

**The Gliding Federation of Australia Inc.**

**ABN 82-433-264-489**

Financial Statements

For the year ended 30 April 2020

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# **The Gliding Federation of Australia Inc.**

**ABN 82-433-264-489**

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# THE GLIDING FEDERATION OF AUSTRALIA INC.

ABN 82 433 264 489

## Board Financial Report to members

Your Board submits the financial accounts of THE GLIDING FEDERATION OF AUSTRALIA INC. for the financial year ended 30 April 2020.

At the end of our financial year the GFA remains in a sound financial position with assets attributable to GFA membership of \$1,062,284. We have around \$700,000 cash and investments, loaned funds to clubs total \$164,000, and we own our office premises in Melbourne worth another \$214,000.

In addition, the GFA manages another half million of reserve funds on behalf of the RANGA junior scholarship fund (\$43k) and the International Teams/Soaring Development fund (\$450k).

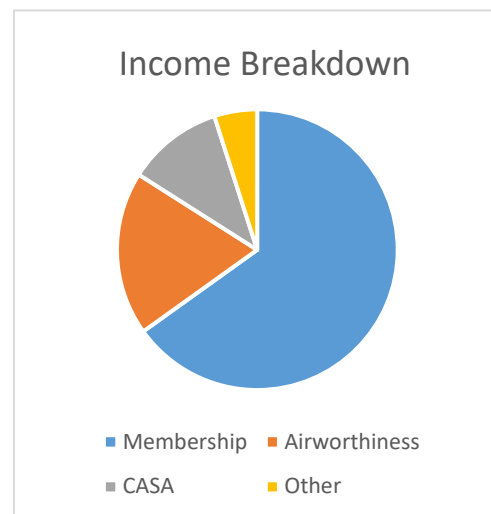
The GFA can assist Clubs with financing of gliders. At present North Qld, Hunter Valley, and Kingaroy clubs have loans with GFA. These loans provide clubs with better than bank interest, while earning the GFA a reasonable rate of return.

Both receipts and expenditure from GFA normal operations were significantly lower than last year, with an operating deficit of \$73k (which was somewhat better than the \$106k operating deficit last year). Other items, including a loss of \$51k due to the Covid inspired recession in investment values, resulted in an overall deficit of \$110k for the total GFA operation.

### INCOME BREAKDOWN

Last year we received total operating income of approximately \$900k, made up of (\$'000s):

• Membership	\$593	65%
• Airworthiness	\$172	19%
• CASA	\$101	11%
• Other	\$45	5%
(Miscellaneous sales, GA Magazine, Insurance Commission, Donations)		
• Total	\$911	100%



### CASA GRANT FUNDS

GFA receives a contribution from CASA each year for the work we do that otherwise would be CASA's responsibility as the governing authority for aviation regulation. One would expect that this should pretty much fully cover our costs of operation – or, at least the costs of aircraft registration, safety management and operating procedures. Unfortunately it doesn't come close – This year we received just \$101,000 paid by CASA to GFA (a \$20k reduction!!), which covers just 11% of our operating cost.

The continuation of this CASA funding has been under threat and your President representing GFA joined a working body of Sports Aviation and General Aviation associations, and spent much of his personal time last year negotiating a better deal for GFA (CASA originally intended slashing our funding to less than \$80k).

# THE GLIDING FEDERATION OF AUSTRALIA INC.

ABN 82 433 264 489

## Board Financial Report to members

### MEMBERSHIP INCOME

Our biggest single contributor to income is membership – around two thirds of our income. Membership numbers have continued a steady decline for the past years and a continuation of this trend would ultimately see the end of GFA. It's an existential issue for gliding.

Consequently the Board sees membership growth as our No1 priority and considerable effort and resources are being expended on programs such as S2F, Soaring Development, Website and Communications to increase the retention of new members joining the sport.

It's a challenge for all of us individually, as well as the Board, to introduce, welcome, encourage and include new people joining our sport - every 10% increase in membership is another \$60,000 increase in GFA income – that can result in lower membership costs for all, or improved services (or both). Membership growth is vital to maintain the health of the organization, provide new students for instructors, new officebearers to run your clubs, and new buyers to ensure a continuing market for gliders.

