

KARTING

NEW SOUTH WALES

EST 1987



2023

ANNUAL REPORT



LDG



KARTING (NEW SOUTH WALES) INC
ABN 80 078 024 223

Sports House
level 2, 8 Parkview Drive
Sydney Olympic Park NSW 2127
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knsw_inc



@kartingsw



KARTING

NEW SOUTH WALES

EST 1987

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ABOUT KARTING NSW



Karting NSW is the State Sporting Organisation (SSO) for karting recognised by the New South Wales Government through the Office of Sport.

Karting NSW is a member-based community sport organisation focused on developing and promoting the sport of karting for the benefit of all. We offer a variety of services to our members including rules & regulations, track licenses, training programs & competitive events. The organisation was incorporated in 1987.



Office of Sport

OUR MISSION

At Karting NSW, our mission is to regulate, promote and grow the sport of karting in NSW.

OUR GOAL

Our goal is to create an environment where people of all ages and skill levels can participate in karting and experience the thrill of racing with a focus on safety, fairness, enjoyment and sportsmanship. We strive to be innovative and forward-thinking in our approach, constantly seeking new ways to improve the sport and enhance the experience for our members.

OUR VISION

Our vision is to cultivate a thriving grassroots karting community, igniting the passion for the sport from the ground up. We aspire to become a driving force in nurturing aspiring racers of all ages, providing them with a welcoming and accessible environment to discover the joy and excitement of karting. By fostering a strong sense of mateship, community and fair competition, we aim to be the foundation upon which kart clubs can grow and prosper, strengthening the grassroots of karting for generations to come.

Karting NSW has 2,064 license holders, 21 Affiliated Clubs and during the last year 7,606 entrants participated in events located in NSW and the ACT.



MESSAGE FROM THE ACTING CHAIR



I am delighted to present my annual report on what is turning out to be a great year of racing. This year I would like to open with thanking our club committees, volunteers, officials, office staff and our board of directors. This year has been one of renewal and growth. In the first half of the year the Board focused on strengthening our relationship with our members and building a better operational and financial framework for clubs.

The initial phase involved initiating President meetings, aimed at promoting inclusivity. These gatherings foster informal information sharing and facilitate two-way communication between the Board and Clubs. Following this, the Board's subsequent objective was to alleviate the financial strain associated with organising race meetings. To achieve this goal, race permit fees were reduced by 50%. The board also identified that some clubs needed help with websites and social media. Lisa our Marketing Director has been working with our clubs in this area of need and is doing a fantastic job.

Throughout this year, clubs have witnessed exceptional turnout at state, zone, and special events, reaching record attendance levels. Club days have also experienced strong participation rates. Three northern clubs opted to transition to KA earlier this year leading to a minor decrease in our overall membership. But the great news is that despite this, the participation rate reflected by entry numbers has increased significantly by 39%.

The immensely successful Southern Star Series has consistently attracted substantial junior fields, showcasing the enthusiasm and passion for the sport. Pleasingly Griffith Kart Club who hosted Round 2 in May attracted an impressive meeting attendance of 136, the highest in the club committee's memory.

The Coast 2 Country series has experienced impressive participation growth, showing an increase of 47% compared to last year's northern zone series. Additionally, the Enduro clubs, TEKA & 4SKA, have also been enjoying a strong turnout, with 4SKA achieving a milestone of regularly attracting 40 or more teams.

Looking ahead, the NSW Speedway Kart Club is set to host this year's state titles. Just as we have done for the sprint and 4SS titles, KNSW will be actively supporting the event, providing assistance in any way possible to ensure the meeting's success.

Despite the challenging economic conditions, KNSW has managed to achieve consistent revenue growth and currently maintains a secure financial position. I have high expectations that this positive trend will continue throughout the current financial year. This success is a result of wise decision-making and the implementation of strategies to diversify our revenue streams, ensuring stability and sustainability in our financial operations.

The Club Development Fund (CDF) is operational and accessible to all clubs. Several clubs have already availed themselves of the loan and grant opportunities to a total of \$51,440 to support their initiatives.

Lastly, I wish to inform all KNSW members that I will not be seeking re-election for the position of Chair at the upcoming AGM. I took on the role as Acting Chair in November 2022 with the primary goal of bolstering the board by filling vacant positions and providing strategic guidance. I am pleased to share that the board has surpassed all my expectations. Their experience, knowledge and willingness to embrace the task before them is second to none.

