

BHMG INC

BRISBANE HOCKEY MANAGEMENT GROUP INC



2010 Annual Report



Queensland Government



Dedicated to a better Brisbane

Brisbane Hockey Management Group Inc.

Second Annual Report

President: Greg Swann

Secretary: Kathleen Proctor

Treasurer: Paul Saunders

Committee Members: Ian Harcla, Ann King, Karin Walduck

Brisbane City Council Representative: Melanie Rodrigues

Brisbane City Council Marchant Ward: Cr Fiona King

Full Time Facility Supervisor: Campbell Saunders

Casual Facility Supervisors: Kim Abbott, Tyler Hall

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PRESIDENT'S REPORT

The past year has been the first full year of operation of the centre by Brisbane Hockey Management Group Inc (BHMG) and has seen further consolidation of our financial position and plans to upgrade the artificial playing surface.

The priorities for BHMG in 2010 have been to run the centre on a commercial basis to test its financial viability before committing to replacement of the artificial playing surface while ensuring that the centre can continue to be well maintained. In this regard it is pleasing to report that the operation of Burringbar on a commercial basis and the achievement of an operating profit have given BHMG the surety that funds are adequate to progress with the replacement of the artificial surface for the 2011 season. Improvement in the maintenance and operation of the centre were also achieved. Improvements included the installation of a larger barrier net behind the goal circle at the car park end of the field and the purchase of a new mower for the grass fields. In addition there were a range of maintenance issues with the watering system and lights completed.

At the time of writing our grant application is under consideration in the second round of the Queensland Government Minor Facility Grant Scheme. However, the significant achievement for BHMG is that the upgrading of the artificial playing surface can proceed if the grant application is not successful. In this regard, planning is well progressed for the artificial surface upgrading to be completed before the commencement of the 2011 season.

The formation of Brisbane Hockey Management Group Inc has met Brisbane City Council requirements for an association to be responsible for the on-going management of Burringbar Park as a sporting venue and an organisation representative of hockey interests to manage and improve Burringbar. The initial licence for Burringbar has been extended for a further 12 month period while a five year lease is developed by the Brisbane City Council. It is pleasing to note that, after extended administrative delays, Brisbane City Council has advised that the lease will be finalised by the end of 2010.

The initial strategic priority for BHMG has been to ensure long term viability as a hockey centre for Brisbane hockey by upgrading the artificial playing surface through a sustainable commercial operation. Once this critical outcome is delivered, strategic planning for further improvements to the centre can then become a priority. Critical issues in determining future goals are the results of our current grant application and the resultant financial position which will determine the funds available over the next 7 to 8 years for the next artificial playing surface replacement and future development and improvements.

Going forward into 2011 BHMG will have to meet its major challenge to replace the artificial surface to enable it to provide a high standard hockey playing surface for Brisbane hockey. The maximisation of income through turf and grass field hire in conjunction with control of operating costs will continue to be an important factor in

ensuring the on-going improvement and operation of Burringbar, irrespective of the outcome of the grant application.

The achievements this year would not have been possible without the continuing commitment and work of our Secretary, Kathleen Proctor and Treasurer, Paul Saunders. Both have key roles within their associations and have also worked hard to establish and improve the BHMG operation of Burringbar Park. In particular, thanks to Paul for his extensive work, including the valuable time away from his business to manage the turf replacement as well as manage much of the maintenance and staffing arrangements and to Kathleen for the organisation of BHMG business. Thank you also to all members of BHMG for their contributions in many ways and willingness to undertake the many tasks involved.

In closing I would also like to acknowledge the support and involvement of Ms Fiona King, Councillor for Marchant Ward for Brisbane City Council and Council representative on BHMG. Fiona's involvement and her support for the erection of the new barrier net at the car park end of the field by way of a grant from the Brisbane City Council's local community initiatives fund is acknowledged and appreciated.