Receipts from membership fees were also impacted this year by the Covid19 shutdown of operations, and the decision by the Board to extend membership renewals by six months. Membership receipts for the last six weeks of our financial year virtually ceased.

The net result was that membership income was \$40k down on last year.

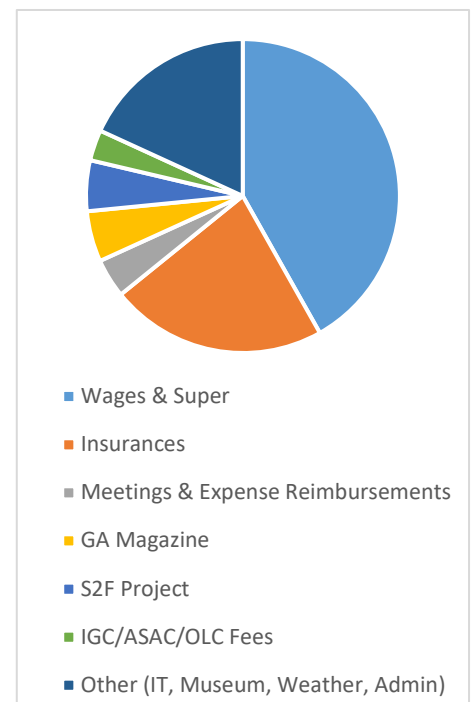
### AIRWORTHINESS INCOME

GFA also manages the glider airworthiness system and seeks to recover costs from glider owners for these services. Income from airworthiness was also impacted by March/April lockdown and was \$20k down on last year.

### OPERATING EXPENDITURE

• Wages & Super	\$408	42%
• Insurances	\$218	22%
• Meetings & Expense Reimbursements	\$39	4%
• GA Magazine	\$51	5%
• S2F Project	\$51	5%
• IGC/ASAC/OLC Fees	\$31	3%
• Other (IT, Museum, Weather, Admin)	\$177	18%
• TOTAL	\$975	100%

On the expenses side salaries and wages is the biggest single item, accounting for over 40% of our costs of operations. Insurance is another 22% and increasing. The remaining money paid out during the year is spread broadly across administration, training and meeting expenses, and the costs incurred by volunteer officers performing the many support functions of the GFA.



# THE GLIDING FEDERATION OF AUSTRALIA INC.

ABN 82 433 264 489

## Board Financial Report to members

### INSURANCE

Insurance rates increased slightly this year, and as the general insurance industry situation has deteriorated, we will be paying more for our Broad Based Liability (BBL) policy this coming year.

The GFA group Hangar Keepers Liability (HKL) policy continues into its eighth year with 40 clubs participating – this provides clubs with public liability cover at considerably reduced rates.

The GFA receives a commission from our insurance broker for members' business placed with them. The commission received last year was \$15,433.

### SIGNIFICANT INITIATIVES

Membership decline is a major concern for your Board and three years ago the GFA engaged the services of the Community Sports organisation "Sports Community" as a consultant to advise on means to arrest this trend. Sports Community have had considerable success with Australian Yachting and others in turning around involvement in their sports. Following initial workshops and review, the Board resolved to commit to a program of rejuvenation "Soaring to the Future" (S2F) to arrest this trend. To date GFA has spent \$143k on S2F - \$89k on consultancy and training with "Sports Community" and the remainder as admin and assistance to the S2F participating clubs.

The Skysight weather forecasting service is being funded by GFA at \$15,000 pa. With the Covid lockdown, the cost of next year's service is being deferred.

### INVESTMENT OF FUNDS

The GFA invest around \$1.5mill of members' accumulated funds. This has previously been held in Bank Term deposits - back in 2018 this was yielding an average of around 2.7%. Following a review of Investment Strategy Options the Board in August 2018 resolved to adopt an Investment Policy with a targeted return of 4-6% over inflation, for an additional \$40,000 pa contribution to the organisation.

