

# **Financial Report**

The Gliding Federation Of Australia Inc.

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## Board's Financial Report

**The Gliding Federation of Australia Inc.**  
**For the year ended 30 April 2021**

Your Board submits the financial accounts of THE GLIDING FEDERATION OF AUSTRALIA INC. for the financial year ended 30 April 2021.

At the end of our financial year the GFA remains in a sound financial position with assets attributable to GFA members of \$2.261M. We have \$1.257M cash and investments, loaned funds to clubs totalling \$177k and we own our office premises in Melbourne worth another \$214k.

In addition, the GFA manages another \$591k of reserve funds on behalf of the RANGA junior scholarship fund (\$43k) and the Soaring Development Fund (\$548k).

The GFA assists Clubs with financing of gliders. At present Caboolture, North Qld, Hunter Valley, Kingaroy and Alice Springs clubs have loans with the GFA.

Receipts from GFA normal operations were \$100k lower than last year principally due to the Boards decision to defer membership by 6 months in response to COVID. This was offset by a higher reduction in operating expenditure which was planned as a counter to the impact of the pandemic. Consequently, the Operating Deficit was \$51k, \$22k better than last year.

Realised and unrealised investment income of \$348k and COVID support of \$252k meant that we finished the year with an overall profit of \$547k.

### INCOME BREAKDOWN

Operating income totalled \$800k, \$102k less than the previous year. This table illustrates the main components of income compared with last year (\$k):

	2019 - 20		2020 - 21	
Membership	\$593	66%	\$474	59%
Airworthiness	\$172	19%	\$180	23%
CASA	\$101	11%	\$101	13%
Other	\$36	4%	\$45	6%
Total	\$902	100%	\$800	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 cover our costs of operation or, at least, the costs of aircraft registration, safety management and operating procedures. Unfortunately, it does not come close. This year we received \$101k paid by CASA to the GFA which covers just 13% of our operating cost.

### MEMBERSHIP INCOME

Our biggest single contributor to income is membership – in a normal year 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.

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, improved services, or both. Membership growth is vital to maintain the health of the organization, provide new students for instructors, new office bearers to run your clubs, and new buyers to ensure a continuing market for gliders.

Receipts from membership fees were significantly impacted this year by COVID and the consequent decision by the Board to extend membership renewals by six months. The net result was that membership income was down \$120k 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 survived COVID well and was up \$8k on last year.

#### **OPERATING EXPENDITURE**

Last year Operating Expenditure totalled \$851k, \$131 less than the previous year. This was made up of (\$k):

	<b>2019 - 20</b>		<b>2020 - 21</b>	
Wages & Super	\$408	42%	\$392	46%
Insurances	\$218	22%	\$240	28%
Meetings & Reimbursements	\$39	4%	\$9	1%
GA Magazine	\$51	5%	\$15	2%
S2F Project	\$51	5%	\$63	7%
IGC/ASAC/OLC Fees	\$31	3%	\$23	3%
Other (IT, PT149, Weather, Admin)	\$185	19%	\$101	13%
Total	\$983	100%	\$852	100%

The impact of COVID is notable. The immovable costs of Salaries and Wages and Insurance have increased as a proportion of total expenditure while the more discretionary costs have declined. Meeting and Reimbursement costs have decreased with the shift from Face-to-Face to ZOOM, as has the costs of Gliding Australia, which changed to an electronic version. Wages are the biggest expense, accounting for over 46% of our cost of operations. Insurance the next at 28%. This is the last year S2F will appear in the accounts with this function being absorbed in Marketing and Development. The remaining money paid out during the year is spread broadly across IT, support organisation fees, administration, training, and the costs incurred by volunteer officers performing the many support functions of the GFA.

#### **INSURANCE**

Insurance costs continued to increase as the general insurance industry situation has deteriorated. Pleasingly as a result of our good claims record and changing insurers we will be paying less for our Broad Based Liability (BBL) policy in the 21-22 year.