Greg Swann

SECRETARY'S REPORT

Once again the year has flown by. In our first full year of operation, we have been able to see first hand the potential the Burringbar Park facility has to offer and the work that will be needed to get it back up to scratch.

At the beginning of the 2010 season a small working bee was held. Thank you to Paul, Ian, Melissa, Karin, Jenny, Margie, Kev and Kath for cleaning, weeding and repairing on Good Friday. We hope to have a bigger working bee next year and encourage members of our hockey community to assist with this.

Burringbar Park is being run and managed by hockey for hockey, all money raised will be used to develop better facilities for our Brisbane Hockey Community.

We have identified and produced a Facility Development Plan. I am pleased to report that we have achieved a number of the items listed for 2010, with the only exceptions being the upgrading of the turf and associated facilities. We have submitted grant applications for these to the BCC and the State Government and hope to have a response in the near future.

Excerpt from Facility Development Plan:

2010	<u>Facilities</u>	<u>Action</u>	<u>Completion</u>
	<ul style="list-style-type: none">• Upgrade Synthetic Surface	<ul style="list-style-type: none">• Upgrade current surface with water efficient, modern carpet	Funding application
	<ul style="list-style-type: none">• Upgrade Technical Bench to meet match requirements	<ul style="list-style-type: none">• Provide suitable area for Technical Officials for management of matches	Funding application

<ul style="list-style-type: none"> • Install Scoreboard 	<ul style="list-style-type: none"> • Provide scoreboard with clock and siren to assist with running of matches and reduce impacts on neighbours. 	Funding application
<ul style="list-style-type: none"> • Purchase new mower 	<ul style="list-style-type: none"> • Replace old mower to care for the grass fields 	Jan 2010
<ul style="list-style-type: none"> • Extend Barrier Fence 	<ul style="list-style-type: none"> • Provide extended fence to stop balls entering the carpark area. 	September 2010
<u>Administration</u>		
<ul style="list-style-type: none"> • Finalise multi year lease 	<ul style="list-style-type: none"> • Apply to BCC to replace Licence with a lease 	November 2010

A vote of thanks to Ian Harcla for his work in organising the grant for the mower which has been well used throughout the year and for his sheer determination and patience to finally have the fence extended at the carpark end of the turf field.

Special mention and congratulations to Paul Saunders for his dedication to the running of the facility. Paul spends countless volunteer hours at Burringbar Park and working behind the scenes to ensure the best possible outcomes for the facility.

In 2010 we continued to have staff at the facility when most bookings were held, thank you to Campbell and the other casual supervisors. As the facility is being managed more effectively, the number of bookings have grown significantly and we will be looking to better manage our staff requirements in the future. Thanks Campbell for your patience while we learn how best to run the facility.

Thank you to BHA and BWHA our biggest users and supporters. BHA provides assistance through the financial management of the facility, thank you Susan for your work in this area. BWHA supports with the bookings and communications, thank you Kathryn for organising and coordinating this. Kedron Wavell Service Hockey Club continues to provide the Canteen and Bar facilities during the season, paying BHMG a percentage rental fee plus electricity costs.

At the time of writing this report, the long awaited 5 year lease has arrived. Thank you to Melanie Rodrigues (BCC) for all your help and assistance. Thank you also to Fiona King our local member.

Thank you to Greg Swann, Karin Walduck and Ann King for your work on the committee.

Kathy Proctor

TREASURER REPORT

FINANCE:

The 2010 Financial Statements of the Brisbane Hockey Management Group Inc., for the period beginning 1st October 2009, ending 30 September 2010, have been audited and appear in this Annual Report.

Brisbane Hockey Management Group have now completed the first complete financial year of trading, after an initial five months prior to the first BHMG Annual Report.

The utilisation of the turf facility along with the grass fields has been at extremely high levels and we are unable to accommodate any additional training sessions throughout the months March through to September.

Against the background of the first full year Budget forecast, the outcome is healthy, although it is reasonable to expect that funds will be required for the replacement of the artificial surface of the next seven years, dependent on the outcome of the grant application.

