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The financial report was authorised for issue by the directors on 27th October 2022.

## **Australian Baseball Federation Ltd & its controlled entities**

### **Directors' report**

For the year ended 30 June 2022

The Directors present their report together with the consolidated financial statements of the Australian Baseball Federation Ltd ('Baseball Australia') and its controlled entities ('the Group') for the financial year ended 30 June 2022 and the auditor's report thereon.

#### **Information on directors**

The names of each person who has been a director during the year and to the date of this report are:

##### **Director**

D Hynes  
R Sadler Resigned 14 December 2021  
P Shmigel  
I Williams  
A Brasher  
S Cook  
G Lloyd  
J Goddard  
R Hazan  
N Momsen

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

#### **Principal activities**

The principal activities of the Group during the course of the financial year was to conduct, encourage, promote, advance, standardise, control and administer all forms of the sport of baseball in and throughout Australia.

There were no significant changes in the nature of the Group's activities during the year.

#### **Form of entity**

The parent entity of the Group, the Australian Baseball Federation Ltd is a company limited by guarantee. On 1 July 2021, the Group underwent a restructure from an Incorporated Association to a Public Company. The Group is now trading under the Australian Baseball Federation Ltd.

#### **Review of operations and results**

Baseball Australia continued to promote and administer the sport of Baseball in Australia, including the women's and junior Australian teams, the Australian Baseball League, the Australian National Championships, the Australian Little League Championships, and was also responsible for the development and marketing of the sport in Australia.

The net result of the operations of the Group for the year ended 30 June 2022 was a net operating deficit of \$5,203 (2021: profit \$104,398).

#### **Objectives**

The Entity's objectives are to:

- Act as the national federation for baseball in Australia and be the single controlling body and administrator of baseball in Australia.
- Conduct, encourage, promote, advance, control, foster, develop and manage all levels of baseball in Australia interdependently with its Members and others.
- Facilitate participation by National Teams in international competition, tournaments and matches.
- Foster, control, conduct and administer national, interstate and other championships, tournaments, competitions and matches and participation in those competitions.
- Make rules, regulations and by-laws and policies for the control and conduct of baseball in Australia.

## Australian Baseball Federation Ltd & its controlled entities

### Directors' report (continued)

For the year ended 30 June 2022

#### Strategies

To achieve its stated objectives, the company has adopted the following strategies:

- Engagement: increase exposure to baseball by growing Baseball5 and T-Ball participants; increasing the digital reach of baseball.com.au; enhancing the value of commercial partners and increasing ABL attendance and viewership.
- Participation: enhance retention and growth by increasing the number of club participants, little league participants, accredited coaches, umpires and scorers and baseball facilities.
- Pathways: provide athlete development opportunities including improving the quality of the Australian Youth Championships, increasing the number of college and MLB signings and achieving success at the U18 World Cup.
- Performance: facilitate national teams and achieve success at major events, increase the number of Australians playing in the ABL, increasing the number of professional Australian athletes and achieving success at the U23 World Cup.

#### Information on Directors

##### D Hynes

President  
Qualifications Bachelor of Economics, Bachelor of Laws  
Experience Director, Winston Langley Pty Ltd; Director, Sydney Markets Ltd  
Special responsibilities Chair of Board; Chair, ABL Committee

##### R Sadler

Director  
Qualifications Bachelor of Economics, Bachelor of Law (Hons), Master of Law, PhD  
Experience Barrister and Mediator, Victorian Bar; Director, Health Education Australia Ltd; Senior Fellow, Monash University

##### P Shmigel

Director  
Qualifications Bachelor of Arts, Master of Arts  
Experience Director, Uplift Consulting & Coaching International  
Special responsibilities Member, Governance Committee; Member, Participation & Engagement Committee

##### I Williams

Director  
Qualifications Bachelor of Economics, Bachelor of Laws,  
Experience Partner, Herbert Smith Freehills; Director, New Home Group; Chair, NXT Building Group; Chair, Lindsay Australia Ltd, Director, KGL Resources Ltd; Director, Stoddart Group; Director, National Group Corporation; Vice President, Australia Japan Business Co-operation Committee; Founder, Australia Japan Roundtable Dinner; Trustee, Mitsui Educational Foundation.  
Special responsibilities Chair, Governance Committee

##### A Brasher

Director  
Qualifications ACA, Masters of Business Administration  
Experience Founding Partner, Barrenjoey Capital  
Special responsibilities Chair, Finance, Audit & Risk Committee

