

**Western Province Hockey Union
Financial statements
for the year ended 30 April 2010**

Western Province Hockey Union

Financial Statements for the year ended 30 April 2010

General Information

Country of domicile	South Africa
Nature of business and principal activities	Organising hockey in the Western Cape.
Registered office	Hartleyvale Liesbeek Parkway Observatory Cape Town 7925
Business address	Hartleyvale Liesbeek Parkway Observatory Cape Town 7925
Postal address	Western Province Hockey Union PO Box 13 Observatory 7935
Bankers	First National Bank
Auditors	BDO Inc Registered Auditors

Western Province Hockey Union

Financial Statements for the year ended 30 April 2010

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The reports and statements set out below comprise the financial statements presented to the committee:

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Report of the Independent Auditors

To the shareholders of Western Province Hockey Union

We have audited the accompanying financial statements of Western Province Hockey Union, which comprise the director's report, the statement of financial position as at 30 April 2010, the statement of comprehensive income, the statement of changes in equity and statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes, as set out on pages 6 to 23.

Union Committee's Responsibility for the Financial Statements

The Union Committee is responsible for the preparation and fair presentation of these financial statements in accordance with South African Statements of Generally Accepted Accounting Practice. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Qualified Opinion

In common with similar organisations, it is not feasible for the Union to institute accounting controls over cash receipts from hockey events prior to the initial entry of the collections in the accounting records. Accordingly, it was impracticable for us to extend our examination beyond the receipts actually recorded.

Opinion

In our opinion, except for the matters referred to in the preceding paragraph, the financial statements present fairly the financial position of the Union as at 30 April 2010, and of its financial performance and its cash flows for the year then ended in accordance with South African Statements of Generally Accepted Accounting Practice.

Report of the Independent Auditors

Supplementary Information

The supplementary information set out on pages 26 to 27 does not form part of the financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.

**BDO Inc
Registered Auditors**

**27 July 2010
Cape Town**

Western Province Hockey Union

Financial Statements for the year ended 30 April 2010

Committee's Responsibilities and Approval

The Committee is required to maintain adequate accounting records and is responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the Union as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with South African Statements of Generally Accepted Accounting Practice. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with South African Statements of Generally Accepted Accounting Practice and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The Committee acknowledges that they are ultimately responsible for the system of internal financial control established by the Union and places considerable importance on maintaining a strong control environment. To enable the Committee to meet these responsibilities, the Committee sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Union and all employees are required to maintain the highest ethical standards in ensuring the Union's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Union is on identifying, assessing, managing and monitoring all known forms of risk across the Union. While operating risk cannot be fully eliminated, the Union endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Committee is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The Committee has reviewed the Union's cash flow forecast for the year to 30 April 2011 and, in the light of this review and the current financial position, they are satisfied that the Union has or has access to adequate resources to continue in operational existence for the foreseeable future.

The financial statements set out on pages 6 to 25, which have been prepared on the going concern basis, were approved by the committee on 27 July 2010 and were signed on its behalf by:

President

Honorary Treasurer

Cape Town
27 July 2010

Western Province Hockey Union

Financial Statements for the year ended 30 April 2010

Report of the Union Committee

The committee submits their report for the year ended 30 April 2010.

1. Review of activities

Main business and operations

The Union is engaged in organising hockey in the Western Cape.

The operating results and state of affairs of the Union are fully set out in the attached financial statements and do not in our opinion require any further comment.

Net profit of the Union was R 104,696 (2009: R 207,033 profit), after taxation of R - (2009: R 5,606).

2. Going concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

3. Post balance sheet events

The committee is not aware of any matter or circumstance arising since the end of the financial period ended 30 April 2010.

4. Committee members

The members of the committee during the accounting period and up to the date of this report are as follows:

President	Dennis Perkins
Honorary Treasurer/Vice President	Jane McKenzie
League Secretaries	Peter le Grange David Douglas
Committee Members	Andrea Nicholson Ganief Fataar Ryno Lucas Gadija Ben Gloria Baartman Sharon Siljeur Feico Mulder Noreen Wonnacott Janice Windsor Mark Rushby Jimmy Mills

5. Fixed assets

There have been no major changes in the fixed assets during the period or any changes in the policy relating to their use.

6. Auditors

BDO Inc will continue in office.