The major focus for BHMG, in the immediate future, is the upgrading of the artificial surface, inherited from the former organisation, which was unable to identify where a sinking fund may have been located.

My sincere thanks to Susan Johnston for her control of the accounts. To Kathryn Duggan thank you, for her ongoing management of the bookings. Finally - Kathy Proctor for her overall help, professional control and humanity.

FACILITIES, EQUIPMENT, STAFF:

A new Ferris "zero turn" tractor was purchased, with the aid of a grant from the Department of Sport & Recreation and new barrier fencing erected at the car park end of the turf field.

Plans to install water cannons, an electronic scoreboard, relocation of the technical bench and rebuilding of team benches are predicated on achieving a grant to partially fund these works.

BHMG is committed to upgrading the water based surface, with the best artificial carpet currently available.

The facility, although obviously aging, has continued to be maintained, cleaned and supervised. During the season around 75 hours per week of onsite maintenance and supervision and out of season, five days/nights per week with softball, two touch organisations, hockey training continuing and three nights of summer hockey.

Goal net back boards were replaced at Easter and already they need to be replaced before the new season.

Electricity has been capped with a three year contract and hopefully water costs will be reduced with the laying of a new surface.

Campbell Saunders replaced Sheldon Walz, in a full time position, Kim Abbott continued in her Wednesday night role and Peter Collins was replaced by Tyler Hall. Thank you for their sustained efforts in maintaining the facility.

I would like to record my thanks to all my fellow BHMG board members, who have continued their energy and input to improve the facility at Burringbar Park.

Paul Saunders

CANTEEN

Under the Group's licence with BCC, BHMG may contract out the operations of the canteen. The Board has elected to continue the canteen operations through Kedron Wavell Services Hockey Club (KWSHC) under a profit sharing arrangement. BHMG and KWSHC negotiated an increased profit share of 12% on the profits of the canteen for 2010. Profits are determined after taking into account the costs of canteen supplies, canteen buyer's costs and any other direct costs but not including the costs of any persons who operate the canteen when it is opened.

The canteen contributed \$1,498 (\$1,829) to BHMG plus \$5,000 (\$3,160) towards electricity costs. The profit share was down on the previous year due to a spike in canteen costs caused in part by spoilage of fresh food due to breakdowns of the freezer, ice costs during the period required to replace the freezer, and, higher food and drink costs not matched by price increases. KWSHC purchased a new drinks fridge and freezer during the year to replace the existing failed appliances. BHMG did not contribute toward the new capital items.

KWSHC have committed to a more detailed accounting for revenues and expenses for the canteen for future years to improve accountability.

Revenue and expenses for the canteen for the period 1 October 2009 to 30 September 2010 were:

Gross Revenue			55,266.03
Expenses:	Canteen supplies	32,269.94	
	Liquor Licence Fees	511.71	
	Canteen Buyer	5,000.00	
	Electricity	5,000.00	42,781.65
Net Takings			\$12,484.38
12% Profit Share			\$1,498.13

Ian Harcla

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
BRISBANE HOCKEY MANAGEMENT GROUP INC.**

I have audited the Statements of Income and Expenditure and Balance Sheet, being special purpose financial reports, of Brisbane Hockey Management Group Inc. for the year ended 30 September 2010.

The Committee is responsible for the preparation and presentation of these financial reports and the information they contain, and has determined that the basis of accounting used in their preparation is appropriate to meet the needs of the members. I have conducted an independent audit of the financial report in order to express an opinion to the members of the Committee on its preparation and presentation. No opinion is expressed as to whether the basis of accounting used is appropriate to the needs of the members.

The financial report has been prepared for distribution to the members. I disclaim any assumption of responsibility to any person other than the members for reliance on this report, or on the financial report to which it relates, or for any purpose other than that for which it is prepared.