As I believe my objectives have been achieved, I have decided to step aside, allowing the next Chair to lead the association into the next phase of growth. I am confident that the association is in capable hands and will continue to flourish under new leadership.



PHIL MIDDLETON





RKA

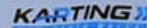
DUPE
KART SUPERSTORE

MGTires



viztrade

Retro u know u want 2



RETROKARTINGAUS.COM.AU

2023 - A YEAR OF RENEWAL AND GROWTH

In the first half of the year the Board focused on strengthening our relationship with our members and building a better operational and financial structure for clubs. We then turned our focus to improving costs, procedures and processes.



Clubs Finances Improved

In January 2023 the Entry Fee Levy was reduced enabling Clubs to retain valuable earnings to invest back into maintenance and improvements.



The Board

- New appointments to the Board have seen an increase in resources and skills.
- Financial review was undertaken allowing reduction of entry levy fees.
- Cost evaluations resulting in significant cost savings such as insurance fees.



CDF Policy Revisions

The CDF policy was revised to make the fund more relevant and accessible. In 2023 Clubs have accessed \$51,440 in safety grants and interest free loans.



Portal Improvements

- Addition of event entry numbers summarised for individual classes.
- New practice booking system implemented.
- Update to dashboard to improve family link access.



Streamlined and more Effective Procedures

- Implementation of new rule change policy.



Marketing Support for Clubs

- Production of flyers and social media graphics.
- Greater social media presence advertising events.



Partnerships

Tyre agreements finalised and executed. The new contracts bring all tyres used in Karting NSW competition onto a level playing field in terms of royalties.





OUR CLUBS



SPRINT CLUBS

METRO ZONE

Combined Districts Kart Club
Hunter Valley Kart Club
Sydney Kart racing Club
Sydney Illawarra Kart Club

NORTHERN ZONE

Gunnedah Kart Club
Manning Valley
Tamworth Kart Club

SOUTHERN ZONE

Bathurst Kart Club
Canberra Kart Racing Club
Dubbo Kart Club
Grenfell Kart Club
Griffith Kart Club
Orange Kart Club
Wagga & District Kart Club

ENDURANCE CLUBS

The Endurance Karting Association
Four Stroke Karting Association NSW
Sportsman Enduro Karting/Goulburn Kart Club

SPEEDWAY CLUBS

Central Coast Speedway Club
NSW Speedway Club

RETRO/VINTAGE CLUBS

Retro Karting Australia
Vintage & Historic Karts Australia

NSW STATE SPRINT TITLES

WINNERS 2022

Congrats!



Aidan McCabe
NOVICE



Joel Lammers
ROOKIES



Darcy Boulding
NOVICE



Joshua Hunter
JUNIOR HEAVY



Matthew Hansford-Taylor
JUNIOR PERFORMANCE



Jackson Souslin-Harlow
TAG 125 LIGHT



Tayla Harnas
SENIOR PERF. LIGHT



Matthew Waters
SENIOR PERF. HEAVY



Drew Russell
TAG 125 HEAVY

ACT STATE SPRINT TITLES

WINNERS 2023

Congrats!



Oscar Haddad
NOVICE



Hunter Pearce
ROOKIES



Andrew Fitzpatrick
JUNIOR LIGHT



Aidan Williams
JUNIOR HEAVY



Jordan Shalala
TAG 125 LIGHT



Tim Monte
TAG RESTRICTED



Matthew Waters
SENIOR PERFORMANCE.



Chris Bregonge
TAG 125 HEAVY

KNSW STATE SPEEDWAY TITLES

WINNERS 2022

Congrats!



Ethan Leayr
NOVICE



Seth Reed
ROOKIES



Blaxx Caton
JUNIOR LIGHT



Joey Bisset
JUNIOR HEAVY



Trent Martin
PRO STANDARD HEAVY



Andrew Wood
PRO 125 OPEN LIGHT



Andrew Walkerden
3 KT MODIFIED HEAVY



Nathan Van de Wakker
KT MODIFIED LIGHT

STATE 4SS SPRINT TITLES

WINNERS 2023

Congrats!



