



Annual Report

2017 Chairman's and CEO Report

**Sports Taekwondo Australia
Ltd**

T/A Australian Taekwondo Ltd

ACN: 167 216 033

Effective Date: 1 October 2017

© Australian Taekwondo Limited 2017

This work is copyright. Apart from users under the Copyright Act 1968, no part of this publication may be reproduced by any process without written permission from Australian Taekwondo Limited.

Chairman's & CEO's Report to accompany the Financial Statements for the 2017 Financial Year

Chairman's Statement

This is my final report to Australian Taekwondo (AT) as Chair and a Director of the organisation. My tenure comes to an end at this AGM. I am incredibly proud of what the organisation has achieved since my appointment in September 2014. We now have recognised State organisations, a 50% increase in membership, a sport in the Olympic and Paralympic Games, two Poomsae World Champions, multiple international medallists, and the highlight has to be a return to Australian Sports Commission funding. None of this could have been achieved without the support of the members, volunteers, State Boards, AT Executive, and my fellow Board members. So please accept my heartfelt thanks.

A special thanks must also go to Anne Austin, one of our appointed Directors who is also standing down at this AGM. Anne's wise counsel and experience in change management has been invaluable in getting AT to this juncture. Thank you for all of the time and effort that you have poured into AT.

Summary

The 2017 Financial Year has been a continuation of the good governance foundations that were established in 2016. The return to Australian Sports Commission funding for High Performance and participation has to be the highlight of the period. This has allowed us to recruit a World-renowned Coaching Director, Karim Dighou and we are in the process of recruiting a participation manager.

The establishment of recognised State Associations in all of our States and Territories means that AT can continue to move forwards as a unified organisation to improve Taekwondo in Australia.

Financial Statements

We are pleased to report that AT has made a small surplus in 2017 and remains solvent with a healthy cash balance.

The transparency of the reporting is much improved, and this has allowed my fellow Board members and I to make decisions knowing that we have good quality financial information.

While AT is in a financially stable situation, it is still being run with very lean operations in order to rebuild the reserves for future activity.

State Mergers

It is with great pleasure that today we can sit here and say that our full complement of eight State Members have now undergone their initial AGM's and are starting to adopt their new names and logos. This is not to say that there is not still work to be done. AT has been assisting some states to develop their strategic plans and rebuild their relationships with the State Departments of Sport and Recreation.

I would like to take this opportunity to thank all of our voluntary State Board members.

The Membership

I am pleased to report that we have had a steady uptake of membership this year and we are currently almost at 14,000 members, which is a 23% increase on 2016. However, this represents only a small portion of the Taekwondo participants in Australia and through activities from our strategic plan, and with your continuing support I look forward to seeing this number grow year on year.

Education

It is very pleasing to see our number of accredited Kyorugi Referees growing. This is thanks to the work of the National Kyorugi Referee Committee. We are also in the pilot phase of the Kyorugi

Coaching accreditation and development of the Poomsae education curricula. At AT we maintain committed to providing modern, best practice education that is easily accessible to all.

In September 2017 AT hosted the inaugural Kukkiwon Instructors and Examiners course in Oceania. As well as Australian participants we attracted participants from Malaysia, Singapore and New Zealand.

2017 Senior World Championships

At the end of June our Senior Kyorugi athletes went to Korea to contest the 2017 World Championships. The Team was a mix of experienced and developing athletes. The team achieved a top 16 result, seven athletes in the top 32 and 8 in the top 64. A full team list can be found in Annexure A.

2017 Universiade

In August the team that we nominated to Australian University Sport went to Chinese Taipei to contest the 2017 Universiade. This is a multi sport event so it was a great opportunity for our athletes to meet and learn from athletes from other sports. It was extremely pleasing to see Bailey Lewis bring home a bronze medal in the M-54kg division. A full team list can be found in Annexure B

2017 Asian Indoor and Martial Arts Games

2017 sees the first year that the Australian Olympic Committee has sent a team to the Asian Martial Arts and Indoor games. AT has nominated a small team to the AOC, three males and three females. Two of our female athletes, Keshena Waterford and Ruth Hock, were the first Australian's to win medals at this historic event.

