

Australian Flyball Association Inc.

Notes to 2022 Accounts.

1. Interest. \$220 (\$1096 2020/21).

Reduction represents the impact of lower interest rates available on fixed deposit investments in 2021/21

2. Donations received \$2500. (\$30 2020/21)

In 2021 the AFA received a Government Grant of \$2500 as a result on a Club application to Commonwealth Government for grant assistance to acquire equipment. A condition of the grant was that payment had to be made to a National Sports Association – hence the payment received by the AFA. The funds received were transferred by the AFA to the Club that submitted the grant application to the Commonwealth

3 Depreciation Expense \$6254 (\$6803 2020/21)

Depreciation represents a write down in asset value to reflect expiry of life of assets. The AFA policy is to depreciate competition assets from date of purchase at 20% p.a. on the written down book value of the asset. Office Equipment is depreciated at 33.3% of purchase price on a straight - line basis. In 2021 four defibrillators were purchased at a cost of \$8684 for use at AFA events – depreciation at 33.3% is applied based on potential life span of equipment. Where an Asset is assessed as having reached the end of its operational life (or is disposed off) any undepreciated value is expensed as depreciation. A Schedule of Assets and Depreciation is part of the 2021/22 Financial Statements.

4. Insurance Reserve Account – \$18,000 (\$18,000 2020/21)

During 2007 the AFA explored the cost of obtaining external insurance for loss or damage to assets, particularly the Light sets which have a combined replacement cost value of approximately \$90,000. Quotes obtained were of the order of \$3000 p.a. and cover did not extend to damage when in use at events. Given the magnitude of premiums and the cover limits the decision was taken to establish an internal Insurance Reserve Account (self insurance) by the transfer of \$3000 annually until a significant buffer fund was established. The balance of \$18000 now in the Reserve Account is considered to provide a reasonable reserve for repair or replacement of Lights for damage or loss. Accordingly, the Committee determine not to make any further transfers to the Reserve. The \$18,000 is included in invested funds and represents an internal source of funds for any loss or damage to the eight light sets in future.