Matthew Hansford- Taylor
4SS LIGHT



Drew Russell
4SS MEDIUM



Drew Russell
4SS HEAVY



Michael Russell
4SS MASTERS

BOARD OF DIRECTORS



ACTING CHAIR

Mr Phil Middleton

Phil is an experienced Workplace Trainer and a true subject matter expert in his field. Additionally, Phil has been a Track Inspector for Karting NSW for several years and is also a regular sprint racing competitor.



DIRECTOR OF FINANCIAL SERVICES

Ms Carolyn Hume - B. Business (Accounting) CPA JP.

Carolyn has over 25 years of experience in senior financial roles and has held various senior executive positions with the likes of Wesfarmers, News Limited and Gloria Jeans Coffee. Carolyn is a Certified Practising Accountant (CPA) and has completed a Bachelor of Business (Accounting) from the University of Western Sydney.



DIRECTOR OF ADMINISTRATION

Ms Rachel Staples

Rachel holds many certifications in program and project management and is highly qualified and experienced in governance, procurement, and contract management. She has been consulting to Federal and State Departments leading large scale IT and infrastructure projects for the past 8 years. Rachel has been involved in karting for 12 years as Director of a karting business and has also held several Club Committee positions. She also has very significant experience officiating having been an official for 10 years at all levels of events, an officials panel member and was State Training Coordinator for 2 years.



DIRECTOR OF PROMOTION, MEDIA & MARKETING

Ms Lisa Darley - B.Science

Lisa has over 20 years of experience in marketing roles holding various senior positions with animal and human pharmaceutical companies. Since relocating back to her hometown of Orange in 2012 Lisa has mainly devoted her time to her family and helping her husband run their family businesses and farm. She also manages the marketing for a NFP Children's Disability service provider. Lisa's husband and son started karting in 2019 and since that time she has held the position of Vice President and Delegate for Orange Kart Club. Over this short time, she has accumulated knowledge of all areas of club administration.

BOARD OF DIRECTORS



DIRECTOR OF COMPETITION

Mr Ian Black

Ian has been in the sport since 1988. He started Blacktown Kart Centre in 1990 as a retail kart shop alongside his father's Auto Electrical business.

These days he owns the business called International Karting Distributors based in Emu Plains, Western Sydney. Ian is passionate about improving and developing the sport of Karting in NSW. His background adds a valuable perspective to the Board of Karting NSW.



DIRECTOR OF MEMBER EDUCATION & TRAINING

Mr Matt Hill

Matt is renowned for his expertise in endurance karting and brings a wealth of karting experience to the table. He has played a significant role in The Endurance Karting Association (TEKA), actively contributing to the growth and success of the club. He has a range of exciting ideas in mind, particularly focusing on enhancing the training programs and fostering the development and rewarding of officials.

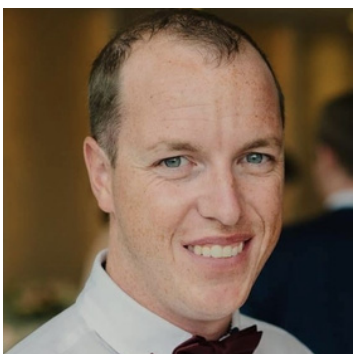


DIRECTOR OF GROUP WELFARE AND KARTING OPERATIONS METRO AREA

Mr Tony Taylor - BE (Mech), MAICD

Tony is a long-time, passionate participant in the sport. He has long standing relationships which enhance his ability to represent the Metro clubs and be of benefit with implementation of the strategic direction.

Tony has completed the Company Director's Course with the Australian Institute of Company Directors, multiple leadership programmes and holds a Bachelor of Engineering.



DIRECTOR OF GROUP WELFARE AND KARTING OPERATIONS NORTHERN AREA

Mr Drew Russell

Drew has been involved with Motorsport since an extremely early age with his first go kart race as a driver being 23 years ago. Over this time Drew has raced many different motorsport categories including racing in the 2015 Bathurst 1000. More recently Drew has designed and manufactured a twin engine endurance chassis which has won multiple endurance championships. Drew has won multiple KNSW state championships. He also held the role of Chairman of the Board that started and ran Hunter Valley Kart Club in 2022 which saw great entry numbers in the Newcastle region. He also helps to manage his families go kart hire business Go-Karts-Go which has 3 locations in the Newcastle area.