The investment management is delegated to a committee of three GFA Officers. At 30<sup>th</sup> April the funds invested were spread as follows (\$000's):

			Target
• Cash	\$191	15%	( 5-10%)
• Fixed Interest and Mortgage Securities	\$230	19%	(20-30%)
• Property and Property Managers	\$229	19%	(20-26%)
• Australian Shares	\$461	37% **	(20-26%)
• International Shares	\$122	10%	(16-23%)
• Total	\$1,234	100%	

\*\* a number of Aust listed holdings are International Companies

The Covid19 lockdown has had a major impact on share and property values and this has resulted in significant unrealised losses in the valuation of our investment portfolio – realised losses on shares sold were \$14k and the unrealised loss in other valuations was \$104k. This was partially offset by interest and dividend earnings of \$67k. For the 12 months to April 30<sup>th</sup> the total reported earnings from the investment portfolio was a LOSS of \$58,379 (compared to a gain of \$117,321 last year).

# THE GLIDING FEDERATION OF AUSTRALIA INC.

ABN 82 433 264 489

## Board Financial Report to members

At the time of writing this report market prices have recovered some of their value from the lows of last March/April. With the current uncertainty we can expect further oscillations in value for some time. An investment portfolio of this nature must be viewed over a 5-7 year time frame. Our portfolio can be expected to yield an average 4% from interest and dividends, and we should be able to anticipate further capital growth in valuations over the long haul.

### COVID-19 LOCKDOWN EFFECT on GFA

In response to the lockdown imposed on most gliding operations due to Covid19, the Board of GFA resolved to defer all membership renewals by six months, hopefully to retain membership renewals when gliding operations re-start. This has had a major effect on our cash flow, more than halving our income for at least six months – probably for longer. The GFA is receiving Govt cashflow and jobkeeper assistance payments and has retained all our staff. During this period of reduced cashflow we will need to sell down some of our investments to maintain operations, and all non-essential expenses are being curtailed.

We are fortunate to have sufficient financial reserves to survive this emergency.

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### PRINCIPAL ACTIVITIES OF THE ASSOCIATION

The principal activity of the association during the financial year was that of a federation governing the activity of gliding in Australia.

The GFA mission statement was reviewed during the year and the **strategic plan** for the organisation is summarised here:

#### GFA MISSION STATEMENT:

“Develop, promote and administer the sport of gliding and foster excellence in safe, accessible and enjoyable soaring”

#### PRIMARY OBJECTIVES OF THE GFA

- To maintain and extend the freedom of members to fly.
- To foster a culture of safety and risk management.
- To maximise participation and to promote and develop the sport and recreational aspects of gliding.
- To foster excellence in all aspects of soaring including training, sport & performance flying, technical expertise and international participation.
- To provide management & administrative services to Members, Clubs & Regions in an efficient & cost effective manner, whilst optimising voluntary effort.

The full detail of the strategies being adopted by your Board to achieve these objectives is available for members to peruse, from the GFA website.

# THE GLIDING FEDERATION OF AUSTRALIA INC.

ABN 82 433 264 489

## Board Financial Report to members

### BOARD MEMBERS

The names of Board members at the date of this report are:

#### Executive

President	Peter Cesco
Vice President	Lumpy Patterson
Treasurer	David Shorter
Chair of Operations	Pat Barfield
Chair of Airworthiness	Anthony Smith
Chair of Soaring Development	Jenny Thompson
Chair of Marketing & Development	Sarah Thompson

Plus non-voting Executive members:

S2F Manager	Mandy Temple
Chief Experience Officer (IT)	Richard Frawley
Executive Officer & Secretary	Terry Cubley

#### And Regional Representatives

New South Wales	Chris Stephens
Victoria & Tasmania	Phil Henderson
Queensland and Northern NSW	Lindsay Mitchell
South Australia & NT	Brenton Swart
Western Australia	Greg Beecroft
Junior Representative (non-voting)	James Nugent

The Board of the Association is charged with the responsibility for determining policy, and the Executive for implementing policy. The Board and Executive had three meetings through the year, The Board and Executive also conducted additional bimonthly web based meetings. The association is incorporated under the Associations Incorporations Act 2012 (Vic).

