



Annual Report

2022



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CHAIR REPORT

My first report as Chair of the Australian Karate Federation comes at the most significant and challenging time of our sport's history. The incredible hardships that befell every part of the karate community due to the COVID-19 pandemic presented unparalleled challenges.

However, these challenges, as tough as they were (and will continue to be), showed the united spirit and fortitude of the entire karate community in Australia. Over the past two years, I remained heartened and inspired by the camaraderie and support shown by our members. The powerful spirit of our member organisations shone through during those tough times. I take this opportunity to acknowledge all club owners/instructors who worked tirelessly to provide a service to a community that was vulnerable and in need of motivation and support.

2022 marks 50 years since the formation of the Federation of Australian Karate-do Organisations (FAKO) which later became the Australian Karate Federation Incorporated, and in 2021 the Australian Karate Federation Limited. 50 years of continuous service to the karate community as the recognised governing authority is a significant achievement. I take this opportunity to recognise and celebrate the service of members and leaders who have come before us and played an important role in shaping the Australian Karate Federation.

I want to acknowledge the AKF Board for their efforts over the past two years. They are all highly professional leaders who understand the varied complexities of the Australian Karate Federation, working to ensure we are in the best possible position for the future.

Our State Federations continue to provide a strong platform and pathway to the National Federation. I would like to express my gratitude to all state executive members for their selfless efforts in delivering a professional service to all our stakeholders.

It is important to recognise the outstanding work of our volunteers. They contribute significantly to the success of the Australian Karate Federation. Fulfilling various roles and comprising students, parents, supporters and members, they are highly valued and greatly appreciated.

Furthermore, I would also like to acknowledge and thank Natasha Ramrakha, AKF Administration Manager and Ian Basckin, AKF Chief Executive Officer, for their continued support of the organisation.

Two incumbent Board members will end their tenure with the Australian Karate Federation at the conclusion of this Annual General Meeting. I take this opportunity to acknowledge and thank Donald James and Michael Jones for their dedication and commitment to the AKF.

Michael Jones has provided invaluable support within the financial portfolio. He has been a highly cooperative and supportive member of the Board who has always acted in the best interests of all members.

Donald James has been a long-standing member of the National Executive and most recently the AKF Board. He has had a profound impact on the structure and governance of the AKF and more specifically the Coach Portfolio. Donald has been a reliable cornerstone leader providing high value input to the AKF. His experience and skills have significantly improved the AKF and will continue to contribute to the future success of the organisation.

In closing, I again thank all members for their unwavering support of the Australian Karate Federation. All of you play a pivotal role in the success of our federation. Your commitment and dedication to the common goals of the federation is greatly appreciated. I am excited about what the future holds and look forward to sharing that journey with you.

A handwritten signature in black ink, appearing to read 'Hani Zahra' in a stylized, cursive script.

Hani Zahra
Chair
Australian Karate Federation Limited



CEO REPORT

What a 3-year period this has been! It has been an exciting and productive experience for me leading the Australian Karate Federation transformation as Chief Executive Officer.

I would like to thank Natasha Ramrakha for her help and assistance in the office. Looking through the list of activities listed on the next few pages, I am incredibly proud of what our team of 2 has achieved.

The last few years have had their challenges, and the new Australian Karate Federation Limited will continue to work toward an even brighter future with several key initiatives that will be implemented in 2022 and beyond. The new membership model will be fully implemented after the 2022 AGM, and I am really looking forward to working with members to take the AKF to its fullest potential.

Thank you everyone.



Ian Basckin
Chief Executive Officer
Australian Karate Federation Limited



ACTIVITIES



OLYMPICS

It was an exciting moment when karate made history at Tokyo 2020! Australia's participation meant that the Australian Karate Federation (AKF) is now a part of Olympic history. Only 36 countries had athletes who qualified to compete at the Olympic Games. Australia has competed at every World Championships, every World Games, and now we have competed at the Olympic Games.

Hundreds of hours were spent working with the Australia Olympic Committee to ensure that our Olympian Tsuneari Yahiro and Olympic Coach Mark Golding met the criteria for the qualification process, selection process, and finally they were able to attend the Games. This hard work invested by the AKF was well worth it for the excitement that the Olympics generated. Brisbane 2032 is expected to bring its own challenges with pressure for inclusion of Karate in the Olympic programme.



CONSTITUTIONAL TRANSFORMATION

As highlighted to the membership at the 2018 and 2019 AGMs, the AKF was required to change its corporate structure from an association registered in NSW to a Company Limited by Guarantee. This required a complete rewrite of the constitution, including membership categories and provisions. The previous Rules of Association were no longer 'fit for purpose'. To amend the constitution, support of 75% of members was required. In order to ensure member support, many hours of consultation with Sport Australia were required to compromise on various clauses and provisions, but it was all worth it when in December 2020 the members voted for the proposed constitution at a Special General Meeting.

Following this Special General Meeting, work began with a number of organisations, including NSW Fair trade, ASIC, accountants, auditor and the ATO, to make the necessary changes. On 13 May 2021, the Australian Karate Federation officially became the Australian Karate Federation Limited.

The company is currently in the process of changing its reporting period from a June 30 year end to a 31 December year end, to align with planning and delivery of services. This will mean that the Annual General Meeting will be held at, or around the time of the Australian Open each year.

The next few years are envisaged to bring up new challenges and opportunities. The company will need to review its constitution on an ongoing basis, and propose amendments as required.

MEMBERSHIP TRANSFORMATION

In January 2021, the AKF engaged a consultant on the recommendation of Sport Australia. They investigated how best to implement a membership model as detailed in the new constitution. The first step included a consultation with members to understand what services members wanted the AKF to provide. These interviews were conducted by myself, Natasha Ramrakha, Alan Key and Muzaffer Dickinson.

The responses highlighted the fact that the AKF includes members with a wide range of opinions, beliefs and styles such as (but not limited to):-

- Sport Focused
- Not Sport Focused
- Education
- Business services
- Traditional Karate Seminars
- Accreditation
- Competition
- Dan Grade Recognition
- Dan Grade Register
- Insurance
- Governmental (Federal, State and Local Council) Lobbying
- Member Protection
- Grants
- Tournament
- Athlete Development
- Marketing
- Club Development
- Branding

In consultation with the board, it was evident that funding was necessary to provide these services. As the AKF would now have a membership that included all of karate, the calculation of the membership fee was always going to be controversial and the company board recognised this early. It was decided that this fee should be kept as low as possible, whilst ensuring that, at a minimum, the AKF could continue to offer services provided to its members as well as meet government requirements.

On advice from Sport Australia, it was highlighted that the AKF cannot solely rely on future funding via the Participation Funding which it has received from the Federal Government. Furthermore, the AKF would no longer receive the Head of Style annual membership fee. Therefore new funding was required to replace these previous sources of funding.

With all karate-ka being members of the AKF, the company has the responsibility of ensuring that all of its members are insured. This includes Personal Accident cover for injury by a participant when partaking of any karate activities in Australia as well as Professional Indemnity and Public Liability for Instructors and club owners.