## Australian Baseball Federation Ltd & its controlled entities

### Directors' report (continued)

For the year ended 30 June 2022

#### Information on Directors (continued)

<b>S Cook</b>	Director
Qualifications	Bachelor of Applied Science; Graduate Diploma in Education; GAICD
Experience	Council Member, World Rowing; Chief Operating Officer, Rowing Australia
Special responsibilities	Chair, Performance Pathways/High Performance Committee
<b>G Lloyd</b>	Director
Qualifications	Harvard Business School Leadership Program
Experience	Two-time World Series Champion; 10 year Major League veteran; 2004 Olympic Silver Medallist.
Special responsibilities	Chair, Heritage and Hall of Fame Committees
<b>J Goddard</b>	Director
Qualifications	Bachelor of Arts (Hons), Masters of Sports Management
Experience	General Manager Government Partnerships, National Rugby League
Special responsibilities	Chair, Participation and Engagement Committee
<b>R Hazan</b>	Director
Qualifications	Bachelor of Business Administration
Experience	Co-Founder and Non Executive Director, Guzman y Gomez Mexican Kitchen; Director, ForPurposeCo.
Special responsibilities	Member, ABL Committee; Member, Participation & Engagement Committee
<b>N Momsen</b>	Director
Qualifications	Bachelor of Business and Commerce
Experience	General Manager Marketing, Reece Group
Special responsibilities	Member, ABL Committee

## Australian Baseball Federation Ltd & its controlled entities

### Directors' report (continued)

For the year ended 30 June 2022

#### Meetings of Directors

During the financial year, 6 meetings of directors were held. Attendances by each director were as follows:

Meetings held (H) whilst a Director and attended (A)	Full meeting of Directors (incl. teleconferences)	
	H	A
D Hynes (President)	6	6
R Sadler	3	2
P Shmigel	6	3
I Williams	6	6
A Brasher	6	6
S Cook	6	5
G Lloyd	6	6
J Goddard	6	6
R Hazan	6	4
N Momsen	6	4

H: Meetings held which the respective director was eligible to attend;

A: Meetings attended.

The Entity is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the Entity is wound up, the constitution states that each member is required to contribute a maximum of \$[insert amount] towards meeting any outstanding obligations of the Entity. At 30 June 2022, the total amount that members of the Entity are liable to contribute if the Entity is wound up is \$200.00.

#### Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2022 has been received and can be found on page 6 of the financial report.

Signed this 27th day of October, 2022, in accordance with a resolution of the Directors.



**David Hynes**

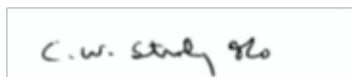
Director & President  
Sydney, Australia

**AUSTRALIAN BASEBALL FEDERATION LTD  
AND ITS CONTROLLED ENTITIES**

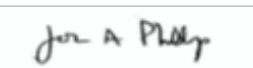
**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER S 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF AUSTRALIAN BASEBALL FEDERATION LTD**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022 there have been no contraventions of:

- (i) the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.



C W Stirling & Co  
Chartered Accountants



John A Phillips  
Director

Dated this 27th day of October 2022, Melbourne.  
Level 13, 10-16 Queen Street, Melbourne Vic 3000

## Australian Baseball Federation Ltd & its controlled entities

### Consolidated statement of profit or loss and other comprehensive income

For the year ended 30 June 2022

	Notes	2022 \$	2021 \$
Revenue and other income	4	4,525,804	5,658,010
Expenditure from operating activities			
ABL operations expenses		(4,272)	(36,075)
Employee benefit expenses		(1,438,782)	(1,670,446)
Event and team expenses		(1,819,233)	(2,489,091)
Baseball operations expenses		(786,617)	(728,226)
Marketing and advertising expenses		(18,956)	(96,397)
Administrative expenses		(216,579)	(265,257)
Other expenses		144,496	(88,662)
Depreciation, amortisation and disposals	10	(133,104)	(156,612)
Impairment of leasehold improvements	10	(237,500)	-
Interest income		-	-
Interest expense		(20,461)	(22,846)
<b>Net profit / (loss) from operating activities</b>		<b>(5,203)</b>	<b>104,397</b>
Depreciation expense			
<b>Net surplus (deficit) for the year</b>		<b>(5,203)</b>	<b>104,398</b>
Other comprehensive income/(loss)		-	-
<b>Total comprehensive income (loss) for the year attributable to members of the Australian Baseball Federation Ltd</b>		<b>(5,203)</b>	<b>104,398</b>

*The above statement of comprehensive income should be read in conjunction with the accompanying notes.*

