TERRITORY INCORPORATED
STATEMENT BY THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2023**

DIRECTORS

Your Directors submit the financial report of Football Northern Territory Incorporated (the "Association") for the financial year ended 31 December 2023.

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

Stuart Kenny – President	Sean Mahoney
Lisa Dawes	Alex Bruce
Adam Findlay	Bruce Stalder – Public Officer
Fabio Fior	
Selina Holtze	

Principal Activities

The principal activities of the Association during the financial year were to promote, develop, grow and manage the sports of football in the Northern Territory.

Significant Changes

There have been no significant changes in the nature of these activities during the year.

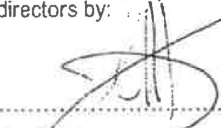
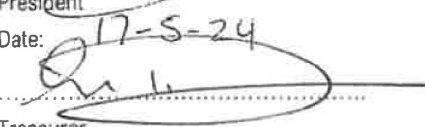
Operating Result

The net surplus for the 2023 financial year amounted to \$16,963 (2022: net surplus of \$36,295).

In the opinion of the Directors:

- a) the accompanying financial report as set out on pages 5 to 12, being a special purpose financial report, is drawn up so as to present fairly the state of affairs of the Association as at 31 December 2023 and the results of the Association for the year ended on that date;
- b) the accounts of the Association have been properly prepared and are in accordance with the books of account of the Association; and
- c) there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the directors and is signed for and on behalf of the directors by:


.....
President
Date: 17-5-24

.....
Treasurer
Date 17/5/2024



Independent auditor's report to the members of Football Northern Territory Incorporated

Opinion

We have audited the accompanying special purpose financial report of Football Northern Territory Incorporated ("the Association"), which comprises the balance sheet as at 31 December 2023, the statement of income and expenditure for the year then ended and notes comprising a summary of accounting policies and other explanatory notes and the Statement by the Directors.

In our opinion, the accompanying special purpose financial report of the Association presents fairly, in all material respects, the financial position of Football Northern Territory Incorporated as at 31 December 2023 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial report.

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 ethical requirements of the *Accounting Professional and Ethical Standards Committee'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.

Emphasis of matter – Basis of Accounting and Restriction on Distribution

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Association's financial reporting requirements. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for Football Northern Territory Incorporated and should not be distributed to parties other than Football Northern Territory Incorporated. Our opinion is not modified in respect of these matters.

Other Matter

The financial report of the Association for the year ended 31 December 2022 was audited by another auditor who expressed an unqualified opinion on the special purpose financial report on 8 May 2023.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the *Associations Act NT* and the Association's constitution and has determined the accounting policies used as described in Note 1 are appropriate to meet the needs of the Association and for such internal control as management determines is necessary to enable the preparation of a financial report that 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 relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

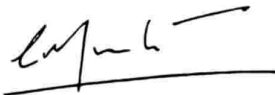
As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Merit Partners

Merit Partners



MunLi Chee
Director

Darwin

17 May 2024

FOOTBALL NORTHERN TERRITORY INCORPORATED
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 \$	2022 \$
Revenue			
Revenue from grants and other income	2(a)	572,590	447,834
Registration and tournament revenue	2(b)	1,414,014	1,210,772
Fines		9,741	18,355
Rental income		11,582	10,682
Sponsorship income		115,294	139,727
Tickets sales		135,281	105,263
Interest		5,953	1,399
Other income		54,404	32,786
Total Revenue		2,318,859	1,966,818
Expenses			
Depreciation and amortisation	3(a)	50,093	39,969
Personnel costs	3(b)	801,562	665,164
Travel and accommodation		513,043	447,801
Rates and utilities		142,256	115,450
Uniforms, balls, and equipment		136,942	84,854
Insurance		96,039	81,084
General office expenses		53,048	52,578
Consultancy fees		169,536	161,509
Stadium and game operation expenses		138,724	117,378
Other expenses		200,653	164,736
Total Expenses		2,301,896	1,930,523
Surplus for the year		16,963	36,295

The accompanying notes form part of these financial statements.