The AKF proposed a membership fee (\$50 excl GST) with a rebate incentive to club owners for new members of 50%. After feedback from the membership the board agreed to a) remove the new member incentive program thus reducing the headline fee to \$25 and b) offer members a discounted rate of \$19 for registrations before 30 April, \$22 for registrations before 31 August and only charge the \$25 from 1 September. This was decided after negotiation with Sport Australia to gain some certainty about Participation Funding in 2022.

As at 1 April 2022, the number of current members is 1,395 paid members [61.8% identify as male and 38.2% as female] with an average age of 16.42 (3%) members identify as of Aboriginal or Torres Straits Island descent and 58 (4%) have a physical or intellectual disability

After this AGM, the AKF will actively promote, encourage and assist clubs to join the company. This will be an ongoing process with the AKF aiming to have year on year growth from 2023 and beyond.

DATABASE / WEBSITE

In December 2020, the company signed an agreement with Revolutionise Sport to manage its membership database and website requirements. Revolutionise Sport is the platform of choice for Hockey Australia, Softball Australia, Water Polo Australia, Rowing Australia, Golf Australia and many other National Sporting Organisations (NSO). The process of managing and creating a platform for our membership model has been well supported by RevSport and Omni Online have assisted with website development and migration.



WORLD KARATE FEDERATION

The Australian Karate Federation is a member in good standing of the World Karate Federation. The constitutional change approved by members in December 2020 was communicated to and accepted by, the World Karate Federation (WKF).

I was able to attend, in person, the 2021 WKF Congress and World championship in Dubai, as the only official from the Oceania region. I had several meetings and discussions on behalf of the AKF as well as the Oceania Karate Federation, and was questioned extensively over our border restrictions in the region.

Over the course of 2020 and 2021, Hani Zahra (Chair of AKF) and I had joined in 4 online sessions with the WKF President, and expressed the position of the AKF about a number of proposals of the WKF.



OCEANIA KARATE FEDERATION

The last few years have been difficult for the Oceania Karate Federation (OKF), principally because of border restrictions. Congress and Championships have had to be postponed twice. Several executive meetings and a significantly larger number of ad-hoc meetings have been held online.

I am very grateful to Dion Panosian (Chair) and the OKF Referee Commission who held online referee seminars for our Pacific neighbours.

The AKF has maintained excellent relations between Australia and OKF member countries over the period. On 4 December 2021, The OKF held a Special General Meeting to elect the OKF president. Michael Kassis, former AKF president, was re-elected. The remaining executive positions will be voted for at congress on 5 June 2022.



NATIONAL REDRESS

After the Royal Commission into Institutional Responses to Child Sexual Abuse there was an initiative by government to encourage Sport to sign up to the National Redress Scheme. The AKF board supports the National Redress Scheme and indicated our intention to join. Natasha Ramrakha and I investigated the onboarding process, and reported back to the board that the scheme was financially outside our capabilities.

The AKF remains committed to karate being a safe environment for all, and will continue to work closely with Sport Australia, and other Government bodies to ensure that best practice principles are implemented at all levels of karate.

NATIONAL INTEGRITY FRAMEWORK

In 2020, the Australian Sports Commission created a new entity Sport Integrity Australia. Sport Integrity Australia has developed a National Integrity Framework which includes:

- Child Safeguarding
- Competition Manipulation & Sports Wagering
- Complaints And Discipline
- Improper Use of Drugs and Medicine
- Member Protection

The AKF has resolved to adopt the National Integrity Framework and is working with Sport Integrity Australia to ensure that each of the policy documents adopted meet the needs of karate and the greater community. This is an ongoing process and has involved many hours of online discussions, workshops and planning.

The National Integrity Framework is one of the Australian Karate Federation's responses to the threats to the integrity of karate and sets out the broad expectations for the conduct of all participants in karate, including procedures for managing, reporting, investigating, and determining potential breaches of its Integrity Policies.

During 2022, I intend to present the final agreed framework to the board. This will then be rolled out to states and clubs for adjustment and adoption.

KARATE INSTRUCTOR ACCREDITATION

Pam Smith, who served the AKF as the National Coaching Director (NCD) for many years, retired and the AKF is very grateful for her work over the years. Neville Thorley was then appointed into the NCD role. Over 2021, the Karate Instructor Accreditation framework was reviewed and a transitional arrangement existed whereby existing coaches were able to renew their accreditation.

Following the 2022 AGM, the new Karate Instructor Accreditation process will be launched, whereby AKF member instructors will be able to upload certificates for completion of online courses, annual compliance certification and request accreditation.

The AKF has taken the view that education of the whole of karate is to the greater benefit of all, and the cost of education will be reduced to a minimum.

WKF WORLD CHAMPIONSHIPS - SANTIAGO

It feels like a lifetime ago, but in October 2019, 26 Athletes together with their supporters and AKF officials attended the WKF Cadet, Junior & U21 World Championships in Santiago, Chile.

Two days before competition began, there was an uprising that quickly spread to large scale protests and confrontations between police and protesters. All delegations were largely confined to their hotel and under curfew from sundown. However, the show did go on.

Hannah Sullivan (Junior Female +59kg) achieved a top 8 finish and Natalie Malpass (Cadet Female -54kg), Imandi Seneviratne (Junior Female Kata) and Caleb Dooley (U21 Male -67kg) achieved top 16 results.

Lockdowns, limited number of people in an area, and controlled access was just a foretaste of the world to come.

WKF WORLD CHAMPIONSHIPS - DUBAI

The 2020 World Championship was postponed to 2021. With border closures and travel restrictions the options for travel to Dubai were very limited. Athletes were severely limited in terms of travel options and the cost of the tour was expected to be exorbitant. A number of selected athletes made the decision not to travel to the World Championship.

The AKF conducted a search to find an internationally based coach who would be available to support the Australian team. Andris Anderson from Latvia, formerly the Malaysian and Hungarian coach, agreed to assist and began conducting one-on-one online sessions.

Fortunately, just a few weeks out from the championships, international restrictions were relaxed in New South Wales and this meant that athletes were able to fly at a significantly lower cost than anticipated. Con Papanikalou volunteered to travel as an assistant coach and to support Andris, and I was able to go in the capacity of Australian delegate to Congress, and sole official from the Oceania region. Seven athletes competed in Dubai.

Congratulations to Maria Alexiadis (Female -50kg) and Shaun Yuen (Male Kata) who both achieved top 16 finishes.

WORLD BEACH GAMES

In October 2019, the AKF participated in the first event under the Australian Olympic Committee banner. It was a steep learning curve to understand the infrastructure of the AOC. The demands on the AKF to provide information, attend meetings and understand the arrangements for the athletes was just a foretaste of what was to come for Tokyo 2020.

Congratulations to Shaun Yuen and Mariana Sampanis who, together with coach Stephen Kelly represented Australia in Doha, Qatar at this event.