APPOINTED OFFICIALS & CO-ORDINATORS



**Thank you to all of our Appointed Officials & Coordinators for volunteering.
We are very grateful for your efforts, time and dedication.**

Officials Advocate

Steve Fisher

Training Officials

Graeme Abbott
Peter Brien
Victor Maastricht
Greg McLandsborough
Greg Moores
Donna Snaidero
Phil Twigg

Officials Panel

Graeme Abbott
Peter Brien
Steve Fisher
Kim Freer
Victor Maastricht
Donna Snaidero
Phil Twigg

Competition Coordinator

Greg McLandsborough

State Technical Officer

Graeme Abbott

Assistant State Technical Officer

Graeme Armstrong

State Tribunal Registrar

Shelby Hinde

State Prosecutor

Kim Freer

State Rulebook Coordinator

Victor Maastricht

State Training Coordinator

Vacant

Development Officer

Vacant

Fuel Testing Officer

Graeme Abbott

State Tyre Analyst

Graeme Abbott

State Track Inspector

Phil Middleton

Member Protection Information Officer

Karen Newton



#kartingfamily

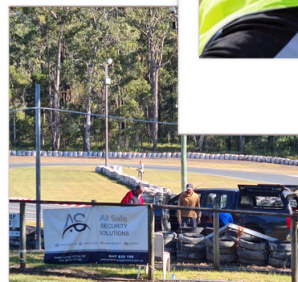
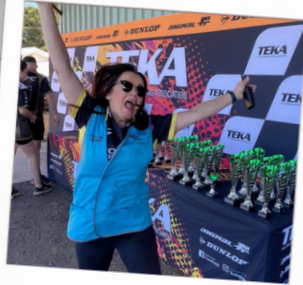
We believe that karting is a sport that can bring people together and create a sense of community, and we are committed to fostering that community spirit through our programs and events.





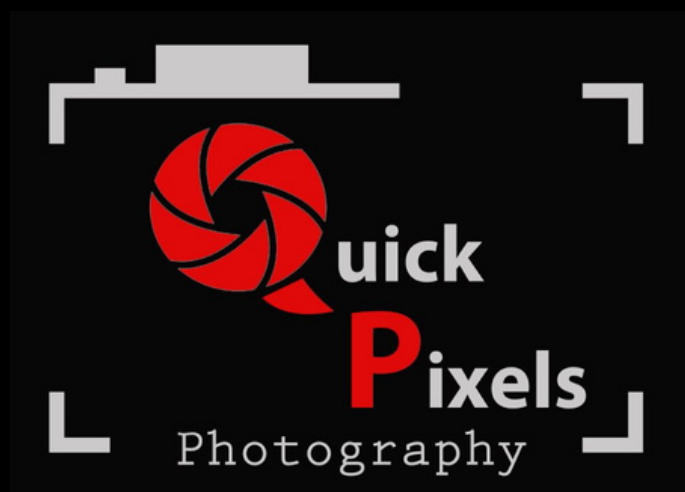
#volunteeringmatters

Volunteering in karting goes beyond just a day at the racetrack. It is an enriching experience that offers excitement, camaraderie, personal growth, and the satisfaction of contributing to the growth of a sport that ignites the passion of so many. Whether you're an official, a club committee member or a willing working bee participant we value each and every one of you and thank you for giving up your time so we can all practice, race and enjoy our days at the track.



THANK YOU TO THE WONDERFUL PHOTOGRAPHERS

Thank you so much to Nic from Nic Pic NSW, Michael from Total Focus Photos and Gavin from Quick Pixels Photography. They have all generously donated their fabulous photos for us to use in this Annual Report. They are valued members of our community and no race day would be complete without them at the track capturing their wonderful images.



OUR PARTNERS

CORPORATE PARTNERS



COMMERCIAL PARTNERS



SERVICE PARTNERS



Karting (New South Wales) Incorporated

ABN 80 078 024 223

Financial Statements
For the Year Ended 30 June 2023

**Karting (New South Wales) Incorporated
Board's Report
For the Financial Year Ended 30 June 2023**

Your Board submits the financial report of Karting (New South Wales) Incorporated for the financial year ended 30 June 2023.