The GFA group Hangar Keepers Liability (HKL) policy continues into its ninth 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 \$16k.

## INVESTMENT OF FUNDS

The GFA invest \$1.962M of members' accumulated funds. Previously reserves were held in Bank Term deposits - back in 2018 this was yielding an average of around 2.7%. Today the yield would be close to zero. Following a review of investment strategy options, in August 2018 the Board resolved to adopt an Investment Policy with a targeted return of 4-6% over inflation, for an additional \$40,000 pa contribution to income.

At 30<sup>th</sup> April 2021 the funds invested were spread as follows (\$k):

Cash	\$245	12%
Fixed Interest and Mortgage Securities	\$419	22%
Property and Property Managers	\$403	20%
Australian Shares	\$775	37%
International Shares	\$120	10%
Total	\$1,962	100%

Returns on investments since the inception of the strategy have fluctuated particularly because of the impact of COVID, however overall it has been successful as the following table shows:

	2018/19	2019/20	2020/21	Total
Investment Return	\$120,549	-\$51,397	\$348,522	\$417,674

The annualised return in the 2 years and 9 months the strategy has been operating has been 10.5%.

Investment decisions and management has been delegated to a committee of three GFA Officers, led by Dave Shorter, now sadly passed away. Investment choice has largely depended on Dave Shorter's expertise and because of his passing the Board, after a selection process, has appointed a professional investment advisor FMD Financial to replace his expertise.

## COVID-19 LOCKDOWN EFFECT on GFA

In response to the COVID pandemic lockdowns the Board resolved to defer all membership renewals by six months as assistance to members. Initially this had a significant effect on cash flow. However, Government cashflow support and Jobkeeper assistance have more than offset this income loss. Promisingly, as the 21/22 year progresses Membership numbers appears to be holding up.

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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.

## MEETINGS OF BOARD MEMBERS

During the financial year a number of Board Meetings were held. Attendance by each of the Board Members during the year were as follows:

Board Meetings 2020-2021	Eligible to Attend	Attended
Ian Caldwell, (NSW)	3	3
Chris Stephens (NSW)	5	2
Phil Henderson (VIC)	4	4
Brenton Swart (SA)	5	5
Peter Cesco (President)	5	5
Lumpy Paterson (Vice President)	5	3
Dave Shorter (Treasurer)	5	5
Beryl Hartley (NSW)	5	5
Duncan Robertson (Vic/Tas)	6	6
Peter Brooks (SA/NT)	6	6
Lisa Turner (Qld),	6	4
Greg Beecroft (WA)	10	9
Steve Pegler (President)	7	7
Lindsay Mitchell (Vice President)	11	11
Vivienne Drew (Vice President)	10	7
Pat Barfield (Chair of Operations)	11	10
Chris Bowman (Treasurer)	8	7
Anthony Smith (Chair of Airworthiness)	11	9
Jenny Thompson (Chair of Soaring Development)	11	11
Sarah Thompson (Chair of Marketing and Development)	11	11
Mandy Temple (Chair of S2F)	11	11
James Nugent (Junior rep.)	11	10
Terry Cubley (Secretary and GFA Executive Officer)	11	11
Richard Frawley (Chief Experience Officer)	9	8

## BOARD MEMBERS

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

### Regional Representatives

New South Wales  
Victoria & Tasmania  
Queensland and Northern NSW  
South Australia & NT  
Western Australia

Beryl Hartley  
Duncan Robinson  
Lisa Turner  
Peter Brooks  
Greg Beecroft

### Other Board Members

Junior Representative

James Nugent

**Executive**

President	Steve Pegler
Vice President	Lindsay Mitchell
Vice President	Vivian Drew
Treasurer	Chris Bowman
Chair of Operations	Pat Barfield
Chair of Airworthiness	Anthony Smith
Chair of Soaring Development	Jenny Thompson
Chair of Marketing & Development	Sarah Thompson
Chief Experience Officer (IT)	Richard Frawley

**Non-voting Executive**

Executive Officer & Secretary	Terry Cubley
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**GOING CONCERN**

This financial report has been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The ability of the association to continue to operate as a going concern is dependent upon the ability of the association to generate sufficient cashflows from operations to meet its liabilities. The members of the association believe that the going concern assumption is appropriate.