Western Province Hockey Union

Financial Statements for the year ended 30 April 2010

Statement of Financial Position

Figures in Rand	Notes	2010	2009
Assets			
Non-Current Assets			
Property, plant and equipment	3	11,404	9,471
Current Assets			
Inventory	4	12,443	15,415
Trade and other receivables	5	463,954	336,609
Cash and cash equivalents	6	302,598	77,737
		<u>778,995</u>	<u>429,761</u>
Total Assets		<u>790,399</u>	<u>439,232</u>
Equity and Liabilities			
Equity			
Retained income		<u>294,042</u>	<u>189,346</u>
Liabilities			
Current Liabilities			
Trade and other payables	7	<u>496,357</u>	<u>249,886</u>
Total Equity and Liabilities		<u>790,399</u>	<u>439,232</u>

Western Province Hockey Union

Financial Statements for the year ended 30 April 2010

Statement of Comprehensive Income

Figures in Rand	Notes	2010	2009
Revenue	8	1,251,743	1,118,405
Cost of sales	9	(47,194)	(42,168)
Gross profit		1,204,549	1,076,237
Other income		141,050	82,952
Operating expenses		(1,234,356)	(964,194)
Operating profit (loss)	10	111,243	194,995
Investment revenue		2,851	13,255
Finance costs	11	(9,398)	(6,823)
Profit (loss) before taxation		104,696	201,427
Taxation	12	-	5,606
(Loss) / Profit for the year		104,696	207,033
Other comprehensive income		-	-
Total comprehensive income (loss)		104,696	207,033

Western Province Hockey Union
Financial Statements for the year ended 30 April 2010

Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
Balance at 01 July 2007	(17,687)	(17,687)
Changes in equity		
Total comprehensive income for the year	207,033	207,033
Total changes	207,033	207,033
Balance at 01 May 2009	189,346	189,346
Changes in equity		
Total comprehensive income for the year	104,696	104,696
Total changes	104,696	104,696
Balance at 30 April 2010	294,042	294,042

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Statement of Cash Flows

Figures in Rand	Notes	2010	2009
Cash flows from operating activities			
Cash generated from operations	13	237,358	(115,474)
Interest income		2,851	13,255
Finance costs		(9,398)	(6,823)
Net cash from operating activities		<u>230,811</u>	<u>(109,042)</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	3	<u>(5,950)</u>	<u>(6,355)</u>
Total cash movement for the period		224,861	(115,397)
Cash at the beginning of the period		<u>77,737</u>	<u>193,134</u>
Total cash at end of the period	6	<u>302,598</u>	<u>77,737</u>

Western Province Hockey Union

Financial Statements for the year ended 30 April 2010

Accounting Policies

1. Presentation of Financial Statements

The financial statements have been prepared in accordance with South African Statements of Generally Accepted Accounting Practice. The financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below.

These accounting policies are consistent with the previous period.

1.1 Significant judgements

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts represented in the financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements.

Trade receivables and loans receivable

The Union assesses its trade receivables for impairment at each balance sheet date. In determining whether an impairment loss should be recorded in the income statement, the Union makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

Allowance for slow moving, damaged and obsolete stock

An allowance for stock to write stock down to the lower of cost or net realisable value. Management have made estimates of the selling price and direct cost to sell on certain inventory items. The write down is included in the operation profit note.

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumptions may change which may then impact our estimations and may then require a material adjustment to the carrying value of tangible assets.

The Union reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time.

Provisions

Provisions are raised when management determine an estimate based on the information available. No provisions were raised at year end (2009: R Nil).

Taxation

The Union has obtained tax exemption from the South African Revenue Service. Consequently the Union does not have a taxation expense for the financial year.

Western Province Hockey Union

Financial Statements for the year ended 30 April 2010

Accounting Policies

1.2 Property, plant and equipment

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits associated with the item will flow to the Union; and
- the cost of the item can be measured reliably.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Average useful life
Furniture and fixtures	6 years
Computer Equipment	3 years
Trophies and medals	6 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.3 Financial instruments

Initial recognition and measurement

Financial instruments are recognised initially when the Union becomes a party to the contractual provisions of the instruments.

The Union classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Loans from Union Members

These financial assets are classified as loans and receivables.

Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Western Province Hockey Union

Financial Statements for the year ended 30 April 2010

Accounting Policies

1.3 Financial instruments (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

1.4 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset. This liability is not discounted.