Board Members

The names of Board Members in office during the year and up to date of signing of this report are:

Position	Board Member
Chairman	Paul Brennan AM resigned 28/11/2022.
Acting Chair	Phillip Middleton appointed 01/12/2022.
Director of Administration	Ben Aylen resigned 23/09/2022, Vacant, Rachel Simpson appointed 20/04/2023.
Director of Financial Services	Carolyn Hume
Director of Group, Welfare and Karting Operations (Southern)	Phillip Middleton resigned 01/12/2022, Vacant.
Director of Group, Welfare and Karting Operations (Metro)	Tony Taylor
Director of Group, Welfare and Karting Operations (Northern)	Darren Chick moved to Director of Member Training and Education 13/01/2023. Drew Russell appointed 13/01/2023.
Director of Member Training and Education	Darren Chick appointed 13/01/2023, resigned 30/06/2023. Matt Hill appointed 04/07/2023.
Director of Competition	Vacant prior to Ian Black appointed 18/10/2022.
Director of Promotion, Marketing and Media	Vacant prior to Lisa Darley appointed 08/12/2022.

Principal Activities

The principal activities of the association during the financial year were to promote, co-ordinate and administer all aspects of the sport of karting in NSW for the betterment of the sport and its participants.

There have been no significant changes to these operations during the year.

Operating Results

The surplus for the financial year amounted to \$100,342 (2022: \$680,097).

**Karting (New South Wales) Incorporated
Board's Report
For the Financial Year Ended 30 June 2023**

Significant Changes

No major changes in the nature of the business occurred during the year.

On behalf of the Board



Phillip Middleton
Acting Chair
18 August 2023



Carolyn Hume
Board Member
18 August 2023

Karting (New South Wales) Incorporated
Statement of Profit or Loss and Other Comprehensive Income
For the Financial Year Ended 30 June 2023

	Notes	2023 \$	2022 \$
Revenue			
Revenue	4	727,066	698,633
Other income	4	91,635	735,286
Total revenue		818,701	1,433,919
Expenses			
Cost of goods sold		(103)	(1,517)
Administration		(509,799)	(546,726)
Advertising and marketing		(2,424)	(1,279)
Depreciation and amortisation		(11,552)	(5,679)
Employee benefits		(110,874)	(117,390)
Grants provided		-	(20,000)
Impairment loss on trade receivables		(2,734)	(1,197)
Interest expense		(12,820)	(8,440)
Member-related expenses		(68,053)	(51,594)
Total expenses		(718,359)	(753,822)
Net surplus before tax		100,342	680,097
Income tax expense		-	-
Net surplus for the year		100,342	680,097
Other comprehensive income		-	-
Total comprehensive income		100,342	680,097

The accompanying notes form part of these financial statements.

Karting (New South Wales) Incorporated
Statement of Financial Position
As at 30 June 2023

	Notes	2023 \$	2022 \$
Assets			
Current			
Cash and cash equivalents	5	887,324	968,659
Trade and other receivables	6	287,954	241,217
Inventories	7	10,089	7,284
Other assets	9	43,895	40,217
Current assets		1,229,262	1,257,377
Non-current			
Trade and other receivables	6	19,102	29,110
Other financial assets	8	1	1
Property, plant and equipment	10	7,067	9,421
Intangible assets	11	38,073	30,760
Non-current assets		64,243	69,292
Total assets		1,293,505	1,326,669
Liabilities			
Current			
Trade and other payables	12	160,966	268,226
Provisions	13	28,811	27,021
Other liabilities	14	13,040	31,068
Current liabilities		202,817	326,315
Non-current			
Trade and other payables	12	19,102	29,110
Non-current liabilities		19,102	29,110
Total liabilities		221,919	355,425
Net assets		1,071,586	971,244
Equity			
Reserves		690,831	-
Accumulated funds		380,755	971,244
Total equity		1,071,586	971,244

The accompanying notes form part of these financial statements.

Karting (New South Wales) Incorporated
Statement of Changes in Equity
For the Financial Year Ended 30 June 2023

	Club		
	Development	Accumulated	Total
	Fund Reserve	Funds	Equity
	\$	\$	\$
Balance at 1 July 2021	-	291,147	291,147
Surplus for the year	-	680,097	680,097
Other comprehensive income	-	-	-
Total comprehensive income	-	680,097	680,097
Balance at 30 June 2022	-	971,244	971,244
Balance at 1 July 2022	-	971,244	971,244
Surplus for the year	-	100,342	100,342
Other comprehensive income	-	-	-
Total comprehensive income	-	100,342	100,342
Transfer to/(from) reserves	690,831	(690,831)	-
Balance at 30 June 2023	690,831	380,755	1,071,586

The accompanying notes form part of these financial statements.

