

KINGSTON AND ST. ANDREW FOOTBALL ASSOCIATION



AFFILIATED TO THE JFF



FINANCIAL STATEMENTS *AUGUST 2009 - JULY 2010*



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PUBLIC ACCOUNTANTS
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Independent Auditors' Report

To the members & Affiliates of THE KINGSTON AND SAINT ANDREW FOOTBALL ASSOCIATION

We have audited the financial statements set out on pages 26 to 35. These financial statements are the responsibility of the Council and Officers. The Council and its Officers are required to select suitable accounting policies and then apply them consistently, make judgements and estimates that are reasonable and prudent, follow applicable accounting standards, and prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Association will continue to operate. The Council and its Officers are responsible for keeping proper accounting records, for safeguarding the assets of the Association and for the prevention and detection of fraud and other irregularities. Our responsibility is to express an opinion on these financial statements based on our audit.

The audit was conducted in accordance with standards on auditing generally accepted in Jamaica. These standards require that we plan and perform the audit to obtain all the information and explanations, which we considered necessary to provide us with reasonable assurance that the financial statements are free of material misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. It also includes assessing the accounting principles used and significant estimates made by the Council and its Officers, as well as evaluating the overall presentations of financial statements. We believe our audit provides a reasonable basis for our opinion.

In our opinion, proper accounting records have been kept. The attached financial statements, which have been prepared under the historical cost convention, present fairly, in all material respects the state of the Association's affairs as at July 31, 2010, and of its income and expenditure for the year then ended and have been prepared in accordance with Jamaican generally accepted accounting standards.



PUBLIC ACCOUNTANTS
Kingston, Jamaica

August 12, 2010

KINGSTON & SAINT ANDREW FOOTBALL ASSOCIATION

Balance Sheet

July 31, 2010

	Notes	2010 \$	2009 \$	2008 \$
ASSETS				
Non-current assets				
Fixed assets	3	170,181	211,300	225,189
Investments		4,500,000	-	-
Inventory		290,000	75,000	75,000
Current assets				
Prepayment & accounts receivable	5	3,804,826	5,009,826	1,275,591
Cash & cash equivalents		<u>17,723</u>	<u>17,724</u>	<u>17,723</u>
Total Assets		<u>8,782,730</u>	<u>5,313,850</u>	<u>1,593,503</u>
CAPITAL AND LIABILITIES				
Equity				
Capital reserve	8	75,000	75,000	75,000
Accumulated surplus/(deficit)		2,077,818	(1,443,904)	(259,910)
Current Liabilities				
Bank overdraft		46,731	92,561	51,638
Payables	6	6,456,406	6,463,418	1,600,000
Caution fees	7	<u>126,775</u>	<u>126,775</u>	<u>126,775</u>
		<u>8,782,730</u>	<u>5,313,850</u>	<u>1,593,503</u>



Rudolph Speid
President



Brian Rose
Treasurer

The accompanying notes form an integral part of the financial statement

KINGSTON & ST. ANDREW FOOTBALL ASSOCIATION

Income Statements

Year ended July 31, 2010

	Notes	<u>2010</u> \$	<u>2009</u> \$	<u>2008</u> \$
INCOME				
Sponsorship	9	30,212,650	28,115,005	8,815,000
Surplus/(deficit) on gate receipts		-	-	694,500
Registration and identification fees	10	700,000	700,000	777,500
Affiliation fees	11	215,500	215,500	210,500
Other income		130,028	-	30,362
Fines/administration fees		<u>1,105,155</u>	<u>1,618,287</u>	<u>797,218</u>
		<u>32,363,333</u>	<u>30,648,792</u>	<u>11,324,580</u>
EXPENSES				
Administrative	12	9,794,167	8,063,699	4,181,872
Club benefits	13	13,466,458	19,042,100	4,392,494
Technical	14	1,437,657	1,097,169	440,983
Referee Fees	15	<u>4,143,330</u>	<u>3,629,818</u>	<u>2,506,300</u>
		<u>28,841,612</u>	<u>31,832,786</u>	<u>11,521,650</u>
Surplus/(deficit)		3,521,721	(1,183,994)	(197,070)
Accumulated (deficit) at beginning of year		(1,443,904)	(259,910)	(62,840)
Accumulated surplus/(deficit) at the end of year		2,077,817	(1,443,904)	(259,910)

The accompanying notes form an integral part of the financial statements



KINGSTON AND SAINT ANDREW FOOTBALL ASSOCIATION

Cash Flow Statement

July 31, 2010

	2010 \$	2009* \$	2008 \$
Cash flow from operating activities			
Net (deficit)/surplus	3,521,772	(1,183,994)	(197,070)
Adjustment to reconcile profit to net cash Provided by operating activities	<u>2,271,979</u>	<u>(50,657)</u>	<u>(196,248)</u>
Change in non-cash working capital:	1,249,793	(1,234,651)	(393,318)
Increase/(decrease) in current assets			
Accounts receivable	3,468,880	(3,734,236)	(97,416)
Increase/(decrease) in liabilities			
Accounts payable	<u>(7,012)</u>	<u>4,904,341</u>	<u>(231,634)</u>
Net cash provided by operating activities	4,725,682	(64,546)	(722,368)
Cash flow from investing activities			
Purchase/(sale) of Fixed Assets	275,515	87,746	54,803
Purchase/(sale) of investment	<u>(4,500,000)</u>	<u> -</u>	<u> -</u>
(Decrease)/increase in cash balances	49,830	(23,200)	(667,565)
Bank Balance at beginning of the year	<u>(78,838)</u>	<u>(51,638)</u>	<u>615,927</u>
Bank Balance at the end of year	<u>(29,008)</u>	<u>(78,838)</u>	<u>(51,638)</u>