See Annexure C for the team

2017 Cadet Team

In June 2017 AT held selections for the Australian Cadet Team. The cadets did not contest the 2017 World Cadet Championships as the Government had severe warnings regarding travel to Egypt. The cadets will be contesting the Croatian open later in the year.

Finally I would like to thank all of the volunteers who contribute to Taekwondo. Without your time and effort we would not be able to carry out all of the activities that we do.



Joelle Chisholm

CEO

1 October 2017



John Walker AM

Chair

Annexure A

2017 World Championships Team

Division	Weight Category	Athlete	Club	State	Result
Female	Under 46kg	Juliet Contreras	Impact Martial Arts	ACT	R32
	Under 49kg	Keshena Waterford	Impact Martial Arts	ACT	R32
	Under 53kg	Kyah English	Melbourne Taekwondo Centre	Vic	R32
	Under 57kg	Carmen Marton	Melbourne Taekwondo Centre	Vic	R32
	Under 62kg	Mia Italiano	Melbourne Taekwondo Centre	Vic	R64
	Under 67kg	Ruth Hock	Adelaide Taekwondo Academy	SA	R32
	Under 73kg	Emily Stellino	Global Martial Arts	NSW	R64
	Over 73kg	Chelsea Hobday	Tans Taekwondo	Qld	R32
Male	Under 54kg	Bailey Lewis	City West Taekwondo	Vic	R32
	Under 58kg	Safwan Khalil	Global Martial Arts	NSW	R16
	Under 63kg	Damon Cavey	Whiteway's Taekwondo	SA	R64
	Under 68kg	Thomas Afoczenko	Melbourne Taekwondo Centre	Vic	R64
	Under 74kg	Hayder Shkara	Global Martial Arts	NSW	R64
	Under 80kg	Ghassan Moufarrej	Olympic Taekwondo	Vic	R64
	Under 87kg	Daniel Safstrom	Team Taekwondo	Vic	R32
	Over 87kg	Jaxon Simmonds	Adelaide Taekwondo Academy	SA	R64
Staff	Head of Team	Hassan Iskandar			
	Team Manager	John Gradisar			
	Team Manager	Joelie Chisholm			
	Head Coach	Danny Crkvencic			
	Coach	Alf Dell'orso			
	Coach	Frank De Pasquale			
	Coach	Andrew Rozinszky			
	Physiotherapist	Sara Guevara			
WTF appointed International Referees		Jenny Crutchett			
		Ali Rihimi			
Delegate to WTF General Assembly		Raff Di Renzo			

Annexure B

2017 Universiade Team

Division	Athlete	Club	University
Female Sparring			
Under 49kg	Keshena Waterford	Impact Martial Arts	Canberra Institute of Technology
Under 57kg	Catherine Risbey	Impact Martial Arts	Australian National University
Under 62kg	Stephanie Freeman	Impact Martial Arts	Australian National University
FUnder 67kg	Lorna Munro	Impact Martial Arts	University of Canberra
Male Sparring			
Under 54kg	Bailey Lewis	City West Taekwondo	University of Victoria
Under 58kg	William Afonczenko	MTC Knox Taekwondo	Australian Catholic University
Under 63kg	Thomas Auger	Global Martial Arts	Flinders University
Under 68kg	Thomas Afonczenko	MTC Knox Taekwondo	Australian Catholic University
Under 74kg	Jack Marton	MTC Knox Taekwondo	Curtin University
Over 87kg	Adam Meyers	Professional Taekwondo	Swinburne University of Technology
Poomase			
Female Individual	Katarina Pavkovic	Impact Martial Arts	University of Canberra
Male Individual	Tran Phong	Hanmu Taekwondo	University of Victoria
Mixed Pairs	Katarina Pavkovic	Impact Martial Arts	University of Canberra
	Kyle Knowles	Impact Martial Arts	University of Canberra
Sparring Coaches			
Danny Crkvencic			
Alex Sootho			
Joon No			
Poomsae Coach			
(Amy) Yukyung Song			