Karting (New South Wales) Incorporated
Notes to the Financial Statements
For the Financial Year Ended 30 June 2023

1. General information

The Board has prepared the financial statements on the basis that the association is a non-reporting entity because there are no users dependent on a general purpose financial report. The financial report is therefore a special purpose financial report.

Karting (New South Wales) Incorporated is an association incorporated and domiciled in Australia. The financial statements are presented in Australian Dollars.

Principal place of business is Sports House, Level 2, 8 Parkview Drive, Sydney Olympic Park NSW 2127. The financial report was authorised for issue by the Board on 18 August 2023.

2. Changes in accounting policies

New and revised standards that are effective for these financial statements

A number of revised standards became effective for the first time to annual periods beginning on or after 1 July 2022. The adoption of these revised accounting standards has not had a material impact on the entity's financial statements.

Accounting Standards issued but not yet effective and not been adopted early by the entity

A number of new and revised standards have been issued but are not yet effective and have not been adopted early by the entity. The Board is currently assessing the impact such standards will have on the entity.

3. Summary of significant accounting policies

Financial reporting framework

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the *Associations Incorporation Act 2009*. The Board has determined that the association is not a reporting entity.

Statement of compliance

Unless otherwise stated, these financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations and the disclosure requirements of AASB 101 Presentation of Financial Statements, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors and AASB 1054 Australian Additional Disclosures.

Karting (New South Wales) Incorporated is a not-for-profit entity for the purpose of preparing financial statements under Australian Accounting Standards.

Basis of preparation

The financial statements have been prepared on an accruals basis and are based on historical costs modified by the revaluation of selected non-current assets and financial instruments for which the fair value basis of accounting has been applied.

Karting (New South Wales) Incorporated
Notes to the Financial Statements
For the Financial Year Ended 30 June 2023

Revenue from contracts with customers

Revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the entity expects to receive in exchange for those goods or services.

Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Other revenue

For any revenue streams that are not defined as contracts with customers, then the revenue is recognised when the entity gains control, economic benefits are probable and the amount of the revenue can be measured reliably.

Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin.

Income tax

No provision for income tax has been raised as the entity has self-assessed as exempt from income tax as a not-for-profit entity.

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.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected losses. Trade receivables are generally due for settlement within 30 days.

Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and is net of any rebates and discounts received. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

Property, plant and equipment

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and any impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount recognised either in profit or loss.

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.

Karting (New South Wales) Incorporated
Notes to the Financial Statements
For the Financial Year Ended 30 June 2023

Depreciation

The depreciable amount of all fixed assets is depreciated over the asset's useful life to the entity commencing from the time the asset is held ready for use.

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

Class of fixed asset	Depreciation rate
Plant and equipment	10% - 25%

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of profit or loss and other comprehensive income.

Intangible assets

Intangible assets acquired separately are initially recognised at cost.

Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment.

Finite life intangible assets are subsequently measured at cost less amortisation and any impairment.

Software

Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life.

The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Impairment of assets

At the end of each reporting period the entity determines whether there is evidence of an impairment indicator for non-financial assets.

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to the short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Goods and services tax (GST)

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

Receivables and payables are stated inclusive of GST.

Karting (New South Wales) Incorporated
Notes to the Financial Statements
For the Financial Year Ended 30 June 2023

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Provision for employee benefits

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

Liabilities relating to contracts with customers

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the entity transfers the services/grant conditions are fulfilled. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the entity performs under the contract (i.e., transfers control of the related services to the customer/fulfils conditions of the grant).

The services are usually provided/conditions usually fulfilled within twelve (12) months of receipt of the payment/grant. Where the amount received is in respect of services to be provided over a period that exceeds twelve (12) months after the reporting date/the conditions will only be satisfied more than twelve (12) months after the reporting date, the liability is discounted and presented as non-current.