## Australian Baseball Federation Ltd & its controlled entities

### Consolidated statement of financial position

As at 30 June 2022

	Notes	2022 \$	2021 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	1,884,289	1,618,091
Trade and other receivables	7	377,217	181,648
Other current assets	8	378,366	133,546
<b>Total current assets</b>		<u>2,639,872</u>	<u>1,933,285</u>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	9	-	23,061
Property, plant and equipment	10	235,126	520,001
Other non-current assets	11	33,998	21,452
<b>Total non-current assets</b>		<u>269,124</u>	<u>564,514</u>
<b>TOTAL ASSETS</b>		<u>2,908,996</u>	<u>2,497,799</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	1,045,573	1,265,855
Borrowings	13	282,587	-
Lease liability	14	41,686	-
Employee benefits	15	55,839	33,193
Revenue received in advance	16	1,072,302	834,865
<b>Total current liabilities</b>		<u>2,497,989</u>	<u>2,133,913</u>
<b>NON CURRENT LIABILITIES</b>			
Employee benefits	17	40,436	12,300
Lease Liability	18	24,189	-
<b>Total non-current liabilities</b>		<u>64,625</u>	<u>12,300</u>
<b>TOTAL LIABILITIES</b>		<u>2,562,614</u>	<u>2,146,213</u>
<b>NET ASSETS</b>		<u>346,382</u>	<u>351,585</u>
<b>MEMBERS' FUNDS</b>			
Accumulated surplus		346,381	351,585
<b>TOTAL MEMBERS' FUNDS</b>		<u>346,381</u>	<u>351,585</u>

*The above statement of financial position should be read in conjunction with the accompanying notes.*



**Australian Baseball Federation Ltd & its controlled entities**

**Consolidated statement of cash flows**

For the year ended 30 June 2022

	Notes	2022 \$	2021 \$
<b>Cash flows from operating activities</b>			
Receipts from members, sponsors and customers		4,750,603	6,570,249
Payments to suppliers, players and employees		(4,726,782)	(5,397,697)
Interest paid		(20,461)	(22,846)
<b>Net cashflow from operating activities</b>	<b>22</b>	<b>3,360</b>	<b>1,149,706</b>
<b>Cash flows from investing activities</b>			
Payments for property, plant, equipment	10	(3,113)	(163,376)
Repayment of loans provided to Member States		-	25,396
Loans provided to Related Parties		-	9,290
<b>Net cashflow from investing activities</b>		<b>(3,113)</b>	<b>(128,690)</b>
<b>Cash flows from financing activities</b>			
Payments of lease liabilities		(16,638)	(43,729)
Payments of borrowings		282,587	-
<b>Net cashflow from financing activities</b>		<b>265,949</b>	<b>(43,729)</b>
Net increase / (decrease) in cash held		266,196	977,287
Cash at the beginning of the financial year		1,618,091	640,804
<b>Cash at the end of the financial year</b>	<b>6</b>	<b>1,884,287</b>	<b>1,618,091</b>

*The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.*

## Australian Baseball Federation Ltd & its controlled entities

### Consolidated statement of changes in equity

For the year ended 30 June 2022

Notes	Accumulated Surplus \$	Total Equity \$
Balance at 1 July 2020	247,187	247,187
<b>Total comprehensive surplus for the year</b>		
Surplus for the year	104,398	104,398
<b>Total comprehensive surplus for the year</b>	104,398	104,398
<b>Balance at 30 June 2021</b>	<b>351,585</b>	<b>351,585</b>
Balance at 1 July 2021	351,585	351,585
<b>Total comprehensive surplus (deficit) for the year</b>		
Deficit for the year	(5,203)	(5,203)
<b>Total comprehensive deficit for the year</b>	<b>(5,203)</b>	<b>(5,203)</b>
<b>Balance at 30 June 2022</b>	<b>346,381</b>	<b>346,381</b>

*The above statement of changes in equity should be read in conjunction with the accompanying notes.*

## Australian Baseball Federation Ltd & its controlled entities

### Notes to the consolidated financial statements

For the year ended 30 June 2022

#### 1. Parent Entity

The financial statements cover the consolidated group of Australian Baseball Federation Ltd (Baseball Australia) and controlled entities, incorporated and domiciled in Australia. Baseball Australia is a company limited by guarantee.

#### 2. Basis of preparation

##### (a) Statement of compliance

The directors have prepared the financial statements on the basis that the Entity is a non-reporting entity because there are no users dependent on general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the *Corporations Act 2001*. The Entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Corporations Act 2001* and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with those of previous periods unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

##### (b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis.

##### (c) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Australian Baseball Federation Ltd and its controlled entities as at the period end and at any time during the period. The entity controlled during the period was the Australian Baseball League Pty Ltd.

Controlled entities are those entities over which Baseball Australia has the power to govern the financial and operating policies so as to obtain the benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether Baseball Australia controls another entity.

All inter-entity balances and transactions between entities in the consolidated entity, including any unrealised profits or losses, have been eliminated on consolidation.