1.5 Inventory

Inventory is measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventory comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to their present location and condition.

The cost of inventory is assigned using the first-in, first-out (FIFO) formula. The same cost formula is used for all inventories having a similar nature and use to the entity.

When inventories are sold, the carrying amount of those inventories are recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.6 Impairment of assets

The Union assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Union estimates the recoverable amount of the asset.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

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Accounting Policies

1.7 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

1.8 Provisions and contingencies

Provisions are recognised when:

- the union has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

Contingent assets and contingent liabilities are not recognised.

1.9 Revenue

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the Union has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Union retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Union; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Affiliation fees are recognised over the period in which they are earned (the period for which the clubs pay the affiliation fees).

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

Interest is recognised, in profit or loss, using the effective interest rate method.

1.10 Turnover

Turnover comprises of sales to customers and services rendered to customers. Turnover is stated at the invoice amount and is exclusive of value added taxation.

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Accounting Policies

1.11 Cost of sales

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The related cost of providing services recognised as revenue in the current period is included in cost of sales.

Western Province Hockey Union

Financial Statements for the year ended 30 April 2010

Notes to the Financial Statements

Figures in Rand

2010

2009

2. New standards and interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the company has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

IAS 1 (AC 101) (Revised) Presentation of Financial Statements

The main revisions to IAS 1 (AC 101):

- Require the presentation of non-owner changes in equity either in a single statement of comprehensive income or in an income statement and statement of comprehensive income.
- Require the presentation of a statement of financial position at the beginning of the earliest comparative period whenever a retrospective adjustment is made. This requirement includes related notes.
- Require the disclosure of income tax and reclassification adjustments relating to each component of other comprehensive income. The disclosures may be presented on the face of the statement of comprehensive income or in the notes.
- Allow dividend presentations to be made either in the statement of changes in equity or in the notes only.
- Have changed the titles to some of the financial statement components, where the 'balance sheet' becomes the 'statement of financial position' and the 'cash flow statement' becomes the 'statement of cash flows.' These new titles will be used in International Financial Reporting Standards, but are not mandatory for use in financial statements.

The effective date of the standard is for years beginning on or after 01 January 2009.

The company has adopted the standard for the first time in the 2010 financial statements.

2.2 Standards and interpretations not yet effective or relevant

The following standards and interpretations have been published and are mandatory for the company's accounting periods beginning on or after 01 May 2010 or later periods but are not relevant to its operations:

IFRIC 7 (AC 440) Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies

IFRIC 8 (AC 441) Scope of IFRS 2

AC 503 Accounting for Black Economic Empowerment (BEE) Transactions

IFRIC 9 (AC 442) Reassessment of Embedded Derivatives

IFRIC 10 (AC 443) Interim Financial Reporting and Impairment

IFRS 7 (AC144) Financial Instruments: Disclosures

IAS 1 (AC101) Presentation of Financial Statements: Capital Disclosures

IFRIC 11 (AC444) IFRS 2 - Group and Treasury Share Transactions

IFRIC 12 (AC 445) Service Concession Arrangements

IFRIC 14 (AC 447) IAS 19 - The Limitation on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

IFRIC 16 (AC 449) Hedges of a Net Investment in a Foreign Operation

IAS 23 (AC 114) (Revised) Borrowing Costs

IFRIC 15 (AC 448) Agreements for the Construction of Real Estates

IFRS 2 (AC 139) Amendment: IFRS 2 - Share-based Payment: Vesting Conditions and Cancellations

IAS 32 (AC 125) Financial Instruments: Presentation and IAS 1 (AC 101) Presentation of Financial Statements Amendment: Puttable Financial Instruments and obligations Arising on Liquidation

May 2008 Annual Improvements to IFRS's: Amendments to IAS 19 (AC 116) Employee Benefits

May 2008 Annual Improvements to IFRS's: Amendments to IAS 23 (AC 114) Borrowing Costs (as revised in 2007)

May 2008 Annual Improvements to IFRS's: Amendments to IAS 27 (AC 132) Consolidated and Separate Financial

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Notes to the Financial Statements

2. New standards and interpretations (continued)

Statements

May 2008 Annual Improvements to IFRS's: Amendments to IFRS 7 (AC 144) Financial Instruments: Disclosures; IAS 32 (AC 125) Financial Instruments: Presentation; IAS 28 (AC 110) Investments in Associates and IAS 31 (AC 119) Interests in Joint Ventures