Contingencies

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

Comparative figures

Where required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. With the exception of minor reclassifications between certain financial statement line items, comparatives are consistent with prior years, unless otherwise stated.

Significant management judgement in applying accounting policies

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Karting (New South Wales) Incorporated
Notes to the Financial Statements
For the Financial Year Ended 30 June 2023

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An allowance for expected losses is included, where applicable, based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The allowance for expected losses is based on the best information at the reporting date.

Inventories

Management estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

Long service leave

The liability for long service leave is recognised and measured at the present value of the estimated cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Karting (New South Wales) Incorporated
Notes to the Financial Statements
For the Financial Year Ended 30 June 2023

	2023	2022
	\$	\$
4. Revenue		
Permits and licences	640,391	541,661
Grants	22,500	110,000
Royalties	50,200	35,354
Sale of goods	1,200	-
Affiliation fees	12,775	11,618
	727,066	698,633
Other income		
Proceeds from litigation	83,253	700,900
JobSaver and JobKeeper	-	20,250
Cash Flow Boost	-	10,500
Government subsidies	2,822	-
Net gain on sale of property, plant and equipment	-	2,750
Interest income	548	6
Other income	5,012	880
	91,635	735,286
5. Cash and cash equivalents		
Cash at bank	887,324	968,659
	887,324	968,659
6. Trade and other receivables		
Current		
Trade receivables	22,521	23,454
Allowance for expected losses	(2,338)	-
Loans to various NSW Karting Clubs	(a) 10,024	10,016
Loan to AKA KNSW Unit Trust	257,747	207,747
	287,954	241,217
Non-current		
Loans to various NSW Karting Clubs	(a) 19,102	29,110
	19,102	29,110

(a) The Australian Karting Association Ltd as trustee for the AKA Track Development Fund makes funds available from time to time for AKA affiliated go kart clubs for the purposes of track development.

Karting (New South Wales) Incorporated
Notes to the Financial Statements
For the Financial Year Ended 30 June 2023

6. Trade and other receivables (continued)

As at 30 June 2023, the only existing Deed of Loan agreement involves Australian Karting Association Ltd as the lender and the entity and Combined Districts Kart Club Inc as co-borrowers. As security, Australian Karting Association Ltd has a floating charge over Revolving Assets and a fixed charge over all other Collateral of the co-borrowers.

	2023	2022
	\$	\$
7. Inventories		
Current		
Inventory on hand at cost	10,089	7,284
	10,089	7,284
8. Other financial assets		
Non-current		
Financial assets at amortised cost - investment in AKA KNSW Unit Trust	1	1
	1	1
9. Other assets		
Current		
Prepayments	43,895	40,217
	43,895	40,217
10. Property, plant and equipment		
Plant and equipment at cost	43,569	57,829
Plant and equipment accumulated depreciation	(36,502)	(48,408)
	7,067	9,421
	Plant & Equipment	Total
	\$	\$
Net carrying amount 1 July 2022	9,421	9,421
Additions	2,451	2,451
Disposals	-	-
Depreciation	(4,805)	(4,805)
Net carrying amount 30 June 2023	7,067	7,067

Karting (New South Wales) Incorporated
Notes to the Financial Statements
For the Financial Year Ended 30 June 2023

	2023	2022
	\$	\$
11. Intangible assets		
Software at cost	44,820	30,760
Software accumulated amortisation	(6,747)	-
	38,073	30,760

	Software	Total
	\$	\$
Net carrying amount 1 July 2022	30,760	30,760
Additions	14,060	14,060
Disposals	-	-
Amortisation	(6,747)	(6,747)
Net carrying amount 30 June 2023	38,073	38,073

12. Trade and other payables

Current

Trade payables	75,809	108,210
Accrued expenses	24,446	97,117
Net GST payable	9,219	8,971
Insurance financing	40,375	41,000
Other creditors	1,093	2,912
Loan from Australian Karting Association Ltd	(a) 10,024	10,016
	160,966	268,226

Non-current

Loan from Australian Karting Association Ltd	(a) 19,102	29,110
	19,102	29,110

(a) The Australian Karting Association Ltd as trustee for the AKA Track Development Fund makes funds available from time to time for AKA affiliated go kart clubs for the purposes of track development.