Where consolidated entities have entered or left the consolidated entity during the year, their operating results have been included from the date control was obtained or until the date control ceased.

##### (d) Functional and presentation currency

Items included in the consolidated financial statements of the group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Australian dollars, which is the group's functional and presentation currency.

##### *Translations and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of comprehensive income.

## Australian Baseball Federation Ltd & its controlled entities

### Notes to the consolidated financial statements (continued)

For the year ended 30 June 2022

#### 2. Basis of preparation (continued)

##### (e) Going concern

The financial report is prepared on a going concern basis, which contemplates continuation of normal operations and the realisation of assets and settlement of liabilities in the ordinary course of operations. In making this assessment, the Directors have considered future events and conditions for a period of at least 12 months following the approval of these financial statements, by way of a budget for the 12 months ending 30 June 2023 and a cashflow forecast from 1 July 2022 until 30 June 2023.

The Directors note that COVID-19 caused disruption to the economy in the period from 1 July 2021 to 30 June 2022. As a result of this, the Group's financial performance and the operation of the Australian Baseball League season was impacted.

The entity is economically dependent on Sport Australia for grant funding, along with income from a range of other sources such as sponsorship revenue and broadcast rights revenue. Most Sport Australia funding has been secured for the period up until 30 June 2023. If funds are not spent in accordance with grant conditions, Sport Australia can suspend future grants or reclaim all or part of the grants. The entity is also dependent on the continued receipt of player membership income, team participation levies and grants which expire within the 12 month period after the signing date of these financial statements.

The Group has incurred a deficit of \$5,203 for the financial year ended 30 June 2022 (2021: \$104,398 surplus). Furthermore, the Group has net current assets of \$141,882 (2021: negative \$200,628) and net assets as of 30 June 2022 of \$346,381 (2021: \$351,586). At the year ended 30 June 2022, the Group held \$200,921 in restricted cash.

The Directors have prepared cash flow projections for the period from 1 July 2022 to 30 June 2023 that support the ability of the Group to continue as a going concern. Most notable aspects of the cash flow projections include:

- To reduce the risk exposure, the Group is currently working to diversify its funding base to reduce its reliance on Government funding by increasing sponsorship levels, broadcast rights and financial support associated with the Australian Baseball League. This will be underpinned by a continued focus on conservative business practices and cost management. The cash flow projections are therefore based on improved trading results on a progressive basis as a result of this diversification; this includes an expectation that the respective Australian Baseball Clubs will continue normal operations.
- Continuing cost cutting measures being agreed and achieved.
- Securing funding to support cash flow requirements, should it become necessary.

These conditions give rise to a material uncertainty that may cast doubt upon the Group's ability to continue as a going concern. In the event that the Group cannot achieve the budgeted assumptions as outlined above, the Group may not be able to continue its operations as a going concern and therefore may not be able to realise its assets and extinguish its liabilities in the ordinary course of operations and at the amounts stated in the financial statements.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the Group.

## Australian Baseball Federation Ltd & its controlled entities

### Notes to the consolidated financial statements (continued)

For the year ended 30 June 2022

#### 3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the group.

##### (a) Revenue recognition

###### *Operating Grants, Donations and Bequests*

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

When both these conditions are satisfied, the Entity:

- identifies each performance obligation relating to the grant;
- recognises a contract liability for its obligations under the agreement; and
- recognises revenue as it satisfies its performance obligations.

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

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

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

###### *Revenue from baseball events*

Revenue from baseball events is generated via proceeds from ticket sales, memberships, merchandise and hospitality to ABL fixtures, and participation levies relating to other Baseball Australia teams and events. All revenue from baseball events received throughout the year is recognised in the period to which it specifically relates.

###### *Grant revenue*

Grants and other contributions are recognised when the Group obtains control of the contribution or right to receive the contribution and it is probable that the economic benefits comprising the contributions will flow to the Group.

###### *Membership revenue*

Membership income is recognised throughout the duration of the financial period.

###### *Sponsorship, broadcast and fundraising revenue*

Sponsorship, broadcast and fundraising revenue is recognised when the right to receive the revenue has been established.

###### *Other revenue*

Revenue is recognised when the right to receive the revenue has been established.

All revenue is stated at net of the amount of Goods and Services Tax (GST).

## Australian Baseball Federation Ltd & its controlled entities

### Notes to the consolidated financial statements (continued)

For the year ended 30 June 2022

#### 3. Significant accounting policies (continued)

##### (b) Income tax

No income tax is payable by the parent entity, as it is an exempt sporting organisation in accordance with Section 50-45 of the Income Tax Assessment Act 1997.

##### *Current tax*

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. It is measured using tax rates enacted at the reporting date.