My audit has been conducted in accordance with Australian Standards. My audit procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and the evaluation of significant accounting estimates. These procedures have been presented fairly in accordance with the basis of accounting used.

The audit opinion expressed in this report has been formed on the above basis.

AUDIT OPINION

It is my opinion that the financial report of the Brisbane Hockey Management Group Inc. for the year ended 30 September 2010 has been properly prepared so as to present a true and fair view of the Committee's financial position as at that date.



R.A. Martin PNA
20 November 2010

Brisbane Hockey Management Group Inc
ABN 17 153 939 898

Income & Expenditure Statement
for the Period Ending 30 September 2010

	2010	2009
Income		
Rent Hire and Lease Revenue		
Facility Hire	\$ 171,026.69	\$ 82,528.42
Canteen Sales	\$ 1,829.26	\$ -
Grant Funding	\$ 24,799.20	
Other Revenue	\$ 4,549.45	\$ 3,323.03
Total Income	\$ 202,204.60	\$ 85,851.45
Gross Surplus	\$ 202,204.60	\$ 85,851.45
Less Operating Expenses		
Materials and Services		
Cleaning	\$ 46.73	\$ 14.55
Advertising	\$ 349.09	\$ 349.09
Bank Fees	\$ 180.15	\$ 78.50
Depreciation	\$ 4,029.42	\$ -
Electricity	\$ 18,140.83	\$ 8,123.06
Gas	\$ 150.00	\$ 158.41
Water	\$ 21,133.49	\$ -
Fuel	\$ 423.28	\$ 24.55
Printing	\$ -	\$ 387.73
Postage	\$ 243.11	\$ -
Stationery	\$ 15.86	\$ 77.27
Office Equipment	\$ 654.50	\$ -
Waste Disposal	\$ 855.35	\$ 488.68
Internet Services	\$ 298.25	\$ -
Telephones	\$ -	\$ 308.19
Licences, Fees & Permits	\$ 1,964.70	\$ 1,045.73
Materials	\$ 2,319.77	\$ 2,902.16
Total Materials and Services	\$ 50,804.53	\$ 13,957.92
Property Plant & Equipment		
Maintenance - Buildings		
Switchboard Testing	\$ 437.50	\$ -
Taps Washers Cisterns	\$ 904.44	\$ -
Broken Glass, Globes, Graffiti	\$ 5,643.64	\$ -
Programmed Provisions Internal	\$ 2,117.33	\$ 975.16
Maintenance - Grounds	\$ -	\$ 27.27
Maintenance - Plant & Equip	\$ 10,387.00	\$ 1,713.20
Total Property Plant & Equipment	\$ 19,489.91	\$ 2,715.63

Brisbane Hockey Management Group Inc
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Financial Costs

BAS Rounding	\$ (2.13)	\$ (0.28)
Interest Expense	\$ 1.55	\$ -
Insurance Premiums	\$ 1,516.16	\$ 1,059.12
Total Financial Costs	\$ 1,515.58	\$ 1,058.84

Labour Costs

Staff Amenities	\$ -	\$ 525.95
Wages & Salaries	\$ 39,059.58	\$ 18,081.41
Workers Compensation	\$ 533.38	\$ 706.80
Other Employer Expenses	\$ 4,711.84	\$ 1,551.16
Total Labour Costs	\$ 44,304.80	\$ 20,865.32
Total Operating Expenses	\$ 116,114.82	\$ 38,597.71

Operating Surplus	\$ 86,089.78	\$ 47,253.74
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Other Income

Interest Income	\$ 1,517.36	\$ 170.50
Total Other Income	\$ 1,517.36	\$ 170.50

Net Surplus	\$ 87,607.14	\$ 47,424.24
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This statement is to be read in conjunction with the attached compilation report.