Annexure C

2017 Universiade

Division	Weight Category	Athlete	Club	State
Female	Under 46kg	Deanna Kyriazopoulos	Global Martial Arts	NSW
	Under 49kg	Keshena Waterford	Impact Martial Arts	ACT
	Under 67kg	Ruth Hock	Adelaide Taekwondo Academy	SA
Male	Under 63kg	William Afonczenko	Melbourne Taekwondo Centre	VIC
	Under 80kg	Cameron Taylor	San Taekwondo	QLD
	Over 87kg	Adam Meyers	Professional Taekwondo	VIC
Coaches	Danny Crkvencic			ACT
	Shane Whiteway			SA

**TKD Sports Taekwondo
Australia Ltd**
ABN 69167216033

Financial report
For the year ended 30 June 2017

Pitcher Partners
Level 1, 100 Hutt Street
ADELAIDE SA 5000

TABLE OF CONTENTS

Directors' report	1 - 5
Auditor's independence declaration	6
Financial report	
Statement of profit or loss and other comprehensive income	7
Statement of financial position	8
Statement of changes in equity	9
Statement of cash flows	10
Notes to financial statements	11 - 17
Directors' declaration	18
Independent auditor's report	19 - 21

TKD SPORTS TAEKWONDO AUSTRALIA LTD
ABN 69167216033

DIRECTORS' REPORT

The directors present their report together with the financial report of TKD Sports Taekwondo Australia Ltd for the year ended 30 June 2017 and auditor's report thereon.

Directors names

The names of the directors in office at any time during or since the end of the year are:

S J Lee (Resigned on 22 October 2016)
D Trenton (Resigned on 22 October 2016)
H Iskandar
J W Walker
R C Di Renzo
L C McCoach
A Austin
S Lew (Appointed on 22 October 2016)
B J Elmowy (Appointed on 22 October 2016)

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

Short-term and long-term objectives and strategies

The company's short-term objectives are to:

- provide best practice governance in leading and managing Taekwondo at all levels;
- attract, engage, recruit, retain and service participants across the full Taekwondo spectrum from recreation to performance (this includes athletes, coaches, officials, referees and judges, administrators, volunteers, parents and supporters);
- build the capacity of Taekwondo and its stakeholders to facilitate growth and development and provide appropriate services aligned with the aspirations of our participants;

TKD SPORTS TAEKWONDO AUSTRALIA LTD
ABN 69167216033

DIRECTORS' REPORT

Short-term and long-term objectives and strategies (Continued)

The company's long-term objectives are to:

- ensure long term commercial viability through sound financial management and business practices and systems;
- ensure Australia has a top 10 world ranking for both male and female open sparring divisions, and podium finishes for world championships in Cadets, Juniors, Masters, Para and Poomsae; and
- achieve high recognition by the public and media with broadcast coverage of our major selection competitions and international events.

To achieve its short-term and long-term objectives, the company has adopted the following strategies:

- Leading, unifying and governing Taekwondo for all participants;
- Growing participation in all forms of Taekwondo; and
- Engaging, valuing and developing our people and culture.

Principal activities

To carry out the company's strategies and to achieve its short-term and long-term objectives, during the year, the company engaged in its principal activity of conduct, encourage, promote, advance, control and manage all levels of Taekwondo in Australia.

Key performance indicators

To help evaluate whether the activities the company established during the year have achieved its short-term and long-term objectives, the company uses key performance indicators to measure, analyse and monitor its performance.