##### *Deferred tax*

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised.

##### (c) Trade and Other Debtors

Trade and other debtors include amounts receivable from customers for goods sold. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(f) for further discussion on the determination of impairment losses.

##### (d) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the company during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

##### (e) Inventories

All inventories are finished goods. Inventories relate to rulebooks, scorebooks, coaching materials and other baseball related merchandise and are measured at the lower of cost and net realisable value.

## Australian Baseball Federation Ltd & its controlled entities

### Notes to the consolidated financial statements (continued)

For the year ended 30 June 2022

#### 3. Significant accounting policies (continued)

##### (f) Impairment of assets

At the end of each reporting period, the Entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the Entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of a class of asset, the Entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

##### (g) Plant and equipment

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

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

In the event the carrying amount of plant and equipment is greater than the recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(k) for details of impairment).

Plant and equipment that have been contributed at no cost, or for nominal cost, are recognised at the fair value of the asset at the date it is acquired.

##### Depreciation

The depreciable amount of all fixed assets including capitalised lease assets, is depreciated on a straight-line basis over the asset's useful life to the Entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Computer equipment	1 - 3 years
Office equipment	1 - 5 years
Plant & equipment	1 - 10 years
Website development	4 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

## Australian Baseball Federation Ltd & its controlled entities

### Notes to the consolidated financial statements (continued)

For the year ended 30 June 2022

#### 3. Significant accounting policies (continued)

##### (h) Financial Instruments

###### Initial recognition and measurement

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs.

###### Financial assets

###### Classification

On initial recognition, the Company classifies its financial assets as measured at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

###### Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis.

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

###### Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

###### Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables and lease liabilities.

##### (i) Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.



## Australian Baseball Federation Ltd & its controlled entities

### Notes to the consolidated financial statements (continued)

For the year ended 30 June 2022

#### 3. Significant accounting policies (continued)

##### (j) Leases

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

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

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

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

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

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

##### (k) Employee benefits

###### (i) Short-term employee benefits

The entity classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the entity's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

The Entity's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of employee benefits in the statement of financial position.

###### (ii) Other long-term employee benefits

The entity's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the entity does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

##### (l) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

## Australian Baseball Federation Ltd & its controlled entities

### Notes to the consolidated financial statements (continued)

For the year ended 30 June 2022

#### 3. Significant accounting policies (continued)

##### (m) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

##### (n) Economic dependence

The Group is dependent on Sport Australia for a significant proportion of revenue used to operate the business. At the date of this report, Sport Australia have committed \$1.047m to core and high performance outcomes. The Board of Directors has no reason to believe that Sport Australia will not continue to support the Group into the future.

##### (o) Critical accounting estimates and judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on trends and economic data, obtained both externally and within the company

###### *Key estimates*

###### *(i) Impairment*

The entity assesses impairment at each reporting date by evaluating conditions specific to the entity that may lead to impairment of assets. When the impairment trigger exists, the recoverable amount of the asset is determined. Fair value less costs to sell or current replacement costs calculations performed in assessing recoverable amounts incorporate a number of key estimates.

###### *Key judgements*

###### *(i) Performance obligations under AASB 15*

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/-type, cost/-value, quantity and the period of transfer related to the goods or services promised.

###### *(ii) Lease term and option to extend under AASB 16*

The lease term is defined as the non-cancellable period of a lease together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and also periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. The options that are reasonably going to be exercised is a key management judgement that the Entity will make. The Entity determines the likelihood to exercise the options on a lease-by-lease basis, looking

###### *(iii) Employee benefits*

For the purpose of measurement, AASB 119: Employee Benefits defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. The Entity expects most employees will take their annual leave entitlements within 24 months of the reporting period in which they were earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

## Australian Baseball Federation Ltd & its controlled entities

### Notes to the consolidated financial statements (continued)

For the year ended 30 June 2022

#### (p) New Accounting Standards for Application in Future Periods

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2022 reporting periods and have not been early adopted by the Group. The Group's assessment of the impact of these new standards and interpretations is set out below.

New/revised pronouncement	Superseded pronouncement	Effective Date	Likely impact on initial application
---------------------------	--------------------------	----------------	--------------------------------------

AASB 2020-1 <i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current and Non-current</i>	None.	Annual reporting periods beginning on or after 1 Jan 2022	The Group is yet to undertake a detailed assessment of the impact of AASB 2020-1.
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	2022	2021
	\$	\$
<b>4. Revenue and other income</b>		
Grants	1,420,833	2,102,321
Revenue from baseball events	1,303,868	925,014
ABL licence fee revenue	-	455,000
Sponsorship, broadcast & fundraising revenue	383,313	682,821
Membership revenue	1,231,844	1,307,925
Other revenue	185,946	184,929
	<u>4,525,804</u>	<u>5,658,010</u>

#### Grants

Grant revenue includes monies received from Sport Australia which are required to be expended on game development and high performance programs. There are no unfulfilled conditions or other contingencies attached to these grants.