May 2008 Annual Improvements to IFRS's: Amendments to IAS 28 (AC 110) Investments in Associates

May 2008 Annual Improvements to IFRS's: Amendments to IAS 29 (AC 124) Financial Reporting in Hyperinflationary Economies

May 2008 Annual Improvements to IFRS's: Amendments to IAS 34 (AC 127) Interim Financial Reporting

May 2008 Annual Improvements to IFRS's: Amendments to IAS 36 (AC 128) Impairment of Assets

May 2008 Annual Improvements to IFRS's: Amendments to IAS 38 (AC 129) Intangible Assets

May 2008 Annual Improvements to IFRS's: Amendments to IAS 40 (AC 135) Investment Property and IAS 16 (AC 123) Property, Plant and Equipment

May 2008 Annual Improvements to IFRS's: Amendments to IAS 41 (AC 137) Agriculture

IFRS 1 First-time Adoption of International Financial Reporting Standards and IAS 27 Consolidated and Separate Financial Statements: Amendment for determining cost of investment in the separate financial statements on first time adoption

IAS 18 (AC 111) Revenue: Consequential amendments

IAS 21 (AC 112) The Effects of Changes in Foreign Exchange Rates: Consequential amendments

IAS 36 (AC 128) Impairment of Assets: Consequential amendments

IFRS 3 (AC 140) (Revised) Business Combinations

IAS 27 (AC132) (Amended) Consolidated and Separate Financial Statements

IAS 7 (AC 118) Statement of Cash flows: Consequential amendments due to IAS 27 (AC 132) (Amended) Consolidated and Separate Financial Statements

IAS 28 (AC 110) Investments in Associates: Consequential amendments due to IAS 27 (AC 132) (Amended) Consolidated and Separate Financial Statements

IAS 31 (AC 119) Interests in Joint Ventures: Consequential amendments due to IAS 27 (AC 132) (Amended) Consolidated and Separate Financial Statements

IAS 12 (AC 102) Income Taxes - consequential amendments due to IAS 27 (AC 132) (Amended) Consolidated and Separate Financial Statements

May 2008 Annual Improvements to IFRS's: Amendments to IFRS 5 (AC 142) Non-current Assets Held for Sale and Discontinued Operations

IAS 39 (AC 133) Financial Instruments: Recognition and Measurement - Amendments for eligible hedged items

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Financial Statements for the year ended 30 April 2010

Notes to the Financial Statements

Figures in Rand	2010	2009
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3. Property, plant and equipment

	2010			2009		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Office equipment	9,518	(7,784)	1,734	9,518	(6,051)	3,467
IT equipment	15,305	(5,636)	9,669	9,355	(3,352)	6,003
Trophies and medals	102,600	(102,599)	1	102,600	(102,599)	1
Total	127,423	(116,019)	11,404	121,473	(112,002)	9,471

Reconciliation of property, plant and equipment - 2010

	Opening Balance	Additions	Depreciation	Closing Balance
Office equipment	3,467	-	(1,733)	1,734
IT equipment	6,003	5,950	(2,284)	9,669
Trophies and medals	1	-	-	1
	9,471	5,950	(4,017)	11,404

Reconciliation of property, plant and equipment - 2009

	Opening Balance	Additions	Depreciation	Closing Balance
Office equipment	5,201	-	(1,734)	3,467
IT equipment	1	6,355	(353)	6,003
Trophies and medals	1	-	-	1
	5,203	6,355	(2,087)	9,471

4. Inventory

Refreshments	12,443	15,415
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No inventory has been impaired during the year under review.

5. Trade and other receivables

Trade receivables	444,319	329,757
VAT	19,635	6,852
	463,954	336,609

Credit quality of trade and other receivables

The credit quality of trade and other receivables that are neither past nor impaired can be assessed by reference to past receipts and the date of those receipts.

Fair value of trade and other receivables

The members are of the opinion that the carrying amount of trade and other receivables approximate their fair value.

Western Province Hockey Union
Financial Statements for the year ended 30 April 2010

Notes to the Financial Statements

Figures in Rand	2010	2009
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5. Trade and other receivables (continued)

Trade and other receivables past due but not impaired

Trade and other receivables which are less than 2 months past due are not considered to be impaired. At 30 April 2010, R 457 455 were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

61 - 90 days past due	74,463	-
91+ days past due	382,992	74,736

Trade and other receivables impaired

As of 30 April 2010, trade and other receivables with a total of R51 079. were impaired and provided for.