After balance date events

On 9 September 2017, the company has entered into an agreement with Australian Sports Commission for an amount of \$ 551,000 operating grant.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

TKD SPORTS TAEKWONDO AUSTRALIA LTD
ABN 69167216033

DIRECTORS' REPORT

Information on directors

S J Lee

Director

Experience

Over ten years experience in ACT Government Sport & Recreation. Operating own company covering Civil Construction. Accredited Migration Agent for over ten years.

Special responsibilities

-

D Trenton

Director

Experience

Lawyer, former Olympic athlete and coach.

Special responsibilities

President - Resigned on 22 October 2016

H Iskandar

Director

Experience

Diploma in Management and Marketing, over fifteen years experience in sports administration.

Special responsibilities

President - Appointed on 22 October 2016

Secretary General - Resigned on 22 October 2016

J W Walker

Director

Experience

Investment Banker, seventeen years experience in banking. Former Chief Executive Officer of a Government department.

Special responsibilities

Chairman

R C Di Renzo

Director

Experience

Lawyer, over ten years experience in legal practice.

Special responsibilities

Chair of Audit and Risk Committee

Secretary General - Appointed on 22 October 2016

L C McCoach

Director

Experience

Lawyer, Over ten years experience in debt capital markets and holds various non-executive director positions.

Special responsibilities

-

A Austin

Director

Experience

Managing Director, over twenty five years experience in change management consulting, specialising in talent management, executive recruitment and executive coaching.

Special responsibilities

Nominations Committee Chair

TKD SPORTS TAEKWONDO AUSTRALIA LTD
ABN 69167216033

DIRECTORS' REPORT

Information on directors (Continued)

S Lew	Director
Experience	Nine years experience at a major Australian Health fund as a strategic advisor and centre manager driving successful business improvement outcomes. Passionate and experienced Taekwondo Instructor and photographer.
Special responsibilities	-
B J Elmowy	Director
Experience	Many years in Taekwondo instruction and community engagement. Self employed business owner.
Special responsibilities	-

Meetings of directors

Directors	Directors' meetings	
	Number eligible to attend	Number attended
S J Lee	3	-
D Trenton	3	-
H Iskandar	8	8
J W Walker	8	5
R C Di Renzo	8	8
L C McCoach	8	7
A Austin	8	8
S Lew	5	5
B J Elmowy	5	4

Members guarantee

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the Constitution states that each voting member is required to contribute to a maximum of \$1 each towards meeting any outstanding's and obligations of the company. At 30 June 2017 the number of members was 8. The combined total amount that members of the company are liable to contribute if the company is wound up is \$8.

Auditor's independence declaration

A copy of the auditor's independence declaration under section 307C of the *Corporations Act 2001* in relation to the audit for the financial year is provided with this report.

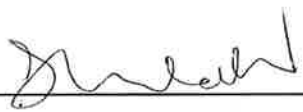
TKD SPORTS TAEKWONDO AUSTRALIA LTD
ABN 69167216033

DIRECTORS' REPORT

Company secretary

During the financial period, the following person held the position of the company secretary:
J Chisholm

Signed on behalf of the board of directors.

Director: 
John Walker

Director: 
RAFFAELE DI RONZO

Dated this 28TH day of SEPTEMBER 2017



PITCHER PARTNERS

ACCOUNTANTS AUDITORS & ADVISORS

Level 1, 100 Hutt Street
Adelaide SA 5000
Australia

Tel: 08 8179 2800
Fax: 08 8179 2885
www.pitcher.com.au
enquiries@pitcher-sa.com.au

Postal Address:
PO Box 7006, Hutt Street
Adelaide SA 5001
Australia

Pitcher Partners is an association of Independent firms
Adelaide | Brisbane | Melbourne | Newcastle | Perth | Sydney

TKD SPORTS TAEKWONDO AUSTRALIA LTD

ABN 69167216033

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF TKD SPORTS TAEKWONDO AUSTRALIA LTD**

In relation to the independent audit for the year ended 30 June 2017, to the best of my knowledge and belief there have been:

- (i) No contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) No contraventions of any applicable code of professional conduct.