Signed in accordance with a resolution of the Members of the Board.



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Steve Pegler, President

Date: 13<sup>th</sup> August 2021



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Chris Bowman, Treasurer

Date: 13<sup>th</sup> August 2021

# Income and Expenditure Statement

The Gliding Federation Of Australia Inc.

For the year ended 30 April 2021

	2021	2020
<b>Income</b>		
Airworthiness Income	180,542	171,763
Dividends & Interest Received	51,204	67,979
FAI Income	1,989	2,504
Gliding Australia Income	7,958	9,690
Grants - Other	101,497	101,497
Insurance Commissions	15,822	15,433
Other Revenue	674	14,226
Realised Gain (loss) on Sale of assets	-	132
Realised Gain (loss) on sale of investments	88,730	(14,279)
Unrealised gain (loss) on investments	206,615	(105,097)
Grant Operating	251,820	-
Membership Fees	474,484	593,301
Sales of Goods	17,126	16,487
<b>Total Income</b>	<b>1,398,461</b>	<b>873,637</b>
<b>Gross Surplus</b>	<b>1,398,461</b>	<b>873,637</b>
<b>Expenditure</b>		
Depreciation	2,411	1,236
Airworthiness Expenses	5,785	18,215
Bank Fees	-	1
Competition & Championship Expenses	-	4,898
Computer Expenses	34,110	43,886
Executive Management Expenses	84,132	124,568
Gliding Australia Expenses	14,741	50,812
Insurance	239,639	218,391
Marketing & Development Expenses	478	12,780
Office Administration Expenses	35,820	34,230
Office Building Expenses	8,679	10,194
Operations Expenses	11,280	9,641
Purchases	9,058	8,355
Salaries & Wages	334,505	354,868
Special Projects	67,594	77,058
Sports Expenses	2,128	14,731
Sundry Expenses	1,196	109
<b>Total Expenditure</b>	<b>851,555</b>	<b>983,971</b>
<b>Current Year Surplus/ (Deficit) Before Income Tax Adjustments</b>	<b>546,906</b>	<b>(110,334)</b>
<b>Current Year Surplus/(Deficit) Before Income Tax</b>	<b>546,906</b>	<b>(110,334)</b>
<b>Net Current Year Surplus After Income Tax</b>	<b>546,906</b>	<b>(110,334)</b>

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.



# Assets and Liabilities Statement

The Gliding Federation Of Australia Inc.

As at 30 April 2021

	NOTES	30 APR 2021	30 APR 2020
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	2	62,725	31,666
Trade and Other Receivables	3	177,350	164,054
Inventories		11,307	9,975
GST Receivable		-	580
<b>Total Current Assets</b>		<b>251,382</b>	<b>206,274</b>
<b>Non-Current Assets</b>			
Financial Assets	4	1,785,700	1,233,954
Plant and Equipment	5	9,646	4,958
Land and Buildings	6	214,285	214,285
<b>Total Non-Current Assets</b>		<b>2,009,630</b>	<b>1,453,197</b>
<b>Total Assets</b>		<b>2,261,013</b>	<b>1,659,472</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	7	63,035	24,062
GST Payable		4,744	-
Provisions	8	7,000	7,000
Employee Entitlements	9	82,260	73,075
<b>Total Current Liabilities</b>		<b>157,039</b>	<b>104,137</b>
<b>Other Current Liabilities</b>			
Other Creditors		2,298	-
<b>Total Other Current Liabilities</b>		<b>2,298</b>	<b>-</b>
<b>Total Liabilities</b>		<b>159,337</b>	<b>104,137</b>
<b>Net Assets</b>		<b>2,101,676</b>	<b>1,555,335</b>
<b>Member's Funds</b>			
Retained Earnings		1,490,230	1,042,284
Reserves		611,446	513,051
<b>Total Member's Funds</b>		<b>2,101,676</b>	<b>1,555,335</b>