The amount of the provision was R51,079 as at 30 April 2010 (2009: R127,924).

The carrying amount of trade and other receivables are denominated in the following currencies:

Rand	463,954	336,609
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Reconciliation of provision for impairment of trade and other receivables

Opening balance	127,924	95,212
Provision for impairment	-	32,712
Unused amounts reversed	(76,845)	-
	51,079	127,924

The creation and release of the provision for impaired receivables has been included in operating expenses in the income statement.

6. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	321	4,895
Bank balances	302,277	72,842
	302,598	77,737

7. Trade and other payables

Trade payables	350,107	203,716
Amounts received in advance	146,250	46,170
	496,357	249,886

The members are of the opinion that the carrying amount of trade and other payables approximate their fair value.

Western Province Hockey Union

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Notes to the Financial Statements

Figures in Rand	2010	2009
8. Revenue		
Administration Income	26,275	-
Affiliation fees	644,799	809,392
Astro turf hire	189,805	187,063
Coaching Income	1,708	-
Indoor fees	67,276	55,174
Miscellaneous other revenue	8,345	1,398
Refreshment sales	35,137	24,266
Summer league fees	90,141	41,112
Tournament income	188,257	-
	<u>1,251,743</u>	<u>1,118,405</u>
9. Cost of sales		
Sale of goods		
Cost of refreshments sold	<u>47,194</u>	<u>42,168</u>
10. Operating profit (loss)		
Operating loss for the year is stated after accounting for the following:		
Operating lease charges		
Premises		
• Contractual amounts	<u>5,500</u>	<u>3,526</u>
Depreciation on property, plant and equipment	4,017	2,086
Employee costs	<u>109,406</u>	<u>98,966</u>
11. Finance costs		
Interest paid	<u>9,398</u>	<u>6,823</u>
12. Taxation		
Major components of the tax expense		
Current		
Local income tax - current period	-	(5,606)
Local income tax - recognised in current tax for prior periods	-	-
	<u>-</u>	<u>(5,606)</u>

No provision has been made for 2010 tax as the union is tax exempt in terms of Section 10(1)(cN) of the income tax act.

Western Province Hockey Union
Financial Statements for the year ended 30 April 2010

Notes to the Financial Statements

Figures in Rand	2010	2009		
13. Cash generated from operations				
Profit before taxation	104,696	201,427		
Adjustments for:				
Depreciation and amortisation	4,017	2,086		
Interest received	(2,851)	(13,255)		
Finance costs	9,398	6,823		
Impairment loss	-	-		
Changes in working capital:				
Inventory	2,972	(3,265)		
Trade and other receivables	(127,345)	(168,960)		
Trade and other payables	246,471	(140,330)		
	237,358	(115,474)		
14. Tax refunded				
Balance at beginning of the year	-	(5,606)		
Current tax for the year recognised in profit or loss	-	5,606		
Balance at end of the year	-	-		
	-	-		
15. Risk management				
Liquidity risk				
The company's risk to liquidity is a result of the funds available to cover future commitments. The company manages liquidity risk through an ongoing review of future commitments and credit facilities.				
The table below analyses the union's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.				
At 30 April 2010	< 30 Days	31 - 90 Days	91 - 365 Days	1 - 5 years
Trade and other payables	350,107	-	-	-
At 30 April 2009	< 30 Days	31 - 90 Days	91 - 365 Days	1 - 5 years
Trade and other payables	203,718	-	-	-

Interest rate risk

As the company has no significant interest-bearing assets, the company's income and operating cash flows are substantially independent of changes in market interest rates.