The committee of management report is signed in accordance with a resolution of the Committee of Management.

Dated August 2020



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Peter Cesco  
President



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David Shorter  
Treasurer

# The Gliding Federation of Australia Inc.

ABN 82-433-264-489

## Income and Expenditure Statement For the Year Ended 30 April 2020

	2020	2019
	\$	\$
<b>INCOME</b>		
Airworthiness Income	171,763	191,737
FAI Income	2,504	3,400
Government Contracts (CASA)	101,498	123,665
Memberships	593,301	631,281
Sales	16,487	19,734
Gliding Australia Magazine Income	9,690	11,331
Government Subsidies	14,226	-
Insurance Commissions Received	15,433	14,758
Sundry Income	-	561
Interest & Dividend Income	67,979	67,402
Unrealised Gain (Loss) on Investments	(105,097)	38,973
Realised Gain (Loss) on Investments	(14,279)	18,180
<b>Total Income</b>	<b>873,505</b>	<b>1,121,023</b>
<b>EXPENDITURE</b>		
Airworthiness Expenses	18,215	27,637
Competition & Championship Expenses	4,898	-
Cost of Sales	8,355	9,687
Depreciation Expense	1,235	8,339
Employee Benefits Expense	354,868	380,824
Executive Admin Expenses	124,568	143,794
FAI Claims	-	611
Gliding Australia Expenses	50,812	74,905
Insurance	218,391	208,118
IT & Computers	43,886	38,715
Loss (Gain) on Disposal of Assets	(132)	194
Marketing & Promotion	12,780	24,951
Office Administration	34,231	29,793
Office Building Expenses	10,194	10,035
Operations Expenses	9,641	21,517
Sports Expenses	14,731	41,271
Special Projects	77,058	82,842
Sundry Expenses	109	-
<b>Total Expenses</b>	<b>983,839</b>	<b>1,103,233</b>



# **The Gliding Federation of Australia Inc.**

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## **Income and Expenditure Statement**

**For the Year Ended 30 April 2020**

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	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>Current year surplus (deficit) before income tax</b>	<b>(110,334)</b>	<b>17,790</b>
Income Tax Expense	-	-
<b>Current year surplus (deficit) attributable to the association</b>	<b>(110,334)</b>	<b>17,790</b>

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# The Gliding Federation of Australia Inc.

ABN 82-433-264-489

## Balance Sheet As at 30 April 2020

	Note	2020	2019
		\$	\$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	2	31,665	63,580
Accounts receivable and other debtors	3	164,115	122,950
Inventory		9,975	11,930
Other		(61)	481
<b>Total Current Assets</b>		<b>205,694</b>	<b>198,942</b>
<b>Non-Current Assets</b>			
Financial assets (GFA Investment Portfolio)		1,233,954	1,359,164
Property, plant and equipment	4	219,243	220,479
<b>Total Non-Current Assets</b>		<b>1,453,197</b>	<b>1,579,463</b>
<b>Total Assets</b>		<b>1,658,892</b>	<b>1,778,585</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts payable and other creditors	5	23,482	26,202
Provisions	6	7,000	7,000
Employee entitlements	7	73,075	72,343
<b>Total Current Liabilities</b>		<b>103,557</b>	<b>105,546</b>
<b>Total Liabilities</b>		<b>103,557</b>	<b>105,546</b>
<b>Net Assets</b>		<b>1,555,335</b>	<b>1,673,039</b>
<b>MEMBERS FUNDS</b>			
Reserves		513,051	557,286
Retained surplus		1,042,284	1,115,753
<b>Total Members Funds</b>		<b>1,555,335</b>	<b>1,673,039</b>