A P Faulkner

Principal

PITCHER PARTNERS

Adelaide

Date: 3 October 2017

TKD SPORTS TAEKWONDO AUSTRALIA LTD
ABN 69167216033

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
Revenue and other income			
Revenue	2	1,164,125	654,670
Other revenue	2	53,194	88,204
Other income	2	<u>161,717</u>	<u>159,900</u>
	2	<u>1,379,036</u>	<u>902,774</u>
Less: expenses			
Olympic expenses		(3,900)	(916)
Depreciation and amortisation expenses	3	(11,267)	(3,879)
Employee benefits expenses		(287,328)	(248,417)
Occupancy expenses		-	(4,000)
World Taekwondo Federation expenses		(28,465)	(41,002)
Insurance expenses		(95,138)	(71,634)
Finance costs		(394)	(2,932)
Marketing and promotion expenses		(13,284)	(28,190)
Other expenses - high performance		(9,604)	(30,059)
Domestic competition expenses		(128,255)	(51,354)
International competition expenses		(399,921)	(165,334)
Merchandise expenses		(8,170)	(12,695)
Referees fees expenses		(29,647)	(5,790)
Administration expenses		(160,179)	(233,588)
Kukkiwon expenses		(83,957)	(56,627)
Event expenses		(51,245)	(79,886)
Other expenses		<u>(6,764)</u>	<u>(28,748)</u>
		<u>(1,317,518)</u>	<u>(1,065,051)</u>
Profit / (loss) before income tax expense		61,518	(162,277)
Other comprehensive income for the year		-	-
Total comprehensive income / (loss)		<u>61,518</u>	<u>(162,277)</u>

The accompanying notes form part of these financial statements.

TKD SPORTS TAEKWONDO AUSTRALIA LTD
ABN 69167216033

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

	Note	2017 \$	2016 \$
Current assets			
Cash and cash equivalents	4	155,203	261,444
Receivables	5	20,146	35,484
Other assets	6	<u>20,574</u>	<u>-</u>
Total current assets		<u>195,923</u>	<u>296,928</u>
Non-current assets			
Intangible assets	7	7,175	16,625
Property, plant and equipment	8	<u>8,335</u>	<u>6,406</u>
Total non-current assets		<u>15,510</u>	<u>23,031</u>
Total assets		<u>211,433</u>	<u>319,959</u>
Current liabilities			
Payables	9	40,350	57,422
Other liabilities	10	<u>237,499</u>	<u>390,471</u>
Total current liabilities		<u>277,849</u>	<u>447,893</u>
Total liabilities		<u>277,849</u>	<u>447,893</u>
Net assets		<u>(66,416)</u>	<u>(127,934)</u>
Equity			
Retained earnings	11	<u>(66,416)</u>	<u>(127,934)</u>
Total equity		<u>(66,416)</u>	<u>(127,934)</u>

The accompanying notes form part of these financial statements.

TKD SPORTS TAEKWONDO AUSTRALIA LTD
ABN 69167216033

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017

	Retained earnings \$	Total equity \$
Balance as at 1 July 2015	34,343	34,343
Loss for the year	<u>(162,277)</u>	<u>(162,277)</u>
Total comprehensive income for the year	<u>(162,277)</u>	<u>(162,277)</u>
Balance as at 30 June 2016	<u>(127,934)</u>	<u>(127,934)</u>
Balance as at 1 July 2016	(127,934)	(127,934)
Profit for the year	<u>61,518</u>	<u>61,518</u>
Total comprehensive income for the year	<u>61,518</u>	<u>61,518</u>
Balance as at 30 June 2017	<u>(66,416)</u>	<u>(66,416)</u>

The accompanying notes form part of these financial statements.