Western Province Hockey Union

Financial Statements for the year ended 30 April 2010

Notes to the Financial Statements

Figures in Rand	2010	2009
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15. Risk management (continued)

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The company only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument	2010	2009
Trade and other receivables	444,316	329,757
Cash and cash equivalents	302,598	77,737

16. Financial assets by category

The accounting policies for financial instruments have been applied to the line items below:

2010

	Loans and receivables	Fair value through profit or loss - held for trading	Fair value through profit or loss - designated	Held to maturity investments	Available for sale	Total
Trade and other receivables	444,316	-	-	-	-	444,316
Cash and cash equivalents	-	-	-	-	302,598	302,598
	444,316	-	-	-	302,598	746,914

2009

	Loans and receivables	Fair value through profit or loss - held for trading	Fair value through profit or loss - designated	Held to maturity investments	Available for sale	Total
Trade and other receivables	329,757	-	-	-	-	329,757
Cash and cash equivalents	-	-	-	-	77,737	77,737
	329,757	-	-	-	77,737	407,494

Western Province Hockey Union

Financial Statements for the year ended 30 April 2010

Notes to the Financial Statements

Figures in Rand	2010	2009
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17. Financial liabilities by category

The accounting policies for financial instruments have been applied to the line items below:

2010

	Financial liabilities at amortised cost	Fair value through profit or loss - held for trading	Fair value through profit or loss - designated	Total
Trade and other payables	496,357	-	-	496,357

2009

	Financial liabilities at amortised cost	Fair value through profit or loss - held for trading	Fair value through profit or loss - designated	Total
Trade and other payables	249,886	-	-	249,886

18. Related parties

Relationships

President
Honorary Treasurer/Vice President
League Secretaries

Committee Members

Dennis Perkins
Jane McKenzie
Peter le Grange
David Douglas
Andrea Nicholson
Ganief Fataar
Ryno Lucas
Gadija Ben
Gloria Baartman
Sharon Siljeur
Feico Mulder
Noreen Wonnacott
Janice Windsor
Mark Rushby
Jimmy Mills

Related party transactions

Interest paid to (received from) related parties

D. Perkins	143	-
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Western Province Hockey Union
Financial Statements for the year ended 30 April 2010

Detailed Income Statement

Figures in Rand	2010	2009
Revenue		
Administration income	26,275	-
Affiliation Fees	644,799	809,392
Astro Hire	189,805	187,063
Coaching income	1,708	-
Indoor Fees	67,276	55,174
Refreshments - Sales	35,137	24,266
Summer League Fees	90,141	41,112
Sundry Income	8,345	1,398
Tournament income	188,257	-
	1,251,743	1,118,405
Cost of sales		
Opening stock	(15,415)	(12,150)
Refreshments - Purchases	(44,222)	(45,433)
Closing stock	12,443	15,415
	(47,194)	(42,168)
Gross profit	1,204,549	1,076,237
Other income		
Advertising	93,800	7,672
Development	40,000	-
Fines	8,600	13,740
Grants and donations	(1,350)	61,540
Interest received	2,851	13,255
	143,901	96,207
Expenses (Refer to page 25)	(1,234,356)	(964,194)
Operating profit (loss)	114,094	208,250
Finance costs	(9,398)	(6,823)
Profit (loss) before taxation	104,696	201,427
Taxation	-	(5,606)
Profit (loss) for the year	104,696	207,033

Western Province Hockey Union
Financial Statements for the year ended 30 April 2010

Detailed Income Statement

Figures in Rand	Note(s)	2010	2009
Operating expenses			
Accounting fees		(98,342)	(69,410)
Administration and management fees		(53,558)	(40,839)
Advertising and promotions		-	(2,957)
Affiliation - South African Hockey Association		(246,313)	(225,104)
Astro hire - expense		(35,666)	(31,595)
Cleaning		-	(111)
Coaching		(11,441)	13,420
Computer expenses		(1,608)	(500)
Courier and postage		(499)	(237)
Depreciation, amortisation and impairments		(4,017)	(2,086)
Employee costs		(109,406)	(98,966)
Entertainment		(1,430)	-
Facilities		-	509
General expenses		-	-
Indoor expenses		(149,376)	(84,737)
Insurance		(2,083)	(10,089)
Internet and e-mail		(10,327)	(9,689)
Motor vehicle expenses		(499)	(266)
Office supplies		(21,555)	(4,821)
Rental expense		(5,500)	(3,526)
Repairs and maintenance		(410)	(4,974)
Rules and technical		-	-
Security		(5,020)	(4,638)
Subscriptions		119	(7,019)
Telephone and postage		(13,917)	(14,312)
Tours and tournaments		(518,623)	(229,842)
Travel and meeting expenses		(21,730)	2,661
Movement in provision for doubtful debts.		76,845	(135,066)
		<u>(1,234,356)</u>	<u>(964,194)</u>