*Restated

The accompanying notes form an integral part of the financial statements

KINGSTON & SAINT ANDREW FOOTBALL ASSOCIATION

Notes to the Financial Statements

July 31, 2010

1. IDENTIFICATION

The Kingston and Saint Andrew Football Association consist of Clubs and organizations within the parishes of Kingston and St. Andrew affiliated to the Association.

The primary functions of the Association include:

- (a) To promote the game of Association football in every ways which seems proper to the Association or the Council.
- (b) To foster friendly relations among officials and players by encouraging football matches at all levels; amateur, non-amateur, professional and in all other appropriate ways.
- (c) To control football by taking such steps as shall be deemed necessary or advisable for preventing infringement of the Rules, Regulations and Standing Orders of the Council and the Association, or of the laws of the game as laid down by the controlling bodies of football recognized by the Association, to prevent the introduction of other improper methods practices in the game and to protect it from abuses.

The financial statements are expressed in Jamaican dollars.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) **Basis of accounting**

The accounts are now prepared on an income and accruals basis.

(b) **Depreciation**

Depreciation was provided on all assets at 20% on the reducing balance.

3. FIXED ASSETS

	<u>2010</u>	<u>2009</u>	<u>2008</u>
	\$	\$	\$
Cost and valuation at beginning of year	1,157,300	1,069,554	1,017,751
Additions	<u>60,515</u>	<u>87,746</u>	<u>54,803</u>
Cost and valuation at end of year	<u>1,217,815</u>	<u>1,157,300</u>	<u>1,069,554</u>
Accumulated depreciation/impairment	<u>(1,047,634)</u>	<u>(946,000)</u>	<u>(844,365)</u>
Net book value	<u>170,181</u>	<u>211,300</u>	<u>225,189</u>

KINGSTON & SAINT ANDREW FOOTBALL ASSOCIATION

Notes to the Financial Statements (Cont'd)

July 31, 2010

4. INVESTMENTS

This consists of investment in Bank of Jamaica Repurchase Agreements placed through NCB Capital Markets Limited.

5. RECEIVABLES

This comprises of the following:

	2010 \$	2009 \$	2008 \$
Prepayment/deposit	2,225,000	-	-
Clubs' receivable (Net)	-	-	108,665
Sponsorship	570,000	4,000,000	450,000
JFF/Other	<u>1,009,826</u>	<u>1,009,826</u>	<u>899,826</u>
	3,804,826	1,458,491	1,458,491
Less provision for bad debt*	-	-	(182,900)*
	<u>3,804,826</u>	<u>5,009,826</u>	<u>1,275,591</u>

6. PAYABLES

This comprises of the following:

	2010 \$	2009 \$	2008 \$
Accrual charges	4,246,731	2,488,750	1,010,000
Club payables	1,209,675	3,473,668	440,000
Award & sponsorship	<u>1,000,000</u>	<u>500,000</u>	<u>150,000</u>
	<u>6,456,406</u>	<u>6,463,418</u>	<u>1,600,000</u>

KINGSTON & SAINT ANDREW FOOTBALL ASSOCIATION

Notes to the Financial Statements (Cont'd)

July 31, 2010

7. CAUTION FEES

Caution fees consist of a deposit of \$3,000.00 which is payable by each club to cover any arrears or obligation due to the association.

8. CAPITAL RESERVE

Capital reserve consists of donated assets, stated at valuation.

9. SPONSORSHIPS/GRANT

	2010 \$	2009 \$	2008 \$
Claro	25,000,000	21,000,000	-
Jamaica Football Federation	165,000	260,000	150,000
Kiwanis Club of Liguanea	-	-	644,000*
Locker Room Sports	-	2,220,000*	350,000
National Commercial Group	-	-	200,000
Nestle Jamaica/Supligen	-	-	646,000
Shipping Industry of Jamaica	-	-	500,000
Sports Gear	-	-	360,000
Sponsors/Sundry	-	-	365,000
The Gleaner Company Limited	2,860,000	1,029,000*	-
Television Jamaica (TVJ)	2,187,000	1,806,005*	-
Transfer Plus Money Transfer	-	-	500,000
Victoria Mutual Building Society	-	-	3,100,000
Western Union	-	<u>1,800,000</u>	<u>2,000,000</u>
TOTAL	<u>30,212,650</u>	<u>28,115,005</u>	<u>8,815,000</u>

*Kind/Services Received

KINGSTON & ST. ANDREW FOOTBALL ASSOCIATION

Notes to the Financial Statements (Cont'd)

July 31, 2010

10. REGISTRATION FEES

		Total (\$)
Premier League	6 teams x \$ 5000	30,000
Super League	12 teams x \$15,000	180,000
Major League	12 teams x \$ 5,000	60,000
Syd Bartlett League	11 teams x \$ 5,000	55,000
Under 20 Competition	40 teams x \$ 5,000	200,000
Under 17 Competition	35 teams x \$ 5,000	175,000
Under 15 Competition	31 teams x \$ -	-
Under 13 Competition	32 teams x \$ -	-
Total		<u>700,000</u>

11. MISCELLANEOUS INCOME

This comprised primarily of interest on deposits.