NATIONAL COACHES COMMITTEE

The National Coaches Committee under the chair of Marco Mazzanti were instrumental in moving our National Coaching program to State based sessions. Marco was responsible for putting together a common program delivered in each state without the need to travel. The concept and sessions were very well received.

Thank you to Marco, and to all of the coaches for your participation and the Recognised State Associations for your support in providing venues.

NATIONAL REFEREE COMMISSION

The National Referee Commission under the leadership of Dion Panossion has ensured that Australian referees have been kept up to date with developments around the world. The Commission has conducted online seminars and assisted State Commissions as required.

The requirements by the WKF for international attendance by referees, has meant that it has become more difficult over the years for our referees to maintain their WKF accreditation, however the standard of refereeing in Australia is exceptionally high, and it is expected that the NRC will continue to maintain this high standard.



SPORT AUSTRALIA

I work very closely with Sport Australia in a number of key areas.

- Participation and membership bi-annual reviews
- Corporate Governance compliance
- Sport Integrity
- CFO monthly meeting
- Grants and acquittals

Whilst the demands on the AKF from various departments within Sport Australia often feel overwhelming, the support that it provides both financially and with advice is invaluable.

Corporate Governance and Legal assisted with the finalising of a number of key points in the constitution. We continue to work with Corporate Governance to improve our structures and processes.

Financial services, meetings and advice is always available when required, thank you to all concerned.



NATIONAL SPORTS COLLECTIVE

The National Sports Collective is a working group made up of the CEOs of a number of sports including badminton, special Olympics, archery, table tennis, deaf sports, diving, bowls, waterpolo, blind sports, squash, tenpin, baseball, disabled winter sport, artistic swimming, shooting, taekwondo, boxing, judo, skate, lacrosse and karate.

The group was formed in an attempt to share knowledge, experiences, contacts, documents and even staff. We meet once a month but communication between group members is almost daily, assisting each other wherever possible.

The group has been one of the most valuable resources to me in my role as CEO, and I would like to thank everyone involved.



WORLD GAMES

Qualification for the World Games 2022 in Birmingham, USA was taken from the Olympic Qualification model. First selections are based on ranking points and host country participation, and then two guaranteed spots for Oceania athletes (1 male and 1 female).

Good luck to Daniel Tielen (male +84kg) who has qualified to represent Australia at these championships in July 2022.

COMMONWEALTH KARATE CHAMPIONSHIPS

The postponed Commonwealth Karate Championship will be held in Birmingham, England in September 2022. The AKF intends supporting this event and further details will be made available in the coming months.

OCEANIA KARATE CHAMPIONSHIPS 2022

After two postponements the Oceania Karate Championships and The Oceania Cup will be held in New Caledonia 4-6 June 2022. We are expecting to have the largest delegation at these championships and continue the long tradition of Oceania success.

AUSTRALIAN OPEN KARATE CHAMPIONSHIP

After having to cancel in 2020, in 2021 the New South Wales Karate Federation was able to host the Australian Open Karate Championship. Unfortunately no overseas competitors were able to attend, however it was very well attended with 290 competitors. This remains a standout event during the lockdown period.

AKF NATIONAL CHAMPIONSHIPS

The AKF has not been able to conduct a national championship since 2019. The 2020 Championship was to be hosted by the West Australian Karate Federation and has had to be postponed twice. In 2022, recognising the uncertainty of border restrictions and cost the West Australian Karate Federation graciously offered the eastern states the opportunity to host. Queensland Karate Association will be hosting the championship in 2022, The AKF is excited to be going to Rockhampton, Central Queensland, for the first time.

In 2023 the Championships will be hosted by West Australia, and in 2024 Victoria will host the 50th anniversary event.

PACIFIC GAMES

I am currently working with the Pacific Games Council together with Michael Kassis (President of the OKF) to investigate the options for participation by Australia (and New

Zealand) in the Pacific Games 2023 in the Solomon Islands. This is an ongoing process, and I am optimistic that we can achieve a mutually beneficial outcome.

The Pacific Games is very well supported by the island nations and an opportunity for Australian karate to be involved in a large multi-sport event.

BRANDING

Members will have noticed that all communication over the last few months has been under the name Karate Australia. This is in keeping with the trend in most Australian sports. Over the course of the next few months, I will be working with the states to look at common branding throughout the country

The website domain is now karateaustralia.org.au

STRATEGIC PLAN

I will be working with board members to create a working group to develop a strategic plan for the future of the AKF.

This strategic plan should include

- Adding value for our clubs and members and the role of the AKF
- Re-defining the AKF's scope to position both the Martial Art and the Sport as separate priorities
- Identifying the opportunities for value add in delivery, improved internal processes and communication to stakeholders, members and partners
- Strategic planning with Board and state and territory delegates
- Review operational priority projects and aligning resources in support of them and
- Developing a stakeholder communication plan for clear, transparent & consistent communication.

PARTICIPATION PLAN

The AKF needs to create a plan to reflect our changing environment and priorities. This plan will need to take account of Federal Government priorities over the next 3 years. Our priorities will include building on and evolving our current programs to increase participation, supporting our members through product development, and resourcing and developing our digital and online presence to promote karate nationally.



POLICIES

The AKF is currently reviewing and updating a number of policies in line with the National Integrity Framework. During 2022, I intend to present these policies to the board by 30 June 2022. These will then be rolled out to states and clubs for adjustment and adoption.

- Child Safeguarding
- Competition Manipulation & Sports Wagering
- Complaints And Discipline
- Improper Use Of Drugs & Medicine
- Member Protection

Review of policies is an ongoing process and all policies will be reviewed and updated on a regular basis. This will include The Athlete Selection Policy and the Athlete Appeal Policy.



NATIONAL COACHES

The AKF Board will review the National Coaching structure. There are a number of learnings to be taken from other sports, the experiences over the last few years and the need to look toward a high performance program.



NATIONAL TEAMS AND SELECTION

The current Selection Policy remains in place. There may be some protocols that need to be implemented, but these will be reviewed when the Selection Policy is reviewed.

The WKF trend is very clearly toward a ranking qualification for events and the AKF Selection Policy will need to take this trend into account.

Selected events in 2022 include the Oceania Championship, Commonwealth Championship and Cadet / Junior / U21 World Championship.



CALENDAR

The international sports calendar has become fuller each year. A comprehensive review of Australian and Oceania dates will be conducted, together with the States and our Pacific friends.

Ideally a national calendar can be created which maximises the opportunity for competitors to compete on a regular basis.

REFEREE STANDARDS

The National Referee Commission works closely with State Referee Commissions to ensure consistent standards and processes in all States and Territories. The use of online education has assisted in the process and will expand in the coming years.

There will be a concerted effort to encourage more referees to get involved.

TOURNAMENT OFFICIALS

All States are experiencing problems in finding tournament officials. The AKF will be looking at what other sports do to encourage participation by volunteers. This will be a priority for next year and I will work with the States to develop strategies that have proven success.