# The Gliding Federation of Australia Inc.

ABN 82-433-264-489

## Statement in Changes of Equity For the Year Ended 30 April 2020

	Retained Earnings	Sporting Dev. Fund	ASF Jnr Devel. Fund	Womens Gliding	RANGA Scholarship Fund	Training Manual Project	Simulator Project	Total
<b>Balance at 1 May 2019</b>	<b>1,115,753</b>	<b>505,957</b>	<b>5,226</b>	<b>1,093</b>	<b>45,068</b>	<b>-</b>	<b>(58)</b>	<b>1,673,039</b>
<b><u>Comprehensive Income</u></b>								
Transfers To (From) Reserves	-	(19,504)	(5,226)	(1,093)	(1,605)	20,000	58	(7,370)
Interest Transfer	36,865	(36,865)	-	-	-	-	-	-
GFA Grants	-	-	-	-	-	-	-	-
Surplus attributable to the members	(110,334)	-	-	-	-	-	-	(110,334)
<b>Subtotal</b>	<b>(73,469)</b>	<b>(56,369)</b>	<b>(5,226)</b>	<b>(1,093)</b>	<b>(1,605)</b>	<b>20,000</b>	<b>58</b>	<b>(117,704)</b>
<b>Balance at 30 April 2020</b>	<b>1,042,284</b>	<b>449,588</b>	<b>-</b>	<b>-</b>	<b>43,463</b>	<b>20,000</b>	<b>-</b>	<b>1,555,335</b>

# The Gliding Federation of Australia Inc.

ABN 82-433-264-489

## Statement in Changes of Equity For the Year Ended 30 April 2020

	Retained Earnings	Sporting Dev. Fund	ASF Jnr Devel. Fund	Womens Gliding	RANGA Scholarship Fund	Simulator Project	Total
<b>Balance at 1 May 2018</b>	<b>1,155,018</b>	<b>472,443</b>	<b>6,886</b>	<b>-</b>	<b>45,068</b>	<b>13,215</b>	<b>1,692,630</b>
<b><u>Comprehensive Income</u></b>							
Transfers To (From) Reserves	-	(23,541)	(1,660)	1,093	-	(13,273)	(37,381)
Interest Transfer	(37,138)	37,138	-	-	-	-	-
GFA Grants	(19,917)	19,917	-	-	-	-	-
Surplus attributable to the members	17,790	-	-	-	-	-	17,790
<b>Subtotal</b>	<b>(39,365)</b>	<b>33,514</b>	<b>(1,660)</b>	<b>1,093</b>	<b>-</b>	<b>-</b>	<b>(19,591)</b>
<b>Balance at 30 April 2019</b>	<b>1,115,753</b>	<b>505,957</b>	<b>5,226</b>	<b>1,093</b>	<b>45,068</b>	<b>(58)</b>	<b>1,673,039</b>

# The Gliding Federation of Australia Inc.

ABN 82-433-264-489

## Statement of Cash Flows For the Year Ended 30 April 2020

	2020	2019
	\$	\$
<b>Cash Flow from Operating Activities</b>		
Receipts from customers	817,590	893,423
Receipts from CASA contracts	101,497	123,665
Payments to suppliers and employees	(976,281)	(1,110,563)
Interest & dividend income	7,142	11,007
Net cash provided by (used in) operating activities (Note 2)	(50,051)	(82,459)
<b>Cash Flow from Investing Activities</b>		
Loans to Clubs	(100,000)	(12,000)
Repayment of Club Loans	58,836	98,109
Purchase of Investments	(406,338)	(1,402,909)
Proceeds on Disposal of Investments	473,010	1,401,658
Net cash provided by (used in) financing activities	25,508	84,858
<b>Cash Flow from Financing Activities</b>		
Transfers to Reserves	193,594	19,674
Payments from Reserve Funds	(200,964)	(57,055)
Net cash provided by (used in) financing activities	(7,370)	(37,381)
Net increase (decrease) in cash held	(31,914)	(34,982)
Cash at the beginning of the year	63,580	98,562
Cash at the end of the year (Note 1)	31,666	63,580

# The Gliding Federation of Australia Inc.

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## Statement of Cash Flows For the Year Ended 30 April 2020