TKD SPORTS TAEKWONDO AUSTRALIA LTD
ABN 69167216033

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
Cash flow from operating activities			
Receipts from operations		1,391,154	1,177,795
Payments to suppliers and employees		(1,415,010)	(1,111,726)
Finance costs		(394)	(2,932)
Net GST paid		<u>(78,245)</u>	<u>(91,283)</u>
Net cash provided by / (used in) operating activities		<u>(102,495)</u>	<u>(28,146)</u>
Cash flow from investing activities			
Payment for property, plant and equipment		(2,346)	(6,510)
Payment for other non current assets		<u>(1,400)</u>	<u>(20,400)</u>
Net cash provided by / (used in) investing activities		<u>(3,746)</u>	<u>(26,910)</u>
Reconciliation of cash			
Cash at beginning of the financial year		261,444	316,500
Net increase / (decrease) in cash held		<u>(106,241)</u>	<u>(55,056)</u>
Cash at end of financial year	12(a)	<u><u>155,203</u></u>	<u><u>261,444</u></u>

The accompanying notes form part of these financial statements.

TKD SPORTS TAEKWONDO AUSTRALIA LTD
ABN 69167216033

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standards - Reduced Disclosure Requirements, Interpretations and other applicable authoritative pronouncements of the Australian Accounting Standards Board.

The financial report covers TKD Sports Taekwondo Australia Ltd as an individual entity. TKD Sports Taekwondo Australia Ltd is a company limited by guarantee, incorporated and domiciled in Australia. TKD Sports Taekwondo Australia Ltd is a not-for-profit entity for the purpose of preparing the financial statements.

The financial report was approved by the directors as at the date of the directors' report.

The following are the significant accounting policies adopted by the company in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Basis of preparation of the financial report

Historical Cost Convention

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets and liabilities as described in the accounting policies.

(b) Going concern

The company earned a profit from ordinary activities of \$61,518 (2016 : loss of \$162,277) during the year ended 30 June 2017, and as at that date the company's total liabilities exceeded total assets by \$66,416 (2016 : \$127,934).

As disclosed in note 13 of this financial report, the company has secured an operating grant of \$551,000.

The financial report has been prepared on a going concern basis as the Directors believe that the company can maintain positive cash balances throughout the next financial year and generate profits to move the entity into a positive net asset position in the future. Further, the Directors have identified the expenses or activities that can be controlled or curtailed if there is a requirement.

(c) Revenue

Membership fees are recognised as revenue when no significant uncertainty as to its collectible exists, if the fee relates only to membership and all other services or products are paid for separately, or if there is a separate annual subscription. Membership fees are recognised on a basis that reflects the timing, nature and value of the benefit provided if the fee entitles the member to services or publications to be provided during the membership period, or to purchase goods or services at prices lower than those charged to non-members.

TKD SPORTS TAEKWONDO AUSTRALIA LTD
ABN 69167216033

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue from organising and hosting events is recognised in the period in which the events are held.

All revenue is measured net of the amount of goods and services tax (GST).

(d) Income tax

No provision for income tax has been raised as the company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(e) Property, plant and equipment

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

Plant and equipment

Plant and equipment is measured on the cost basis.

Depreciation

The depreciable amount of all property, plant and equipment is depreciated over their estimated useful lives commencing from the time the asset is held available for use, consistent with the estimated consumption of the economic benefits embodied in the asset.

Class of fixed asset	Depreciation rates	Depreciation basis
Computer equipment at cost	40%	Straight line

(f) Intangibles

Intangible assets

Except for indefinite useful life intangible assets, which are not amortised but are tested annually for impairment, intangible assets are amortised over their estimated useful lives commencing from the time the asset is available for use. The amortisation method applied to an intangible asset is consistent with the estimated consumption of economic benefits of the asset.