EDUCATION

There are a number of education opportunities available to our members. I am working with Sport Australia education to create a portal for education where the AKF can provide a range of educational opportunities. I am pleased that I have the support of the board to offer education at the lowest possible cost.

Education will initially be rolled out in the Karate Instructor Accreditation module and will soon follow with tournament officials. We are currently looking at a number of business modules that would be of benefit to our clubs.

OTHER SPORTS

The AKF is very fortunate to have the opportunity to discuss issues on a regular basis with other sports in various forums, including Sport Australia meetings, the National Sports Collective, and one on one sessions with other sport CEOs.

The Support of the Combat Institute (Boxing, Taekwondo and Judo) was exceptionally supportive in the leadup to and during Tokyo 2020. Thank you to the CEO Alex Valentine and the High Performance Director Andrew Prately.

Regular discussions with Taekwondo Australia and Judo Australia have highlighted common issues and concerns and we will work even closer together to ensure that we achieve a common outcome in negotiations with government agencies.

The AKF is currently looking at sharing resources with a number of other sports in order to meet the requirements of the complaints process of the National Integrity Framework.

GRANTS AND FUNDING

The AKF has been principally funded by the Sport Australia Participation Grant. This grant of \$100,000 per year (paid in 2 tranches) is under review by Sport Australia. The AKF has been advised to ensure that our operating model is not dependent on this funding and that it is likely to be changed to a project funding model. The AKF does have certainty that it will receive the first tranche (\$50,000) of the next cycle in the second half of 2022. The Membership Transformation Model (referred to earlier in this review) takes this into account.

The AKF benefitted from the federal government Jobkeeper program and salaries were covered by grants.

The AKF also applied for and received \$10,000 Covid support from the NSW State Government.

CORPORATE GOVERNANCE ONGOING REVIEW

The Australian Karate Federation has been assessed by Sport Australia to gain insights into the organisation's Sports Governance maturity. The Sport Governance Standards (SGS) are the measures by which both Sport Australia and NSOs can evaluate the effectiveness and efficiency of their governance systems and processes. There are 37 SGSs across the nine Sport Governance Principles. We self-evaluated our governance maturity against each standard using a four point scale, with a score of 1 representing low maturity, and a score of 5 representing the highest level of maturity. The Australian Karate Federation is currently ranked as a score 2 out of 5 which is below average.

Areas to develop the governance of the company are:

- Board evaluation process
- Develop a documented process for identifying and appointing directors including the role of a nomination committee in the process

- Identify strategic and/or collaborative activities requiring stakeholder engagement to form engagement strategy
- A Code of Conduct and execution by each director.

STATE GOVERNANCE REVIEW

The AKF will schedule a State Governance Reform project to support governance improvement for karate in Australia. Central to the improvement will be the new Australia Whole of Sport Strategy and the opportunity it presents to support a dialogue with key stakeholders in the state and territory network. The project will deliver a robust, collaborative and high engagement process with the following two key outcomes:

1. Co-creation of a national strategy template for the Australian Karate Federation, populated and tailored for each local state/territory environment.
2. Development of a Roadmap (a formal plan with an agreed and appropriate timeline) to move towards streamlined governance and a shared services model

This process is not currently scheduled, but will form a key initiative in taking the AKF into the future in a shared service model.

BOARD EVALUATION & EDUCATION

In recognition of the important leadership role Directors hold within the Australian sport landscape, Sport Australia have partnered with the State Territory Agencies for Sport and Recreation to develop an online Director Education Course - The Start Line. This course provides the foundational knowledge to enable new and existing Directors to understand their duties and responsibilities and to make an effective contribution to their organisation's Board. The members of the Board will be expected to complete this online course within the first 2 months of taking up their positions.

Consistent with the Sport Governance Standard 9.1 “The board should regularly evaluate its performance and performance of individual directors. The board should agree and implement a plan to take forward any actions resulting from the evaluations”. To this end the AKF will conduct a self evaluation and create a set of objectives that will form part of the board structures and processes for the future.



FINANCIAL REPORT

The Audited Financial Statements for the years ended June 2020 and June 2021 have been provided.

The loss for the year to 30 June 2020 of \$35,305 is a result of not charging membership fees in 2020 and the inability to hold the Australian Open Championship. The majority of tournament and international tour costs are incurred in the second half of the financial year, and this was not affected in 2019.

The financial year ended 30 June 2021 was unusual with no international tours or a National Championship. Membership fees of 50% (\$150 excl GST) was charged in order to have financial members eligible to vote at the Special General Meeting to approve the new constitution. No Squad registration fees were charged in 2021. The AKF was able to host the Australian Open, however this was significantly smaller than previous years. In 2019 there were 480 competitors and in 2021 only 290 competitors, which resulted in a loss for the event of \$16,252. The Federal Government's Jobkeeper scheme was of significant assistance to the cash flow of the company.

The company is currently in the process of changing its reporting period to a 31 December year end, to better align with its activities which are planned and budgeted for on a calendar year basis. The financial report for the 6 months ended 31 December 2021 has been presented below. Net membership revenue in 2023 will be recognised in accordance with the new membership model. Both a cleaner chart of accounts and a calendar year reporting cycle is expected to provide improved information to members.

The profit of \$26,470 for the 6 months ended 31 December 2021 should be read in the context of very little activity in the 2nd half of 2021. The AKF did attend the World Championship albeit with a smaller delegation than in past years.

The AKF will prioritise building up its cash balances / reserves in the coming years in order to better position itself for contingencies. The board will closely monitor expenses and will curtail these where necessary, with expenses to be reviewed on a regular basis to ensure that the organisation remains in a profitable position in future years.



PREVIOUS MINUTES

AGM 2019

SGM 2020

MINUTES OF PREVIOUS ANNUAL GENERAL MEETING

FRIDAY 2 AUGUST 2019

1. OPENING

The President declared the meeting open at 8:40pm.

Current Financial Members (Ordinary & Associate) as at 2 August 2019 - 106

Financial Members present 32

Proxies in hand 35

- In attendance and proxies in hand represent a total of 67 members.
- The Rules of Association requires 50% of membership to obtain a quorum
- 53 members required for a quorum

The President declared that a quorum had been established.

2. APOLOGIES

- George Barounis
- Sal Ebanes
- John Frazzetto
- Suzie Jones

3. MINUTES

3.1 Business arising from previous minutes

No business was raised.

MOTION: *Minutes of Previous Annual General Meeting 3rd August 2018 be accepted.*

MOVED: Mr Rene Roggeveen **SECONDED:** Mr George Wilson **MOTION:** Carried

4. NATIONAL REPORTS

4.1 President's Report

Mr Hani Zahra thanked Mr Frank Hussey, AKF Tasmania President, for a well-run Nationals.

Mr Hani Zahra flagged a directive from Sport Australia for sporting bodies wanting to be recognised as NSOs (National Sporting Organisations), to move from incorporated associations to company limited by guarantee. Deadline for the move is 30th June 2020.