### Note 1: Reconciliation of Cash

2020

2019

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

Petty Cash	205	205
Cash at Bank	31,461	63,375
	31,666	63,580

### Note 2: Reconciliation Of Net Cash Provided By / Used In Operating Activities To Net Profit

Operating surplus (deficit) after tax	(110,334)	17,790
Depreciation expense	1,236	8,339
Unrealised (gain) loss on investments	105,097	(38,973)
Realised (gain) loss on investments	14,279	(18,180)
Investment income reinvested	(60,837)	(56,395)
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
(Increase) Decrease in trade & other debtors	-	21,210
(Increase) Decrease in inventory	1,955	(350)
(Increase) Decrease in deposits paid	968	(968)
Increase (decrease) in trade & other payables	(2,721)	(22,539)
Increase (decrease) in employee entitlements	731	8,188
Increase (decrease) in income in advance	(425)	(581)
Net cash provided by operating activities	(50,051)	(82,459)

# The Gliding Federation of Australia Inc.

ABN 82-433-264-489

## Notes to the Financial Statements For the Year Ended 30 April 2020

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### Note 1: Summary of Significant Accounting Policies

#### Financial Reporting Framework

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Reform Act 2012 (Victoria). The Board has determined that the Association is not a reporting entity.

#### Basis of Preparation

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 specifically, current valuations of non-current assets.

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. Property, Plant and Equipment (PPE)

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated 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 held ready for use.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of Fixed Assets	Depreciation Rate
Land & Buildings	At Cost
Plant & Equipment	15 – 67% DV

#### b. Impairment of Assets

At the end of each reporting period, the Board reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in the income and expenditure statement.

#### c. Employee Provisions

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee provisions have been measured at the amounts expected to be paid when the liability is settled.

#### d. Provisions

Provisions are recognised when the Association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

# The Gliding Federation of Australia Inc.

ABN 82-433-264-489

## Notes to the Financial Statements For the Year Ended 30 April 2020

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e. **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.

f. **Accounts Receivable and Other Debtors**

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. 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.

g. **Revenue and Other Income**

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.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

If conditions are attached to the grant that must be satisfied before the Association is eligible to receive the contribution, recognition of the grant as revenue will be deferred until those conditions are satisfied.

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

h. **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 assets and liabilities statement.

i. **Financial Assets**

Investments in financial assets are initially recognised at cost, which includes transaction costs, and are subsequently measured at fair value, which is equivalent to their market bid price at the end of the reporting period. Movements in fair value are recognised through an equity reserve.

j. **Accounts Payable and Other Payables**

Accounts payable 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.

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# **The Gliding Federation of Australia Inc.**

**ABN 82-433-264-489**

## **Notes to the Financial Statements**

**For the Year Ended 30 April 2020**

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### **k. Reserves**

The Sporting Development Fund (formerly known as the ITC Fund) is intended to support the Australian Team competing at world championships and the development of competitive pilot skills in Australia. Contributions are received from competition pilots, and earnings apportioned from GFA's investment of the fund balance. The reserve is administered by the Soaring Development Panel in accordance with the revised guidelines passed by the Board on 7th April 2019.

The ASF Junior Development Fund is intended to support junior team training and development programs. This reserve holds money on behalf of the Australian Sports Foundation (ASF). The ASF has established a project which enables this reserve to receive tax-free donations from the supporters of the junior development effort.

The RANGA fund reserve (originally from the Royal Australian Navy Gliding Association) is administered by the GFA on behalf of RANGA to fund a regular scholarship for new junior pilots.

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# The Gliding Federation of Australia Inc.

ABN 82-433-264-489

## Notes to the Financial Statements

For the Year Ended 30 April 2020

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### NOTE 2: CASH AND CASH EQUIVALENTS

	2020	2019
	\$	\$
Cash on Hand	200	205
Cash at Bank – Cheque Account	3,121	63,375
	59,581	63,580

### NOTE 3: ACCOUNTS RECEIVABLE & OTHER DEBTORS

	2020	2019
	\$	\$
Loan – North Queensland Soaring Club	9,655	11,649
Loan – Kingaroy Soaring Club	67,949	96,813
Loan – Darling Downs Soaring Club	-	14,488
Loan – Hunter Valley Gliding Club	86,511	-
	164,115	122,950

### NOTE 4: PROPERTY, PLANT AND EQUIPMENT

	2020	2019
	\$	\$
Land & Building – At Cost	214,285	214,285
	214,285	214,285
Plant & Equipment – At Cost	12,550	12,550
Less accumulated depreciation	(6,356)	(4,807)
	6,194	7,743
Glider Simulator – At Cost	8,965	8,965
Less accumulated depreciation	(8,965)	(2,175)
	-	6,791
	219,243	220,479

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# The Gliding Federation of Australia Inc.