Other intangibles

Other intangible assets are initially recorded at cost. Other intangible assets are amortised on a straight line basis over the period of 3 years. The balances are reviewed annually and amounts are written off to the extent the realisable future benefits are considered to be no longer probable.

TKD SPORTS TAEKWONDO AUSTRALIA LTD
ABN 69167216033

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Goods and services tax (GST)

Revenues, expenses and purchased assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(h) Comparatives

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

	2017 \$	2016 \$
NOTE 2: REVENUE AND OTHER INCOME		
Revenue		
Revenue - competitions	711,038	210,742
Membership fees	<u>453,087</u>	<u>443,928</u>
	<u>1,164,125</u>	<u>654,670</u>
Other revenue		
Donations	21,055	30,002
Other revenue - contributions, sponsorships & etc.	<u>32,139</u>	<u>58,202</u>
	<u>53,194</u>	<u>88,204</u>
Other Income		
Grant income	<u>161,717</u>	<u>159,900</u>
	<u>161,717</u>	<u>159,900</u>
	<u>1,379,036</u>	<u>902,774</u>

TKD SPORTS TAEKWONDO AUSTRALIA LTD
ABN 69167216033

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
NOTE 3: OPERATING PROFIT		
Profit / (losses) before income tax has been determined after:		
Depreciation and amortisation expense		
- depreciation	417	104
- amortisation	<u>10,850</u>	<u>3,775</u>
	<u>11,267</u>	<u>3,879</u>
Foreign currency translation losses / (gains)	-	351
NOTE 4: CASH AND CASH EQUIVALENTS		
Cash at bank	<u>155,203</u>	<u>261,444</u>
	<u>155,203</u>	<u>261,444</u>
NOTE 5: RECEIVABLES		
CURRENT		
Trade debtors	<u>20,146</u>	<u>35,484</u>
NOTE 6: OTHER ASSETS		
CURRENT		
Prepayments	16,018	-
Other current assets	<u>4,556</u>	<u>-</u>
	<u>20,574</u>	<u>-</u>
NOTE 7: INTANGIBLE ASSETS		
Website development	21,800	20,400
Accumulated amortisation	<u>(14,625)</u>	<u>(3,775)</u>
	<u>7,175</u>	<u>16,625</u>

At 30 June 2017, the remaining number of years for website development amortisation is 1 year.

TKD SPORTS TAEKWONDO AUSTRALIA LTD
ABN 69167216033

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$

NOTE 7: INTANGIBLE ASSETS (CONTINUED)

(a) Reconciliations

Reconciliation of the carrying amounts of intangible assets at the beginning and end of the current financial year

Website development at cost

Opening balance	16,625	-
Additions	1,400	20,400
Amortisation expense	<u>(10,850)</u>	<u>(3,775)</u>
Closing balance	<u>7,175</u>	<u>16,625</u>

Amortisation expense in relation to intangible assets has been recognised in depreciation and amortisation expenses within profit or loss.

NOTE 8: PROPERTY, PLANT AND EQUIPMENT

Plant and equipment

Computer equipment at cost	8,856	6,510
Accumulated depreciation	<u>(521)</u>	<u>(104)</u>
	<u>8,335</u>	<u>6,406</u>
Total property, plant and equipment	<u>8,335</u>	<u>6,406</u>

(a) Reconciliations

Reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year

Computer equipment

Opening carrying amount	6,406	4,091
Additions	2,346	6,510
Depreciation expense	(417)	(104)
Write-off of assets	<u>-</u>	<u>(4,091)</u>
Closing carrying amount	<u>8,335</u>	<u>6,406</u>

TKD SPORTS TAEKWONDO AUSTRALIA LTD
ABN 69167216033

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
NOTE 9: PAYABLES		
CURRENT		
<i>Unsecured liabilities</i>		
Trade creditors	35,256	41,431
GST payable	<u>5,094</u>	<u>15,991</u>
	<u><u>40,350</u></u>	<u><u>57,422</u></u>