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

# Notes to the Financial Statements

## The Gliding Federation Of Australia Inc.

For the year ended 30 April 2021

### 1. Summary of Significant Accounting Policies

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Reform Act 2012 (Vic). The committee has determined that the association is not a reporting entity as the users of the financial statements are able to obtain additional information to meet their needs.

#### Statement of Compliance

The financial report has been prepared in accordance with the Associations Incorporation Reform Act 2012 (Vic), the basis of accounting specified by all Australian Accounting Standards and Interpretations, and the disclosure requirements of Accounting Standards AASB 101: *Presentation of Financial Statements*, AASB 107: *Cash Flow Statements*, AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors*, AASB 1031: *Materiality* and AASB 1054: *Australian Additional Disclosures*.

The association has concluded that the requirements set out in AASB 10 and AASB 128 are not applicable as the initial assessment on its interests in other entities indicated that it does not have any subsidiaries, associates or joint ventures. Hence, the financial statements comply with all the recognition and measurement requirements in Australian Accounting Standards.

#### Basis of Preparation

The financial statements have been prepared on an accruals basis and are based on historic costs and 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.

#### Income Tax

The association is a not-for-profit organisation and as such, is exempt from income tax under Division 50 ITAA97.

#### 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
Leasehold Improvements	20%
Office Equipment	10 - 25%

#### Impairment of Assets

At the end of each reporting period, the committee 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 to sell 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.

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These notes should be read in conjunction with the attached compilation report.

## 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.

## 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.

## 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.

## 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.

## 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.

### *Contributed assets*

The association receives assets from the government and other parties for nil or nominal consideration in order to further its objectives. These assets are recognised in accordance with the recognition requirements of other applicable accounting standards (e.g. AASB 9, AASB 16, AASB 116 and AASB 138.)

On initial recognition of an asset, the association recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer).

The association recognises income immediately in profit or loss as the difference between initial carrying amount of the asset and the related amount.

### *Operating grants, donations and bequests*

When the association receives operating grant revenue, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the association:

- identifies each performance obligation relating to the grant
- recognises revenue as it satisfies its performance obligations

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the association:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (eg AASB 9, AASB 16, AASB 116 and AASB 138)
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer)
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

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These notes should be read in conjunction with the attached compilation report.

If a contract liability is recognised as a related amount above, the association recognises income in profit or loss when or as it satisfies its obligations under the contract.

#### *Capital Grant*

When the association receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) recognised under other Australian Accounting Standards.

The association recognises income in profit or loss when or as the association satisfies its obligations under the terms of the grant.

#### *Interest Income*

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.

#### *Dividend Income*

The association recognises dividends in profit or loss only when the right to receive payment of the dividend is established.

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

### **Leases**

At inception of a contract, the Association assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Association where the Association is a lessee. However, all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Association uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Association anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

#### *Concessionary Leases*

For leases that have significantly below-market terms and conditions principally to enable the Association to further its objectives (commonly known as peppercorn/concessionary leases), the Association has adopted the temporary relief under AASB 2018-8 and measures the right of use assets at cost on initial recognition.

## 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.

## 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 the profit and loss.

## 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.

## 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 Sporting 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 Fund.

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.