Action: Mr Hani Zahra to write to members outlining how and when the AKF will transition to a company limited by guarantee. An extra-ordinary Annual General Meeting or secure method for electronic proxies may be used to achieve this outcome.

4.2 Deputy President's Report

Mr Glenn Goodwin acknowledged the National Referee Council for their professionalism and value they provide the AKF.

4.3 Vice President's Report

Mr Donald James informed the membership that Ms Pam Smith, National Coaching Director, has notified him that she will transition out of her role at the 2020 AGM.

Mr Con Kassis asked if it was possible for an Australian athlete to be sent to the 2020 Olympics. Mr Hani Zahra responded that the AOC would select the highest ranked Australian per event for the Olympic Qualifier. The pathway would be via Oceania where there are 2 positions available, 1 for a female and 1 for a male athlete. Athletes are to self-qualify via the WKF events. Australia is confident of at least 1 athlete qualifying through the Oceania pathway.

Mr Edji Zenel queried whether Australia was doing well at the WKF championships and why athletes were not fighting better the further they went through rounds. Mr Marco Mazzanti related that athletes were getting solid wins at the World Championships, as well as across Serie A's and Premier K1's, with the Olympics propelling athletes further. The main concern being the amount of competition for athletes as it is too far to attend all the events, however, there has been a marked improvement and athletes were performing better.

Mr Edji Zenel stated that there were tournaments 8 hours away in Asia that may be easier for athletes to attend. Mr Hani Zahra responded that athletes were chasing Olympic ranking points and wanted to spend money to get points. The AKF has a future strategy to look at Grand Prix events.

4.4 Treasurer's Report

Mr Michael Jones highlighted that there was an adjustment to the report based on a request by members at the 2018 AGM for more transparency regarding Financial records.

Mr Edji Zenel mentioned that Mr Daniel Spice asked for itemised expenditure relating to a specific event. Mr Hani Zahra responded that the matter was handled by Mr Donald James in a face to-face meeting he had with Mr Spice at the 2019 Australian Open, and assumed the matter to be closed. Mr Michael Jones related that the report was produced. It was requested that Mr Daniel Spice write to the Executive if the matter was still outstanding.

Mr Luc Battistello queried the Future Athlete Funding numbers. Mr Michael Jones responded that this relates to the monies received from the AOC. \$32,500 has been withheld in the current financial year and will be made available in its entirety for the Olympic Qualifier event in May 2020. The funding is for Senior events only and as the World Championships in 2019 is a junior event, the funding has been directed to the Olympic Qualifiers.

MOTION: *That the financial report for the year ended 30 June 2019 be accepted.*

MOVED: Mr Rene Roggeveen **SECONDED:** Mr Darren Olsen **MOTION:** Carried

4.5 Secretary's Report

Ms Aashiqah Dickinson thanked the membership and fellow Executives for their support.

4.6 National Sports Committee Report

No comments or questions.

4.7 Coaching Director's Report – Pam Smith

No comments or questions.

4.8 National Referees' Council Chairman's Report – Dion Panossian

No comments or questions.

5. STATE/TERRITORY REPORTS

5.1 NEW SOUTH WALES

No questions from the members.

5.2 QUEENSLAND

Mr Jon Rawlings gave an overview of the Youth Sport Festival which was a key feature of the Sport Accord events QKA participated in for karate. Mr Hani Zahra congratulated QKA, Mr Rawlings and Ms Alexandria Amour for partaking in the junior sports events.

5.3 WESTERN AUSTRALIA.

Mr Dion Panossian announced that the 2020 AKF National Championships would be held in Perth 10-12 July and that WA Karate Federation is looking forward to welcoming everyone.

5.4 SOUTH AUSTRALIA

Mr Glen Scott informed that Karate SA has had an increase in their membership numbers.

5.5 VICTORIA

No questions from the members

5.6 TASMANIA

Mr Frank Hussey relayed his thanks to everyone for participating in the Nationals in Tasmania making special mention of the Tasmanian and national volunteers, especially Garth Hall and Renee Schaller for organising and running the event.

6. MEMBERSHIPS

PROBATIONARY TO ORDINARY, ASSOCIATE OR AFFILIATE MEMBERS ACT

Ordinary Membership

Member Name: Matsubayashi-ryu (Shorin-ryu) Karate Do
Head Instructor: Reece Cummings

MOTION: *That the Ordinary Membership be accepted*

MOVED: Mr George Wilson **SECONDED:** Mr Jon Rawlings

MOTION: Carried

NEW SOUTH WALES

Ordinary Membership

Member Name: Okinawan Goju-Ryu & Shorin Ryu
Head Instructor: Ian Pollet

MOTION: *That the Ordinary Membership be accepted*

MOVED: Mr George Wilson **SECONDED:** Ms Nerida Field

MOTION: Carried

Ordinary Membership

Member Name: Bujutsu Martial Arts & Fitness Centre

Head Instructor: Mark Szalajko

MOTION: *That the Ordinary Membership be accepted*

MOVED: Mr Hamid Mostofizadeh **SECONDED:** Mr Rene Roggeveen **MOTION:** Carried

QUEENSLAND

Ordinary Membership

Member Name: C Shotokan Karate

Head Instructor: Charlotte Degiorgio

MOTION: *That the Ordinary Membership be accepted*

MOVED: Mr George Wilson **SECONDED:** Mr Rene Roggeveen

MOTION: Carried

VICTORIA

Ordinary Membership

Member Name: Yoseikan Karate Victoria

Head Instructor: Golub Tomic

MOTION: *That the Ordinary Membership be accepted*

MOVED: Mr Rene Roggeveen **SECONDED:** Mr Darren Olsen

MOTION: Carried

Ordinary Membership

Member Name: Fierce Shotokan Karate

Head Instructor: Serge Mocevic

MOTION: *That the Ordinary Membership be accepted*

MOVED: Mr Richard Callahan **SECONDED:** Mr Ennio Anselmi

MOTION: Carried

7. GENERAL BUSINESS:

Mr Peter Jackson raised that in conjunction with Karate Victoria's assistance, he was made aware that karate is not allowed in schools due to it being labelled as a head contact sport and therefore not eligible to be funded. Mr Jackson was working with a solicitor to lobby the Victorian state education department and asked if it would be worthwhile trying to lobby at national level for karate to be included as a funded sport in all schools.

Ms Alexandria Amour asked if Mr Jackson could use the anti-bullying program to go to schools. Mr Jackson noted that this pathway had been tried but was unsuccessful.

Mr Hani Zahra suggested that Mr Jackson lobby through Karate Victoria as the state recognised body with assistance from the AKF through the National General Secretary, in the form of a letter highlighting the benefits of karate from the country's peak sports body.

Action: Ms Aashiqah Dickinson to provide Mr Peter Jackson with the letter highlighting the benefits of karate.

Mr Luc Battistello queried what the minimal time was for members to receive the Annual Report before the AGM. Discussions were had by the members which culminated in a motion being made and amended by Mr Luc Battistello as follows:

MOTION: *That the Annual report be received at least 48 hours prior to an AGM.*

MOVED: Mr Luc Battistello **SECONDED:** Mr Rene Roggeveen

MOTION: Carried

It is to be noted that the 2020 AGM will be exempt from this motion.