#### 5. Surplus for the year

The net result includes the following specific items:

#### Expenses

Depreciation	133,104	147,490
Write-off of fixed assets	237,500	9,121
Write-off/(recovery) of bad & doubtful debts	(159,870)	72,834
Write-off of obsolete inventory	-	8,569

#### 6. Cash and cash equivalents

Cash at bank and on hand	1,884,289	1,618,091
	<u>1,884,289</u>	<u>1,618,091</u>

#### (a) Restricted Cash

The cash and cash equivalents balances include amounts which are held as restricted reserves. These deposits are subject to restrictions and are, therefore, not available for general use by the Group, as follows:

Australian Baseball Alumni	253	246
Sandhurst Cash Common	13	132,817
Other restricted cash	200,655	192,210
	<u>200,921</u>	<u>325,273</u>

**Australian Baseball Federation Ltd & its controlled entities**

**Notes to the consolidated financial statements (continued)**

For the year ended 30 June 2022

	2022 \$	2021 \$
<b>7. Trade and other receivables</b>		
Trade receivables	329,156	144,630
Provision for doubtful debts	-	(38,878)
	<u>329,156</u>	<u>105,752</u>
Loans receivable from Member States	-	25,896
Other receivables	48,061	50,000
	<u>377,217</u>	<u>181,648</u>
The movement in the provision for expected credit losses in respect of receivables during the year was as follows:		
Balance as at 1 July	38,878	79,567
Impairment/(recovery) of amounts	(159,870)	72,834
Amounts written-off	120,992	(113,523)
Balance as at 30 June	<u>-</u>	<u>38,878</u>
<b>8. Other current assets</b>		
Prepayments	352,458	127,777
Accrued income	25,909	5,769
	<u>378,367</u>	<u>133,546</u>
<b>9. Non-current trade and other receivables</b>		
Other receivables	-	23,061
	<u>-</u>	<u>23,061</u>
<b>10. Property, plant &amp; equipment</b>		
<b>Plant and Equipment</b>		
Office equipment - cost	7,829	10,462
Less accumulated depreciation	(6,245)	(5,849)
<b>Total Office Equipment</b>	<u>1,584</u>	<u>4,613</u>
Computer equipment - cost	49,903	48,967
Less accumulated depreciation	(41,572)	(36,267)
<b>Total Computer Equipment</b>	<u>8,331</u>	<u>12,700</u>

## Australian Baseball Federation Ltd & its controlled entities

### Notes to the consolidated financial statements (continued)

For the year ended 30 June 2022

	2022	2021
	\$	\$
<b>10. Property, plant &amp; equipment (continued)</b>		
<b>Plant and Equipment (continued)</b>		
Plant and equipment - cost	360,627	358,450
Less accumulated depreciation	(257,796)	(203,255)
<b>Total Plant and Equipment</b>	<u>102,831</u>	<u>155,195</u>
Website development - cost	187,228	187,228
Less accumulated depreciation	(130,292)	(83,485)
<b>Total Website Development</b>	<u>56,936</u>	<u>103,743</u>
Right of use asset - cost	82,513	98,608
Less accumulated depreciation	(17,068)	(98,608)
<b>Total Leasehold Improvements</b>	<u>65,445</u>	<u>-</u>
Albert Park contribution - cost	-	250,000
Less accumulated depreciation	-	(6,250)
<b>Total Albert Park contribution</b>	<u>-</u>	<u>243,750</u>
<b>Total Property, Plant and Equipment</b>	<u>235,126</u>	<u>520,001</u>

Reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the year are set out below.

	Albert Park contribution	Website Development	Computer Equipment	Plant and Equipment	Office Equipment	Right of Use Asset
	\$	\$	\$	\$	\$	\$
<b>At 1 July 2021</b>	243,750	103,743	12,700	155,195	4,614	-
Additions*	-	-	936	2,177	-	82,513
Impairment of leasehold improvements	(237,500)	-	-	-	-	-
Transfers	-	-	-	-	-	-
Depreciation expense	(6,250)	(46,807)	(5,305)	(54,542)	(3,029)	(17,068)
<b>at 30 June 2022</b>	<u>0</u>	<u>56,936</u>	<u>8,330</u>	<u>102,830</u>	<u>1,585</u>	<u>65,445</u>
	Albert Park contribution	Website Development	Computer Equipment	Plant and Equipment	Office Equipment	Right of Use Asset
	\$	\$	\$	\$	\$	\$
<b>At 1 July 2020</b>	250,000	140,872	9,929	58,362	12,480	41,593
Additions*	-	8,862	11,838	142,676	-	-
Fixed asset write offs	-	-	(3,306)	(618)	(5,197)	-
Transfers	-	-	-	-	-	-
Depreciation expense	(6,250)	(45,991)	(5,761)	(45,225)	(2,670)	(41,593)
<b>at 30 June 2021</b>	<u>243,750</u>	<u>103,743</u>	<u>12,700</u>	<u>155,195</u>	<u>4,614</u>	<u>-</u>