FOOTBALL NORTHERN TERRITORY INCORPORATED
BALANCE SHEET
AS AT 31 DECEMBER 2023

	Note	2023 \$	2022 \$
ASSETS			
Current Assets			
Cash and cash equivalents	4	561,131	409,788
Trade and other receivables	5	906,791	272,757
Prepayments		61,612	25,655
		<u>1,529,534</u>	<u>708,200</u>
Non-current Assets			
Property, plant and equipment	6	669,417	504,210
Capital works in progress	7	2,594,553	770,680
		<u>3,263,970</u>	<u>1,274,890</u>
TOTAL ASSETS		<u>4,793,504</u>	<u>1,983,090</u>
LIABILITIES			
Current Liabilities			
Trade and other payables	8	835,288	282,031
Employee provisions	9(a)	95,721	74,126
Unexpended grants	10(a)	78,058	84,634
Borrowings	11(a)	23,641	13,750
		<u>1,032,708</u>	<u>454,541</u>
Non-current Liabilities			
Employee provisions	9(b)	9,340	7,964
Deferred grants	10(b)	2,361,946	123,307
Borrowings	11(b)	-	24,731
		<u>2,371,286</u>	<u>156,002</u>
TOTAL LIABILITIES		<u>3,403,994</u>	<u>610,543</u>
NET ASSETS		<u>1,389,510</u>	<u>1,372,547</u>
ACCUMULATED FUNDS			
Beginning balance of the year		1,372,547	1,336,252
Surplus for the year		16,963	36,295
TOTAL ACCUMULATED FUNDS		<u>1,389,510</u>	<u>1,372,547</u>

The accompanying notes form part of these financial statements.

FOOTBALL NORTHERN TERRITORY INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 1 SUMMARY OF ACCOUNTING POLICIES

Basis of Preparation

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the constitution of Football Northern Territory Incorporated (“the Association”) and the *NT Associations Act 2003*. The Directors have determined that the Association is not a reporting entity because in the Directors’ opinion, there are unlikely to exist users who are unable to command the preparation of reports tailored so as to satisfy all of their information needs.

The financial statements have been prepared on an accrual basis and are based on historical costs. They do not take into account changing money values or, except where stated.

The following significant accounting policies, which are consistent with the previous period unless stated otherwise, have been adopted in the preparation of these financial statements.

a. Revenue

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

All revenue is stated net of the amount of goods and services tax.

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when contractual performance obligation has been met. Income in advance is recognised in the balance sheet when income received relates to the next financial period.

Grant revenue is recognised in the profit and loss statement when there is reasonable assurance that the Association will comply with the conditions attached to the grant and that the grant will be received. Grants are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis.

When grant revenue is received whereby the Association incurs an obligation to deliver economic value directly back to the contributor, the grant revenue is recognised in the balance sheet as a liability until the service has been delivered to the contributor.

Grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the assets on a straight-line basis.

b. Property, Plant and Equipment (PPE)

Plant and equipment are carried at cost less, where applicable, any accumulated depreciation.

Depreciation

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the association commencing from the time the asset is available for use.

The depreciation rates used for each class of assets are as follows:

	2023	2022
Building and improvements	5-16.5%	5-16.5%
Lighting	12.5%	12.5%
Motor vehicles	6.5%	6.5%
Plant and equipment	5.0%	5.0%

FOOTBALL NORTHERN TERRITORY INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 1 SUMMARY OF ACCOUNTING POLICIES

c. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

d. Employee Provision

Short-term employee provisions

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

Other long-term employee provisions

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Long-term employee benefits are measured at the nominal amounts expected to be paid when the obligation is settled.

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

e. Trade and Other Receivables

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

f. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the balance sheet.

g. Trade and Other Payables

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

FOOTBALL NORTHERN TERRITORY INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 1 SUMMARY OF ACCOUNTING POLICIES

h. Income Tax

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

i. Borrowings

Borrowings are initially recognised at fair value; net of transaction costs incurred and are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

j. Comparatives

When required by Accounting Standards, comparative figures have been reclassified to conform to changes in presentation for the current financial year.

FOOTBALL NORTHERN TERRITORY INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

		2023	2022
		<u>\$</u>	<u>\$</u>
Note 2	Revenue		
	(a) Revenue from grants and contribution		
	Grants - Other	211,445	79,221
	Grants - NT Government	188,500	188,500
	Grants - University Azzurri	123,307	-
	Workforce Grant	49,338	50,000
	Grants - Sport and Recreation	-	24,810
	Grants-facility upgrade	-	84,712
	Business Hardship Package	-	4,441
	Community Benefit Grant (Goals)	-	16,150
		<u>572,590</u>	<u>447,834</u>
	(b) Registration and tournament revenue		
	Fees FFNT Admin/Coordination	12,218	12,293
	Fees Super 7's/Fan S's (Wet season Comp)	33,461	20,650
	Fees Darwin Over35's	22,664	16,242
	Fee 7-a-side Alice Springs	40,929	46,726
	Fees players - NAFA	101,870	114
	Fees uniforms	5,564	7,223
	Fees Tournament Player Levy	501,450	498,560
	Fees FFNT Comps Admin (FFA Cup)	7,364	8,180
	FFNT Reg Fees Mini Roos (5-11)	178,634	155,856
	FFNT Reg Fees Juniors (12-17)	114,816	106,105
	FFNT Reg Fees Social Outdoor	1,704	1,200
	FFNT Reg Fees Division 1 Men	25,536	26,591
	FFNT Reg Fees Premier League	136,781	162,758
	Fees Clinics -skills, schools, vacation care	138,901	75,333
	Fees Wet Season Miniroos	92,122	72,941
		<u>1,414,014</u>	<u>1,210,772</u>
Note 3	Expenses		
	(a) Depreciation and amortisation		
	Depreciation	<u>50,093</u>	<u>39,969</u>
		<u>50,093</u>	<u>39,969</u>
	(b) Personnel costs		
	Salaries and wages	714,359	597,812
	Superannuation	64,232	55,749
	Leave and other entitlements	22,971	11,603
		<u>801,562</u>	<u>665,164</u>