Ms Sonia Leonardi asked if the AKF would support the #dojomojo fundraising initiative via social media for the Movember cause. Mr Hani Zahra responded that this would be supported.

8. CLOSE OF MEETING

Mr Hani Zahra thanked members for their support.

The meeting was closed at 9:40pm.

AUSTRALIAN KARATE FEDERATION INC

Minutes of the

SPECIAL GENERAL MEETING

Held at

LIVERPOOL NSW

On

4 DECEMBER 2020

Hani Zahra (President)

Signature

A handwritten signature in black ink, appearing to read 'Hani Zahra', written in a cursive style.

1. Opening

At 7:41 pm Hani Zahra (President) declared the meeting open

2. Quorum

Ian Basckin (Manager) confirmed

Ordinary Members of the AKF as at 2 Aug 2019 149

Financial Members of the AKF as at 20 Nov 2020 99

Financial Members in attendance 5

Financial Members observing via Zoom 5

Apologies 13

Valid Proxies held by the National Office as at 27 Nov 2020 78

Quorum 50

3. Agenda item

To give effect to changes required to convert the Association to a Company Limited by Guarantee, accept the proposed new constitution and to give effect to these changes.

4. Resolutions

4.1 Hani Zahra read the 7 resolutions to be passed.

- The members **RESOLVE (by special resolution)** to convert the Association from an incorporated association to a company limited by guarantee.
- The members **RESOLVE (by special resolution)** to adopt the constitution tabled at this meeting as the constitution of the Company, replacing any and all previous constitutions.
- The members **RESOLVE (by special resolution)** that all members of the Association will be members of the Company, subject to the terms of the Constitution of the Company.
- The members **RESOLVE (by special resolution)** that the name of the company, once the conversion to a company limited by guarantee has occurred, will be the "Australian Karate Federation Limited".
- The members **RESOLVE (by ordinary resolution)** to do all that is necessary to facilitate the conversion of the Association from an incorporated association to a company limited by guarantee.
- The members **RESOLVE (by ordinary resolution)** that the executive committee of the Association are appointed as the First Directors of the Company.
- The members **RESOLVE (by ordinary resolution)** that the executive committee of the Association will be duly authorised to complete and sign all documents on behalf of the Association and once incorporated the Company to give effect to the above resolution.

4.2 Hani Zahra confirmed that The First Directors have all lodged Consent to Act forms with the National Office.

4.3 Nghia Tran (a World Karate Federation referee) who was in attendance as an observer was appointed scrutineer.

5. Vote

The results of the vote were as follows

- The members **RESOLVE (by special resolution)** to convert the Association from an incorporated association to a company limited by guarantee.

For 82 votes / Against 0 votes - required 75 - resolution passed

- The members **RESOLVE (by special resolution)** to adopt the constitution tabled at this meeting as the constitution of the Company, replacing any and all previous constitutions.

For 80 votes / Against 2 votes - required 75 - resolution passed*

- The members **RESOLVE (by special resolution)** that all members of the Association will be members of the Company, subject to the terms of the Constitution of the Company.

For 82 votes / Against 0 votes - required 75 - resolution passed

- The members **RESOLVE (by special resolution)** that the name of the company, once the conversion to a company limited by guarantee has occurred, will be the "Australian Karate Federation Limited".

For 82 votes / Against 0 votes - required 75 - resolution passed

- The members **RESOLVE (by ordinary resolution)** to do all that is necessary to facilitate the conversion of the Association from an incorporated association to a company limited by guarantee.

For 82 votes / Against 0 votes - required 50 - resolution passed

- The members **RESOLVE (by ordinary resolution)** that the executive committee of the Association are appointed as the First Directors of the Company.

For 82 votes / Against 0 votes - required 50 - resolution passed

- The members **RESOLVE (by ordinary resolution)** that the executive committee of the Association will be duly authorised to complete and sign all documents on behalf of the Association and once incorporated the Company to give effect to the above resolution.

For 82 votes / Against 0 votes - required 50 - resolution passed

*Amended result after recount of proxy votes

6. Close

Meeting was closed by the President at 8:01pm.



FINANCIAL STATEMENTS

AUSTRALIAN KARATE FEDERATION INC
ABN: 29 705 212 987

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

AUSTRALIAN KARATE FEDERATION INC.

ABN: 29 705 212 987

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The accompanying notes form part of these financial statements.

AUSTRALIAN KARATE FEDERATION INC

ABN: 29 705 212 987

BALANCE SHEET**FOR THE YEAR ENDED 30 JUNE 2020**

CURRENT ASSETS	2020	2019
AUD Paypal	11,033.98	35,586.00
Australian Karate Federation	63,430.47	50,129.23
Business Cash Maximiser	-	4.02
Cash on Hand	2,750.00	-
Total Cash & Bank	77,214.45	85,719.25
Accounts Receivable	35,368.17	20,675.93
Prepayments for Tournaments	-	28,520.00
Travel Credits	25,791.29	-
TOTAL CURRENT ASSET	138,373.91	134,915.18
NON-CURRENT ASSETS		
Fixtures & Fittings	4,164.31	2,791.63
Less Accumulated Depreciation	- 4,164.31	- 2,791.63
Office Equipment	13,206.11	13,206.11
Less Accumulated Depreciation	- 13,206.11	- 9,069.03
TOTAL NON-CURRENT ASSETS	-	4,137.08
TOTAL ASSETS	138,373.91	139,052.26
CURRENT LIABILITIES		
Accounts Payable	26,884.33	-
Athlete Future Funding	-	5,130.85
Insurance Scheme	289.69	-
Master Credit Card	1,365.88	8,654.86
GST Clearing	7,193.42	- 1,664.00
ATO Interest Payable	-	125.28
Superannuation Payable	-	439.85
PAYG Payable	18,910.00	7,652.00
Sports Foundation - Support Your Club	346.75	-
TOTAL LIABILITIES	54,990.07	20,338.84
NET ASSETS	83,383.84	118,713.42
EQUITY		
Retained Earnings	118,713.42	163,146.22
Adjustment to retained earnings	- 24.42	-
Current Year Surplus / (Deficit)	- 35,305.16	- 44,432.80
TOTAL EQUITY	83,383.84	118,713.42

AUSTRALIAN KARATE FEDERATION INC

ABN: 29 705 212 987

**PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020**

INCOME	2020	2019
AKFCAS	7,413.44	-
Athlete Registration	64,522.72	-
Australian Open Entry 2019	-	29,433.20
EAP Squad Rego 2019	-	76,068.36
Grants Aust Sports Commission	125,000.00	120,000.00
Aust Olympic Committee	700.00	-
Services NSW	9,090.91	-
Insurance	2,078.91	31,576.49
Jobkeeper Wages Subsidy	12,000.00	-
Junior World Champ & Pacific	-	16,429.31
Membership Fees	28,000.00	66,060.00
Nationals 2018 Entry Fees	-	102,155.00
NCD Coach's Training fees	-	7,620.23
Pacific Cup Squad 2018	-	64,805.00
Recognition of DAN Grade	941.06	977.73
Referee Fees	7,221.08	19,412.39
Sponsorship	4,600.00	10,600.00
World Championship 2019	-	6,710.00
Total Income	261,568.12	551,847.71