The Group has lease contracts for various items of property, plant and equipment used in its operations. The Group's obligations under its leases are secured by the lessor's title to the leased assets.

**Australian Baseball Federation Ltd & its controlled entities**

**Notes to the consolidated financial statements (continued)**

For the year ended 30 June 2022

	2022	2021
	\$	\$
<b>11. Other non-current assets</b>		
Security deposits	33,898	21,452
	<u>33,898</u>	<u>21,452</u>
<b>12. Trade and other payables</b>		
Trade payables	120,541	299,191
Sundry creditors and accruals	925,031	966,664
	<u>1,045,572</u>	<u>1,265,855</u>
<b>13. Borrowings</b>		
Insurance Premium Loan	282,587	-
	<u>282,587</u>	<u>-</u>
<b>14. Lease liability</b>		
Leased office	41,686	-
	<u>41,686</u>	<u>-</u>
<b>15. Employee benefits</b>		
Provision for annual leave	55,839	33,193
	<u>55,839</u>	<u>33,193</u>
<b>16. Revenue received in advance</b>		
Revenue received in advance - Grants	782,000	656,532
Revenue received in advance - ABL	85,000	165,000
Revenue received in advance - Other	205,302	13,333
	<u>1,072,302</u>	<u>834,865</u>
<b>17. Non-current employee benefits</b>		
Provision for long-service leave	40,436	12,300
	<u>40,436</u>	<u>12,300</u>
<b>18. Non-current lease liability</b>		
Leased office	24,189	-
	<u>24,189</u>	<u>-</u>

## Australian Baseball Federation Ltd & its controlled entities

### Notes to the consolidated financial statements (continued)

For the year ended 30 June 2022

	2022	2021
	\$	\$
<b>19. Members Guarantee</b>		
<p>The parent entity is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$10.00 each towards meeting any outstanding obligations of the entity. At 30 June 2022, the number of members was 20.</p>		
<b>20. Contingent liabilities</b>		
<p>The Group has no contingent liabilities as at 30 June 2022.</p>		
<b>21. Commitments for expenditure</b>		
<p><i>Capital expenditure commitments</i></p> <p>Capital expenditure committed to but not capitalised in the financial report.</p>		
Not longer than 1 year	-	-
Longer than 1 year but not longer than 5 years	-	-
	<u>-</u>	<u>-</u>
<p>Commitments to capital expenditure in respect of facility improvements:</p>		
Not longer than 1 year	-	-
Longer than 1 year but not longer than 5 years	-	-
	<u>-</u>	<u>-</u>
<b>22. Reconciliation of net surplus to net cash inflow/(outflow) from operating activities</b>		
Net surplus/(deficit)	(5,203)	104,398
Depreciation, amortisation, loss on disposal and fixed asset write-offs	370,501	156,610
(Increase)/decrease in receivables	(172,508)	301,592
Decrease/(increase) in inventories	-	15,897
Decrease/(increase) in other current assets	-	108,636
Decrease/(increase) in other non-current assets	(257,367)	8,948
Increase/(decrease) in accounts payable	(220,283)	(393,437)
Increase/(decrease) in sundry creditors	-	543,207
Increase/(decrease) in provisions	50,783	56,294
Increase/(decrease) in revenue received in advance	-	247,561
Increase/(decrease) in deferred income	237,437	-
<b>Net cash inflow from operating activities</b>	<u>3,360</u>	<u>1,149,706</u>

### 23. Events occurring after the reporting period

The Directors continue to assess the impacts of Covid-19 on the Group's operations and have concluded that there is no significant adverse impact expected on the net cash flows or carrying values of the assets as at the date of this report. The Directors continue to monitor the impacts on Covid-19 on the Group's operations.

There is at the date of this report no other matters or circumstances which have arisen since 30 June 2022 that has significantly affected, or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in financial years subsequent to 30 June 2022.