FOOTBALL NORTHERN TERRITORY INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

		2023	2022
		\$	\$
Note 4	Cash and Cash Equivalents		
	Cash at bank	558,805	405,764
	Other cash and cash equivalents	2,326	4,024
		<u>561,131</u>	<u>409,788</u>
Note 5	Trade and Other Receivables		
	Trade receivables	52,044	230,647
	Less Allowance for bad debts	<u>(20,900)</u>	<u>(1,954)</u>
		31,144	228,693
	Goods service tax	87,594	36,845
	Accrued capital grant	780,834	-
	Other receivables	<u>7,219</u>	<u>7,219</u>
		<u>906,791</u>	<u>272,757</u>
Note 6	Property Plant and Equipment		
	Building and improvements - at cost	468,352	260,333
	Accumulated depreciation	<u>(60,966)</u>	<u>(43,169)</u>
		407,386	217,164
	Lighting - at cost	306,323	306,323
	Accumulated depreciation	<u>(137,845)</u>	<u>(122,529)</u>
		168,478	183,794
	Motor vehicles - at cost	88,458	88,458
	Accumulated depreciation	<u>(44,390)</u>	<u>(33,333)</u>
		44,068	55,125
	Plant and equipment - at cost	67,719	59,554
	Accumulated depreciation	<u>(18,234)</u>	<u>(11,427)</u>
		49,485	48,127
		<u>669,417</u>	<u>504,210</u>
Note 7	Capital Work In Progress (CWIP)		
	CWIP - University Azzurri	-	190,701
	CWIP - Litchfield	485,402	485,402
	CWIP - Tracy Village	42,015	22,005
	CWIP - Fannie Bay	973,203	13,027
	CWIP - Malak	765,879	12,568
	CWIP - Bagot	13,901	13,541
	CWIP - Gray	<u>314,153</u>	<u>33,436</u>
		<u>2,594,553</u>	<u>770,680</u>

Capital works in progress represent the cost of work performed in the construction or development of a non-current asset. Capital works in progress costs include materials, labour, and overhead costs that are either directly related or allocated to the construction or development of a non-current asset.

FOOTBALL NORTHERN TERRITORY INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

		2023	2022
		\$	\$
Note 8	Trade and Other Payables		
	Trade payables	738,175	194,698
	Accrual and other payables	14,602	12,496
	PAYG payables	29,782	8,120
	Superannuation payable	21,885	30,348
	FFA fees collected in advance	23,908	35,640
	Others	6,936	729
		<u>835,288</u>	<u>282,031</u>
Note 9	Employee Provisions		
	Current		
	Employee provisions	95,721	74,126
		<u>95,721</u>	<u>74,126</u>
	Non-current		
	Employee provisions	9,340	7,964
		<u>9,340</u>	<u>7,964</u>
Note 10	Unexpended and Deferred Grants		
	(a) Unexpended Grants		
	NT Government	78,058	84,634
		<u>78,058</u>	<u>84,634</u>
	(b) Deferred Grants		
	Malak Oval	1,103,446	-
	Fannie Bay	1,018,500	-
	Gray	240,000	-
	University Azzurri	-	123,307
		<u>2,361,946</u>	<u>123,307</u>
Note 11	Borrowings		
	Current		
	Borrowings	23,641	13,750
		<u>23,641</u>	<u>13,750</u>
	Non-current		
	Borrowings	-	24,731
		<u>-</u>	<u>24,731</u>

Note 12 Events After the Balance Sheet Date

There are no matters or circumstances have arisen since 31 December 2023 that has significantly affected, or may significantly affect the Association's operations, the results of those operations, or the Association's state of affairs in future financial years.