	2021	2020
<b>2. Cash on Hand</b>		
Cash at Bank - Unrestricted	62,625	31,461
Cash Floats	100	205
<b>Total Cash on Hand</b>	<b>62,725</b>	<b>31,666</b>

	2021	2020
<b>3. Trade and Other Receivables</b>		
<b>Trade Receivables</b>		
Accounts Receivable (Xero Ledger)	500	-
Other Debtors	177,965	164,115
<b>Total Trade Receivables</b>	<b>178,465</b>	<b>164,115</b>
<b>Prepayments</b>		
Prepayments	(1,115)	(61)
<b>Total Prepayments</b>	<b>(1,115)</b>	<b>(61)</b>
<b>Total Trade and Other Receivables</b>	<b>177,350</b>	<b>164,054</b>

These notes should be read in conjunction with the attached compilation report.

	2021	2020
<b>4. Financial Assets</b>		
Long Term Investments	1,785,700	1,233,954
<b>Total Financial Assets</b>	<b>1,785,700</b>	<b>1,233,954</b>

	2021	2020
<b>5. Plant and Equipment</b>		
<b>Plant and Equipment</b>		
Plant and Equipment at Cost	28,614	21,515
Accumulated Depreciation of Plant and Equipment	(18,968)	(16,557)
<b>Total Plant and Equipment</b>	<b>9,646</b>	<b>4,958</b>
<b>Total Plant and Equipment</b>	<b>9,646</b>	<b>4,958</b>

	2021	2020
<b>6. Land and Buildings</b>		
<b>Buildings</b>		
Buildings at Cost	214,285	214,285
<b>Total Buildings</b>	<b>214,285</b>	<b>214,285</b>
<b>Total Land and Buildings</b>	<b>214,285</b>	<b>214,285</b>

	2021	2020
<b>7. Trade and Other Payables</b>		
Trade Payables	49,541	18,267
Other Payables	5,794	5,795
<b>Total Trade and Other Payables</b>	<b>55,335</b>	<b>24,062</b>

	2021	2020
<b>8. Provisions</b>		
Provision - Audit Fees	7,000	7,000
<b>Total Provisions</b>	<b>7,000</b>	<b>7,000</b>

	2021	2020
<b>9. Employee Entitlements</b>		
Provision for Long Service Leave	56,573	50,888
Provision for Holiday Pay	25,687	22,187
<b>Total Employee Entitlements</b>	<b>82,260</b>	<b>73,075</b>

## 10. Related Party Transactions

### Interest in Contracts

During the year the association did not enter into any contracts with related parties.

These notes should be read in conjunction with the attached compilation report.

# Statement of Cash Flows

The Gliding Federation Of Australia Inc.  
For the year ended 30 April 2021

2021

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## Cash Flow From Operating Activities

Receipts from customers	706,030
Government grants & subsidies	251,820
Other grants	101,497
Interest received	7,274
Payments to suppliers and employees	(801,577)
<b>Total Cash Flow From Operating Activities</b>	<b>265,044</b>

2021

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## Cash Flow From Investing Activities

Proceeds from the sale of investments	472,951
Proceeds from loans made to other entities	56,149
Dividends received	550
Purchase of property, plant & equipment	(7,099)
Purchase of investments	(685,971)
Loans made to other entities	(70,000)
<b>Total Cash Flow From Investing Activities</b>	<b>(233,420)</b>

2021

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## Cash Flow From Financing Activities

Transfers to (from) reserves	(565)
<b>Total Cash Flow From Financing Activities</b>	<b>(565)</b>

2021

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## Net Movement In Cash & Cash Equivalents

Net increase (decrease) in cash & cash equivalents	31,059
Cash & cash equivalents at beginning of period	31,666
Cash & cash equivalents at end of period	62,725

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.