AUSTRALIAN KARATE FEDERATION INC

ABN: 29 705 212 987

PROFIT AND LOSS STATEMENT**FOR THE YEAR ENDED 30 JUNE 2020**

	2020	2019
INCOME	261,568.12	551,847.71
EXPENSES		
Advertising & Promotion	-	853.21
Affiliation Fees	2,486.95	14,468.28
Athlete Support	14,000.00	-
Audit Fees	2,000.00	-
Australian Open 2019	-	32,261.85
Bank Fees and Charges	7,156.82	9,983.84
Depreciation & write down	5,509.76	3,735.66
Entry Fees	-	2,516.87
Equalisation	270.00	-
General Expenses	8,756.44	3,652.33
International Tours Costs - Net	79,417.54	-
Junior World Cup Spain	-	1,100.00
Meeting expenses	10,013.53	-
National Coaches expenses	1,769.34	6,688.00
National Competition Cost - Net	36,256.86	86,009.72
National Training Seminars	-	35,635.47
Nationals 2019 Tasmania	-	8,244.23
NPDC 2019	-	3,022.70
NRC costs	-	42,531.93
NSC 2018	-	7,684.30
Oceania 2018 - Flights	-	1,480.00
Oceania 2018 - Entry Fee	-	14,980.00
Office Expenses	-	1,466.41
Pacific Cup 2018	-	130,261.71
Printing and Stationery	6,781.23	1,527.47
Referees	13,787.26	-
Rent	17,403.64	18,800.00
Senior World Cup 2018	-	79,190.18
Software & Website	-	3,871.70
Superannuation	7,196.94	5,813.44
Telephone and Internet	6,199.70	10,216.63
Travel	-	3,730.58
Wages & Salaries	77,867.27	66,554.00
Total Expenses	296,873.28	596,280.51
Net Profit	(35,305.16)	(44,432.80)

AUSTRALIAN KARATE FEDERATION INC

ABN: 29 705 212 987

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2020**

	Retained Earnings \$
Balance at 1 July 2018	163,146
Surplus / (deficit) attributable to Association	(44,433)
Balance at 30 June 2019	118,713
Surplus / (deficit) attributable to Association	(35,870)
Balance as at 30 June 2020	82,844

AUSTRALIAN KARATE FEDERATION INC.

ABN 29 705 212 987

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

1 Association Information

Australian Karate Federation Inc. is an association incorporated in New South Wales under the Associations Incorporation Act 2009 (NSW).

2 Summary Of Significant Accounting Policies

Basis of Accounting

In the opinion of the Management Committee, the Association is not a reporting entity because there are no users dependent on general purpose financial reports.

This is a special purpose financial report that has been prepared for the purposes of complying with the New South Wales legislation Associations Incorporation Act 2009, the Charitable Fundraising Act 1991 and associated regulations. The Management Committee has determined that the accounting policies adopted are appropriate to meet the needs of the users.

The financial report has been prepared in accordance with the relevant Australian Accounting Standards, except for:

The financial report has been prepared in accordance with the historical cost convention and does not take into account changing monetary values. The accrual and going concern basis have been adopted. Comparative information is reclassified where appropriate to enhance comparability.

The following is a summary of the significant accounting policies adopted in the preparation of these financial statements. Unless otherwise stated, these accounting policies are consistent with those of the previous year.

Income Tax

The Association is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, and as such it is exempt from paying income tax.

Property, Plant & Equipment

Items of equipment and furniture are depreciated.

The depreciation amount of all fixed assets, excluding freehold land, is depreciated on a straight line basis over their useful lives to the company commencing from the time the asset is held ready for use.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with original maturities of three months or less, that are readily convertible to known amounts of cash.

Revenue recognition

Donations are accounted for on a cash basis.

Other revenue is recognised when it is received or when the right to receive payment is established.

Grants are recognised as income over the period to which they relate.

Grants received in advance are deferred as a liability and not recognised until the Association has provided the services that meet the grant conditions.

Employee Entitlements

Provision is made for the Association's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements are measured at their nominal amount.

The amount charged to the income statement in respect of superannuation represents the contributions made by the Association to superannuation funds during the financial year.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office (ATO), in this case it is recognised as part of the cost of acquisition of the asset or as part of the expenses.

Receivables and payables are stated inclusive of the amount of GST receivable or payable.

AUSTRALIAN KARATE FEDERATION INC

ABN: 29 705 212 987

STATEMENT BY MEMBERS OF THE COMMITTEE

The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the committee:

- (a) the Profit and Loss account is drawn up so as to give a true and fair view of the results of the company for the financial year ended 30 June 2020;
- (b) the Balance Sheet and notes are drawn up so as to given a true and fair view of the financial position as at 30 June 2020; and
- (c) in the committee's opinion there are reasonable grounds to believe that the association will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the committee.

22/10/2020

Dated:



HANI ZAHRA

Committee Member



MICHAEL JONES

Committee Member

AUSTRALIAN KARATE FEDERATION INC

ABN: 29 705 212 987

STATEMENT BY MEMBERS OF THE COMMITTEE

The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

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- (b) the Balance Sheet and notes are drawn up so as to given a true and fair view of the financial position as at 30 June 2020; and
- (c) in the committee's opinion there are reasonable grounds to believe that the association will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the committee.

22/10/2020

Dated:



HANI ZAHRA

Committee Member



MICHAEL JONES

Committee Member

AUSTRALIAN KARATE FEDERATION INC
ABN: 29 705 212 987

CERTIFICATE BY MEMBERS OF THE COMMITTEE

We, HANI ZAHRA AND MICHAEL JONES, certify that:

- (a) We attended the annual general meeting of the association held on the date mentioned below; and
- (b) That the financial statements for the year ended 30 June 2020 were submitted to the members of the association at its annual general meeting.

22/10/2020

Dated:



HANI ZAHRA

Committee Member:



MICHAEL JONES

Committee Member:



Edward D. Chahoud
is a CPA Practice

Edward D. Chahoud B.Bus., CPA

CERTIFIED PRACTISING ACCOUNTANT

ABN 28 958 252 950

469 BURWOOD ROAD
BELMORE, N.S.W. 2192

TELEPHONE: (02) 9759 4676

FACSIMILE: (02) 9759 4676

EMAIL: edwardchahoud@bigpond.com

**INDEPENDENT AUDIT REPORT
FOR THE YEAR ENDED 30th JUNE 2020**

**To the members of
AUSTRALIAN KARATE FEDERATION INC.**

ABN 29 705 212 987

We have audited the accompanying financial report, being a special purpose financial report, of **Australian Karate Federation Inc.**, which comprises the Balance Sheet as at **30th June 2020**, the Profit and Loss Statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the Statement by Members of the Management Committee.