NOTE 10: OTHER LIABILITIES

CURRENT		
Deferred income - membership fees	224,999	224,471
Grants received in advance	<u>12,500</u>	<u>166,000</u>
	<u><u>237,499</u></u>	<u><u>390,471</u></u>

NOTE 11: RETAINED EARNINGS

Retained earnings at beginning of year	(127,934)	34,343
Net profit / (loss)	<u>61,518</u>	<u>(162,277)</u>
	<u><u>(66,416)</u></u>	<u><u>(127,934)</u></u>

NOTE 12: CASH FLOW INFORMATION

(a) Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position is as follows:

Cash at bank	<u>155,203</u>	<u>261,444</u>
	<u><u>155,203</u></u>	<u><u>261,444</u></u>

NOTE 13: EVENTS SUBSEQUENT TO REPORTING DATE

On 9 September 2017, the company has entered into an agreement with Australian Sports Commission for an amount of \$ 551,000 operating grant.

There has been no other matter or circumstance, which has arisen since 30 June 2017 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 30 June 2017, of the company, or
- (b) the results of those operations, or

TKD SPORTS TAEKWONDO AUSTRALIA LTD
ABN 69167216033

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTE 13: EVENTS SUBSEQUENT TO REPORTING DATE (CONTINUED)

(c) the state of affairs, in financial years subsequent to 30 June 2017, of the company.

NOTE 14: MEMBERS' GUARANTEE

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the Constitution states that each voting member is required to contribute to a maximum of \$1 each towards meeting any outstandings and obligations of the company. At 30 June 2017 the number of members was 8. The combined total amount that members of the company are liable to contribute if the company is wound up is \$8.

TKD SPORTS TAEKWONDO AUSTRALIA LTD
ABN 69167216033


DIRECTORS' DECLARATION

The directors of the company declare that:

1. In the directors opinion, the financial statements and notes thereto, as set out on pages 7 - 17, are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*; and
 - (b) giving a true and fair view of the financial position as at 30 June 2017 and performance for the year ended on that date of the company.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

Director:  John Walker

Director:  RAFFAELE DI RENZO

Dated this 28TH day of SEPTEMBER 2017



PITCHER PARTNERS
ACCOUNTANTS AUDITORS & ADVISORS

Level 1, 100 Hutt Street
Adelaide SA 5000
Australia

Postal Address:
PO Box 7006, Hutt Street
Adelaide SA 5001
Australia

Tel: 08 8179 2800
Fax: 08 8179 2885
www.pitcher.com.au
enquiries@pitcher-sa.com.au

Pitcher Partners is an association of Independent firms
Adelaide | Brisbane | Melbourne | Newcastle | Perth | Sydney

TKD SPORTS TAEKWONDO AUSTRALIA LTD
ABN 69167216033

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
TKD SPORTS TAEKWONDO AUSTRALIA LTD

Opinion

We have audited the financial report of TKD Sports Taekwondo Australia Ltd, "the Company", which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of TKD Sports Taekwondo Australia Ltd, is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2017 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

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 Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants "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.

**TKD SPORTS TAEKWONDO AUSTRALIA LTD
ABN 69167216033**

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
TKD SPORTS TAEKWONDO AUSTRALIA LTD**

Other information

The directors are responsible for the other information. The other information comprises the Directors Report which was obtained as at the date of our audit report, and any additional other information included in the Company's annual report for the year ended 30 June 2017, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other information not yet received as identified above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and use our professional judgment to determine the appropriate action to take.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have 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.

TKD SPORTS TAEKWONDO AUSTRALIA LTD
ABN 69167216033

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
TKD SPORTS TAEKWONDO AUSTRALIA LTD

As part of an audit in accordance with the 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 Company'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 Company'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 Company 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 directors 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.

We communicate with the directors 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.



.....
A P FAULKNER
PRINCIPAL

Date: 3 October 2017



.....
PITCHER PARTNERS
Adelaide