Brisbane Hockey Management Group Inc
ABN 17 153 939 898

Balance Sheet
As of September 2010

	2010	2009
Assets		
Current Assets		
Cheque Account	\$ 24,358.80	\$ 45,968.21
Undeposited Funds	\$ -	\$ 300.00
Total Cash On Hand	\$ 24,358.80	\$ 46,268.21
Investment Accounts		
Web Saver 20864913	\$ 101,684.36	\$ 10,167.00
Total Investment Accounts	\$ 101,684.36	\$ 10,167.00
Trade Debtors	\$ 21,574.30	\$ 19,320.33
Total Current Assets	\$ 147,617.46	\$ 75,755.54
Fixed Assets		
Property & Equipment		
Property & Equipment at Cosr	\$ 26,862.82	\$ -
Accumulated Depreciation	\$ (4,029.42)	\$ -
Total Property & Equipment	\$ 22,833.40	\$ -
Total Fixed Assets	\$ 22,833.40	\$ -
Total Assets	\$ 170,450.86	\$ 75,755.54
Liabilities		
Current Liabilities		
Prepaid Capital		
Brisbane Hockey Association	\$ 5,603.10	\$ 7,635.75
Brisbane Womens Hockey Assoc	\$ 5,000.00	\$ 5,000.00
KWS Hockey Club	\$ 5,000.00	\$ 5,000.00
Total Prepaid Capital	\$ 15,603.10	\$ 17,635.75
Trade Creditors	\$ 5,576.15	\$ 1,742.62
GST Liabilities		
GST Collected	\$ 7,898.68	\$ 7,758.64
GST Paid	\$ (1,519.45)	\$ (1,316.87)
Total GST Liabilities	\$ 6,379.23	\$ 6,441.77
Payroll Liabilities		
Payroll Accruals Payable	\$ 5,611.00	\$ 2,511.16
Total Payroll Liabilities	\$ 5,611.00	\$ 2,511.16
Total Current Liabilities	\$ 33,169.48	\$ 28,331.30
Total Liabilities	\$ 33,169.48	\$ 28,331.30
Net Assets	\$ 137,281.38	\$ 47,424.24
Equity		
Retained Earnings	\$ 47,424.24	\$ -
Unallocated Payments	\$ 2,250.00	\$ -
Current Year Earnings	\$ 87,607.14	\$ 47,424.24
Total Equity	\$ 137,281.38	\$ 47,424.24

This statement is to be read in conjunction with the attached compilation report.

Brisbane Hockey Management Group Inc
ABN 17 153 939 898
Notes to and forming part of the Financial Statements
for the Year Ended 30 September 2010

Note 1 - Statement of Significant Accounting Policies

These financial statements are general purpose financial statements. They have been prepared in accordance with Accounting Standards and other mandatory professional reporting requirements and the Corporations Law. The financial report has also been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

Note 2 – Adjustments made to prior year reports

Minor adjustments have been made to the 2009 Financial Statements resulting in an increase in the 2009 Net Surplus of \$58.23.

Note 3 – Depreciation

The Simplified Tax System provisions for Depreciating Assets have been applied to immediately write off depreciating assets costing less than \$1,000 each, and to pool in a general small business pool, and deduct at the rate of 30% per annum, other depreciating assets with an effective life of less than 25 years.

Brisbane Hockey Management Group Inc
ABN 17 153 939 898
Compilation Report

On the basis on information provided by the Brisbane Hockey Management Group Inc. ("the client"), we have compiled in accordance with APS 9 "Statement on Compilation of Financial Reports" the general purpose financial report of the client for the period ended 30 September 2010 as set out in the attached pages.

The Client is solely responsible for the information contained in the general purpose financial report.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the Client provided, into a financial report. Our procedures include verification or validation procedures.

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than the Client, may suffer arising from any negligence on our part. No person should rely on the general purpose financial report without having an audit or review conducted.

The general purpose financial report was prepared exclusively for the benefit of the Client. We do not accept responsibility to any other person for the contents of the general purpose



Charles Standford & Associates
346 Bilsen Road
Geebung Qld 4034
DATED: 20 November 2010