As at 30 June 2023, the only existing Deed of Loan agreement involves Australian Karting Association Ltd as the lender and the entity and Combined Districts Kart Club Inc as co-borrowers. As security, Australian Karting Association Ltd has a floating charge over Revolving Assets and a fixed charge over all other Collateral of the co-borrowers.

Karting (New South Wales) Incorporated
Notes to the Financial Statements
For the Financial Year Ended 30 June 2023

	2023	2022
	\$	\$
13. Provisions		
Current		
Provision for employee benefits	28,811	27,021
	28,811	27,021
14. Other liabilities		
Current		
Contract liabilities – Club Development Fund	10,800	28,828
Contract liabilities - grants in advance	2,240	2,240
	13,040	31,068

15. Related parties

The entity's related parties include its key management personnel and related entities. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties.

Trade and other receivables

Loans to various NSW Karting Clubs	29,126	39,126
Loan to AKA KNSW Unit Trust	257,747	207,747

Trade and other payables

Loan from Australian Karting Association Ltd	29,126	39,126
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16. Commitments

The entity had no material unrecognised contractual commitments as at 30 June 2023.

17. Contingencies

The entity is the joint trustee and 50% unitholder of AKA KNSW Unit Trust.

Given the audited accounts of AKA KNSW Unit Trust have not been made available to the entity for a number of years and the entity cannot reliably measure its share of any undistributed accumulated surplus/deficit of AKA KNSW Unit Trust, the entity has not recognised any such amount as at 30 June 2023.

As joint trustee for AKA KNSW Unit Trust, the entity is also party to a loan agreement, which contains a first registered mortgage over non residential real property located at 12 Macquarie Street, Penrith NSW 2751. For the financial year ended 30 June 2023, the entity has assisted AKA KNSW Unit Trust in servicing such a loan.

18. Subsequent events

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation of these accounts.

**Karting (New South Wales) Incorporated
Board's Declaration
For the Financial Year Ended 30 June 2023**

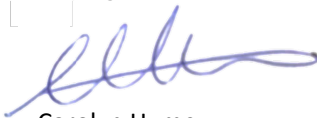
The Board declares that:

- a) the financial statements and notes are in accordance with the *Associations Incorporation Act 2009*, including:
 - i) giving a true and fair view of the entity's financial position as at 30 June 2023 and of its performance for the year ended on that date; and
 - ii) complying with applicable Australian Accounting Standards to the extent described in the notes to the financial report and the *Associations Incorporation Regulation 2016*; and
- b) there are reasonable grounds to believe that the entity is able to pay all of its debts, as and when they become due and payable.

Signed in accordance with a resolution of the
Board:



Phillip Middleton
Acting Chair
18 August 2023



Carolyn Hume
Board Member
18 August 2023

Karting (New South Wales) Incorporated
Independent Auditor's Report to the Members of Karting (New South Wales) Incorporated
For the Financial Year Ended 30 June 2023

Opinion

We have audited the financial report of Karting (New South Wales) Incorporated (the entity), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income and the statement of changes in equity for the year then ended, the notes to the financial statements, including a summary of significant accounting policies, and the Board's declaration.

In our opinion, the financial report of Karting (New South Wales) Incorporated has been prepared in accordance with the *Associations Incorporation Act 2009*, including:

- (a) giving a true and fair view of the entity's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (b) complying with applicable Australian Accounting Standards to the extent described in the notes to the financial report and the *Associations Incorporation Regulation 2016*.

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 entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting

We draw attention to the notes to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the entity's financial reporting responsibilities under the *Associations Incorporation Act 2009*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified further in respect of this matter.

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

The Board is responsible for the other information. The other information is the Board's report accompanying the financial report.

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.

**Karting (New South Wales) Incorporated
Independent Auditor's Report to the Members of Karting (New South Wales) Incorporated
For the Financial Year Ended 30 June 2023**

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.

Responsibilities of the Board for the Financial Report

The Board is 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 the notes to the financial report is appropriate to meet the needs of the members. The Board's responsibility also includes such internal control as the Board determines 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 Board is responsible for assessing the entity'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 Board either intend to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

The Board is responsible for overseeing the entity's financial reporting process.

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 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 the financial report.

A further description of our responsibilities for audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/>. This description forms part of our auditor's report.



SDJA



Simon Joyce

Director

18 August 2023

Sydney, New South Wales