ABN 82-433-264-489

## Notes to the Financial Statements For the Year Ended 30 April 2020

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### NOTE 5: ACCOUNTS PAYABLE & OTHER CREDITORS

	2020	2019
	\$	\$
Trade Creditors	18,266	25,816
GST Payable	(580)	386
PAYG Tax Withheld	5,795	-
	<u>23,481</u>	<u>26,202</u>

### NOTE 6: PROVISIONS

	2020	2019
	\$	\$
Provision for audit fees	7,000	7,000
	<u>7,000</u>	<u>7,000</u>

### NOTE 7: EMPLOYEE ENTITLEMENTS

	2020	2019
	\$	\$
Provision for Annual Leave	22,186	23,773
Provision for Long Service Leave	50,888	48,570
	<u>73,075</u>	<u>72,343</u>

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# The Gliding Federation Of Australia Inc.

ABN 82-433-264-489

## Statement by Board Members For the Year Ended 30 April 2020


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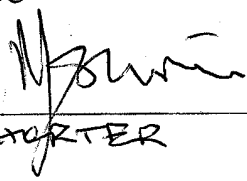
The Board has determined that the association is a non-reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Board the Income and Expenditure Statement, Statement of Financial Position, and Notes to the Financial Statements:

1. Presents fairly the financial position of Gliding Federation of Australia Inc. as at 30 April 2020 and its performance for the year ended on that date.
2. At the date of this statement, 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 Board and is signed for and on behalf of the Board by:

  
Name: P. Cress  
President

  
Name: D. Shorter  
Treasurer

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# **The Gliding Federation of Australia Inc.**

**ABN 82-433-264-489**

## **Independent Auditor's Report to the Members For the Year Ended 30 April 2020**

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### **Opinion**

We have audited the financial report of the Gliding Federation of Australia Inc. (the Association), which comprises the assets and liabilities statement as at 30 April 2020, the income and expenditure statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the certification by members of the board on the annual statements giving a true and fair view of the financial position and performance of the Association.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Association as at 30 April 2020 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the requirements of the Associations Incorporation Reform Act 2012 (Victoria).

### **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 Board's APES 110: *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We 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**

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Association to meet the requirements of the Associations Incorporation Reform Act 2012 (Victoria). As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

### **Responsibilities of the Board for the Financial Report**

The board is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the Associations Incorporation Reform Act 2012 (Victoria) and for such internal control as the board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the board 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 the board either intends to liquidate the Association 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.

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

# The Gliding Federation of Australia Inc.

ABN 82-433-264-489

## Independent Auditor's Report to the Members

For the Year Ended 30 April 2020

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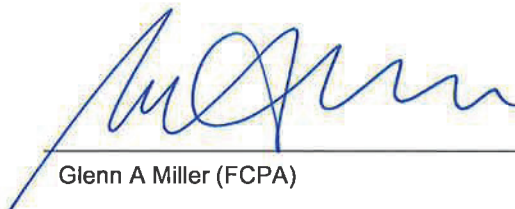
- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a 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 board.
- Conclude on the appropriateness of the board's 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 Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board 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.

*NMM Audit & Assurance P/L*

NMM Audit & Assurance Pty Ltd

110 Drummond Street, Oakleigh, Vic, 3166



Glenn A Miller (FCPA)

Director

Dated this 4 day of August 2020

# **The Gliding Federation of Australia Inc.**

**ABN 82-433-264-489**

## **Certificate by Board Members**

**For the Year Ended 30 April 2020**

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I, ..... of ..... certify that:

- a. I attended the annual general meeting of the Association held on ..... 2020; and
- b. the financial statements for the year ended 30 April 2020 were submitted to the members of the Association at the annual general meeting.

Dated this ..... day of ..... 2020.

\_\_\_\_\_  
Name:

Treasurer