2021

**1. Reconciliation Of Cash**

Cash at Bank - Cheque Account	62,625
Cash on Hand	100
<b>Total</b>	<b>62,725</b>

2021

**2. Net Cash Provided By / Used In Operating Activities To Net Profit (Loss)**

Operating profit (loss)	546,905
Depreciation & amortisation expense	2,411
Unrealised (gain) loss on investments	(206,615)
Realised (gain) loss on investments	(88,730)
Investment income	(43,930)
(Increase) decrease in trade & other receivables	(500)
(Increase) decrease in inventory	(1,332)
Increase (decrease) in trade creditors & accruals	46,595
Increase (decrease) in other creditors / provisions	1,054
Increase (decrease) in employee entitlements	9,186
<b>Total Net Cash Provided By / Used In Operating Activities To Net Profit (Loss)</b>	<b>265,044</b>



# Movements In Equity

The Gliding Federation Of Australia Inc.  
For the year ended 30 April 2021

2021

## Retained Earnings

Retained Earnings	1,042,284
Current Year Earnings	546,906
Interest Transfers	(98,960)
<b>Closing Balance</b>	<b>1,490,230</b>

2021

## Reserves

### Sporting Development Fund

Sporting Development Fund - Opening Balance	449,588
Interest Transfers	98,960
<b>Closing Balance</b>	<b>548,548</b>

### RANGA Scholarship Fund

RANGA Scholarship Fund - Opening Balance	43,463
Transfers To(From) Reserves	(565)
<b>Closing Balance</b>	<b>42,898</b>

### Training Manual Project

Training Manual Project - Opening Balance	20,000
<b>Closing Balance</b>	<b>20,000</b>

<b>Total Reserves</b>	<b>611,446</b>
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# True and Fair Position

The Gliding Federation Of Australia Inc.  
For the year ended 30 April 2021

Annual Statements Give True and Fair View of Financial Position and Performance of the Association

In accordance with a resolution of the committee of The Gliding Federation Of Australia Inc, the members of the committee declare that:

- the financial statements present a true and fair view of the financial position of The Gliding Federation Of Australia Inc as at 30 April 2021 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements and the requirements of the Associations Incorporation Reform Act 2012 (Vic).
- at the date of this statement, there are reasonable grounds to believe that The Gliding Federation Of Australia Inc. will be able to pay its debts as and when they fall due.

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



.....

Steve Pegler

President



.....

Chris Bowman

Treasurer

Dated: 13/08/2021

# Independent Auditors Report to the Members of the Association

## The Gliding Federation Of Australia Inc. For the year ended 30 April 2021

### Opinion

We have audited the accompanying financial report, being a special purpose financial report, of The Gliding Federation Of Australia Inc. (the association), which comprises the committee's report, the assets and liabilities statement as at 30 April 2021, the income and expenditure statement for the year then ended, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the certification by members of the committee 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 [or *gives a true and fair view of* – refer to the applicable state/territory Act], the financial position of the association as at 30 June 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 (Vic).

### 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 (Vic). As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

### 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 (Vic). 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 Committee for the Financial Report

The committee is responsible for the preparation and fair presentation of the financial report, and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the Associations Incorporation Reform Act 2012 (Vic) and is appropriate to meet the needs of the members. The committee's responsibility also includes such internal control as the committee 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 committee 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 committee 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:

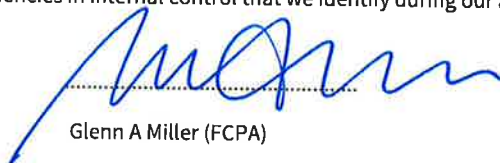
- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a 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 committee.
- Conclude on the appropriateness of the committee'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 committee 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 Plc*

NMM Audit & Assurance Pty Ltd

110 Drummond Street, Oakleigh, Vic 3166



Glenn A Miller (F CPA)

Director

Dated this 13 day of August 2021

# Certificate By Members of the Committee

**The Gliding Federation Of Australia Inc.**

**For the year ended 30 April 2021**

I, Chris Bowman certify that:

1. I attended the annual general meeting of the association held on [   /   /   ].
2. The financial statements for the year ended 30 April 2021 were submitted to the members of the association at its annual general meeting.

.....

Chris Bowman

Treasurer

Dated this ..... day of ..... 20.....