<u>Affiliation Fees</u>		Total (\$)
Premier League	6 teams x \$ 5,000	30,000
Super League	12 teams x \$ 5,000	60,000
Major League	12 teams x \$ 4,500	54,000
Syd Bartlett League	11 teams x \$ 2,500	27,500
Affiliates	4 x \$11,000	<u>44,000</u>
Total		<u>215,500</u>

KINGSTON & SAINT ANDREW FOOTBALL ASSOCIATION

Notes to the Financial Statements (Cont'd)

July 31, 2010

12. ADMINISTRATIVE EXPENSES

	2010	2009*	2008*
	\$	\$	\$
EXPENSES			
Administrative salaries	1,307,803	1,453,692	1,468,343
Medical	222,575	27,000	229,698
Media (television)	5,735,300	3,612,010	
Printing stationery & office supplies	328,136	436,866	187,466
Auditors fee	70,000	58,250	60,000
General meetings & press launches	1,098,083	1,199,110	1,021,248
Utility expenses	661,220	651,082	723,293
Miscellaneous expenses	131,078	117,990	30,145
Bank charges	91,758	33,740	58,230
Website development/computer repair	46,581	153,325	-
Depreciation	101,634	101,635	101,634
Impairment	-	-	118,915
Loss on Jackie Bell	-	219,000	-
Bad debt	-	-	182,900
	<u>9,794,167</u>	<u>8,063,700</u>	<u>4,181,872</u>

13. CLUB BENEFITS

	Notes	2010	2009	2008
		\$	\$	\$
Prize money/branding (Cash)		12,577,000	7,560,000	3,380,000
Gears, Trophies and medals/equipment		<u>889,457</u>	<u>11,482,100</u>	<u>1,012,494</u>
		13,466,457	19,042,100	4,392,494
Referee fees		<u>4,143,330</u>	<u>3,629,818</u>	<u>2,506,300</u>
Total expenditure on clubs		<u>17,609,787</u>	<u>22,671,918</u>	<u>6,898,794</u>

*Restated

KINGSTON & SAINT ANDREW FOOTBALL ASSOCIATION

Notes to the Financial Statements (Cont'd)

July 31, 2010

14. TECHNICAL

	2010	2009	2008
	\$	\$	\$
Field preparation	552,657	-	-
Management/Medical Seminar	-	80,000	15,145
K.S.A.F.A. under 13 & under 15 Squad Exp.	805,000	962,169	335,838
K.S.A.F.A. under 20 Squad/Under 17	80,000	55,000	90,000
	<u>1,437,657</u>	<u>1,097,169</u>	<u>440,983</u>

15. REFEREES FEES

This consist of Referees' fees paid on behalf of the clubs for all competitions

*Participation/team incentive

KINGSTON & SAINT ANDREW FOOTBALL ASSOCIATION

Financial Summary 2006 - 2010

July 31, 2009

	2010	2009	2008	2007	2006
	\$	\$	\$	\$	\$
ASSETS					
Non-current assets	4,960,181	286,300	300,189	272,020	763,629
Current assets	<u>3,822,549</u>	<u>5,027,550</u>	<u>1,193,314</u>	<u>1,794,109</u>	<u>1,046,132</u>
Total assets	<u>8,782,730</u>	<u>5,313,850</u>	<u>1,493,503</u>	<u>2,066,122</u>	<u>1,832,484</u>
CAPITAL AND LIABILITIES					
Equity	2,152,818	(1,368,904)	(184,910)	56,075	(337,445)
Current liabilities	<u>6,629,912</u>	<u>6,682,754</u>	<u>1,778,413</u>	<u>2,010,047</u>	<u>2,169,930</u>
Total capital and liabilities	<u>8,782,730</u>	<u>5,313,850</u>	<u>1,493,503</u>	<u>2,066,122</u>	<u>1,832,484</u>
INCOME AND EXPENDITURE					
Total income	<u>32,363,333</u>	<u>30,648,792</u>	<u>11,324,580</u>	<u>13,743,644</u>	<u>11,145,696</u>
Total expenditure	<u>28,841,611</u>	<u>31,832,786</u>	<u>11,521,650</u>	<u>13,350,123</u>	<u>11,139,263</u>
Surplus/(deficit)	<u>3,521,722</u>	(1,183,994)	(197,070)	<u>393,521</u>	<u>6,433</u>