## Australian Baseball Federation Ltd & its controlled entities

### Notes to the consolidated financial statements (continued)

For the year ended 30 June 2022

#### 24. Group entities

	Country of Incorporation	Ownership Interest	
		2022	2021
<i>Parent entity</i>			
Australian Baseball Federation Ltd	Australia		
<i>Controlled entities</i>			
Australian Baseball League Pty Ltd	Australia	100%	100%

#### 25. Parent entity disclosures

The Australian Baseball Federation Ltd is the parent entity of the Group for the financial year ended 30 June 2021.

	2022	2021
	\$	\$
<b>Profit / (loss) for the year</b>	(5,028)	104,398
<b>Total comprehensive income / (loss) attributable to the members</b>	<u>(5,028)</u>	<u>104,398</u>
<b>Financial position of the parent entity at the year end</b>		
Current assets	2,587,239	1,797,536
Non-current assets	175,330	380,717
<b>Total assets</b>	<u>2,762,569</u>	<u>2,178,253</u>
Current liabilities	2,490,426	1,953,232
Non-current liabilities	64,625	12,300
<b>Total liabilities</b>	<u>2,555,051</u>	<u>1,965,532</u>
<b>Equity</b>	<u>207,517</u>	<u>212,720</u>

As at 30 June 2022 there were no material or significant legal claims or contingencies against the parent entity (2021: nil)

The contractual commitments and contingent liabilities of the parent entity are per note 20.

#### 26. Parent entity details

The registered office of the Group is:

Australian Baseball Federation Ltd  
Suite 2.08, Quad 2  
6 Parkview Drive  
SYDNEY OLYMPIC PARK NSW 2127

The principal place of business is:

Australian Baseball Federation Ltd  
Suite 2.08, Quad 2  
6 Parkview Drive  
SYDNEY OLYMPIC PARK NSW 2127



## **Australian Baseball Federation Ltd & its controlled entities**

### **Directors' declaration**

In accordance with a resolution of the directors of Australian Baseball Federation Ltd and its controlled entities ("the Group"), the directors of the Entity declare that, in the directors' opinion:

- 1 The financial statements and notes, set out on pages 7 to 24, are in accordance with the Corporations Act 2001 and :
  - (a) comply with the Australian Accounting Standards applicable to the company; and
  - (b) give a true and fair view of the financial position of the group as at 30 June 2022 and its performance for the year ended on that date.
  
- 2 In the directors' opinion there are reasonable grounds to believe that the group will be able to pay its debts as and when they become due and payable.

Signed this 27th day of October 2022, in accordance with a resolution of the Directors.



**David Hynes**  
Director & President

**AUSTRALIAN BASEBALL FEDERATION LTD  
AND ITS CONTROLLED ENTITIES**

**INDEPENDENT AUDIT REPORT  
TO THE MEMBERS OF AUSTRALIAN BASEBALL FEDERATION LTD AND ITS CONTROLLED ENTITIES**

**Report on the Audit of the Financial Report**

We have audited the financial report of Australian Baseball Federation Ltd (the Company), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated 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 the group is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1, 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* (including Independence Standards) (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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Australian Baseball Federation Ltd, would be in the same terms if given to the directors as at the time of this auditor's report.

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

**Emphasis of Matter - Material uncertainty related to going concern**

We draw attention to Note 2(e), "Going Concern" in the financial report. The conditions disclosed in Note 2(e) indicate the existence of a material uncertainty which may cast significant doubt over the association's ability to continue as a going concern and, therefore, whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the association's financial report. Our opinion is not modified in relation to this matter.

**Emphasis of Matter - Basis of Accounting**

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

**Information Other than the Financial Report and Auditor's Report Thereon**

The directors are responsible for the other information. The other information comprises the information included in the company's annual report for the year ended 30 June 2022, 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 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.

Liability limited by a scheme approved under Professional Standards Legislation

**AUSTRALIAN BASEBALL FEDERATION LTD  
AND ITS CONTROLLED ENTITIES**

**INDEPENDENT AUDIT REPORT  
TO THE MEMBERS OF AUSTRALIAN BASEBALL FEDERATION LTD AND ITS CONTROLLED ENTITIES**

**Responsibility 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 and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a 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.

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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

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**AUSTRALIAN BASEBALL FEDERATION LTD  
AND ITS CONTROLLED ENTITIES**

**INDEPENDENT AUDIT REPORT  
TO THE MEMBERS OF AUSTRALIAN BASEBALL FEDERATION LTD AND ITS CONTROLLED ENTITIES**

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 handwritten signature in black ink that reads "C.W. Stirling" followed by a flourish.

C W Stirling & Co  
Chartered Accountants

A handwritten signature in black ink that reads "John A Phillips" in a cursive style.

John A Phillips  
Director

Dated this 27th day of October 2022, Melbourne.  
Level 13, 10-16 Queen Street, Melbourne Vic 3000

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