Management Committee responsibility for the financial report

Management Committee are responsible for the preparation and fair presentation of the financial report and have determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the NSW Association Incorporation Act 2009 and the needs of the members. The Management Committee's responsibility also includes such internal control as Management Committee determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Association's preparation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management Committee, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

**INDEPENDENT AUDIT REPORT
FOR THE YEAR ENDED 30th JUNE 2020**

**To the members of
AUSTRALIAN KARATE FEDERATION INC.
ABN 29 705 212 987**

Auditor's Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of **Australian Karate Federation Inc.** as at **30th June 2020** and of its financial performance and its cash flows for the year then ended on that date and complies with Australian Accounting Standards to the extent described in Note 1.

Basis of accounting

Without modifying our opinion, 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 Management Committee reporting responsibilities. As a result, the financial report may not be suitable for another purpose.



.....
Edward Chahoud CPA

Dated this 22nd day of October 2020

AUSTRALIAN KARATE FEDERATION LIMITED
ABN: 29 705 212 987

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

AUSTRALIAN KARATE FEDERATION LIMITED

ABN: 29 705 212 987

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AUSTRALIAN KARATE FEDERATION LIMITED

ABN: 29 705 212 987

**BALANCE SHEET
FOR THE YEAR ENDED 30 JUNE 2021**

CURRENT ASSETS	2021	2020
AUD Paypal	391.75	11,033.98
NAB a/c 083437 825984382	23,865.25	63,430.47
NAB a/c 083170 756179178 (Insurance)	11,001.03	-
NAB a/c 083170 756195987 (Grants)	16,440.60	-
Cash on Hand	2,750.00	2,750.00
Total Cash & Bank	54,448.63	77,214.45
Accounts Receivable	42,107.19	35,368.17
Travel Credits	24,266.75	25,791.29
TOTAL CURRENT ASSET	120,822.57	138,373.91
NON-CURRENT ASSETS		
Fixtures & Fittings	-	4,164.31
Less Accumulated Depreciation	-	- 4,164.31
Office Equipment	-	13,206.11
Less Accumulated Depreciation	-	- 13,206.11
TOTAL NON-CURRENT ASSETS	-	-
TOTAL ASSETS	120,822.57	138,373.91
CURRENT LIABILITIES		
Accounts Payable	18,473.87	26,884.33
Insurance Scheme	-	289.69
Master Credit Card	3,173.40	1,365.88
GST Clearing	5,537.04	7,193.42
BAS	1,658.56	-
Superannuation Payable	476.90	-
PAYG Payable	-	18,910.00
Sports Foundation - Support Your Club	-	346.75
TOTAL LIABILITIES	29,319.77	54,990.07
NET ASSETS	91,502.80	83,383.84
EQUITY		
Retained Earnings	83,383.84	118,713.42
Adjustment to retained earnings	-	- 24.42
Current Year Surplus / (Deficit)	8,118.96	- 35,305.16
TOTAL EQUITY	91,502.80	83,383.84

AUSTRALIAN KARATE FEDERATION LIMITED

ABN: 29 705 212 987

**PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021**

INCOME	2021	2020
AKFCAS	5,588.51	7,413.44
Athlete Registration	4,244.30	64,522.72
Grants Aust Sports Commission	106,000.00	125,000.00
Aust Olympic Committee	-	700.00
Services NSW	-	9,090.91
Insurance	18,137.87	2,078.91
Insurance Scheme	289.69	-
Jobkeeper Wages Subsidy	55,800.00	12,000.00
Karate Instructor Accreditation	1,250.00	-
Membership Fees	26,500.00	28,000.00
Olympic Shop	2,987.52	-
Recognition of DAN Grade	-	941.06
Referee Fees	-	7,221.08
Sundry Income	493.49	-
Sponsorship	-	4,600.00
Total Income	221,291.38	261,568.12

AUSTRALIAN KARATE FEDERATION INC

ABN: 29 705 212 987

**PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021**

	2021	2020
INCOME	221,291.38	261,568.12
EXPENSES		
Affiliation Fees - WKF	2,215.92	2,486.95
Athlete Support	-	14,000.00
Audit Fees	-	2,000.00
Australian Open 2021	16,251.86	-
Bank Fees and Charges	2,529.58	7,156.82
Company Ltd by Guarantee setup	15,297.29	-
Consulting & Accountniting	10,224.58	-
Depreciation & write down	-	5,509.76
Equalisation		270.00
Insurance	2,113.22	-
International Tours Costs - Net	3,412.00	79,417.54
Meeting expenses	587.67	10,013.53
National Coaches expenses	550.91	1,769.34
National Competition Cost - Net	-	36,256.86
Nationals 2021	8,145.00	-
NZ Cup & Training Camp 2021	- 76.45	
Office Expenses	15,513.98	8,756.44
Printing and Stationery	5,579.34	6,781.23
Referees	-	13,787.26
Rent	12,000.00	17,403.64
Social Media	10,800.00	-
Software & Website	3,021.15	-
Superannuation	7,317.38	7,196.94
Telephone and Internet	5,859.46	6,199.70
Training Camp 2021	3,689.20	-
Travel Credits	2,372.73	-
Wages & Salaries	85,767.60	77,867.27
Total Expenses	213,172.42	296,873.28
Net Profit	8,118.96	(35,305.16)

AUSTRALIAN KARATE FEDERATION LIMITED

ABN: 29 705 212 987

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021

		INFLOWS / (OUTFLOWS)
2020	CASH FLOWS FROM OPERATING ACTIVITIES	2021
249,605	Receipts from customers	216,076.90
256,737	Payments to suppliers & employees	238,842.72
<u>- 7,132</u>	Net cash provided by operating activities	<u>- 22,765.82</u>
	CASH FLOWS FROM INVESTING ACTIVITIES	
-	Interest received	-
1,373	Payment for investment	-
<u>- 1,373</u>	Net cash used for investing	<u>-</u>
	CASH MOVEMENT DURING YEAR	
- 8,505	Net increase / (decrease) in cash held	- 22,765.82
85,719	Cash at beginning of reporting period	77,214.45
<u>77,214</u>	Cash at end of reporting period	<u>54,448.63</u>
	RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO OPERATING PROFIT	
- 35,305	Operating profit / (Loss) after tax	8,118.96
	Add/(less) items classified as	
	Non-operating activities	
-	Interest received	-
<u>- 35,305</u>	Cash derived from operating activities	<u>8,118.96</u>
	Add / (less) non cash items	
5,510	Depreciation	-
	Changes in assets & liabilities	
- 14,692	Decrease/(Increase) Trade debtors	- 6,739.02
28,520	Decrease/(Increase) Prepayments for tournaments	
- 25,791	Decrease/(Increase) Travel Credits	1,524.54
26,884	(Decrease) / Increase Accounts Payable	- 8,410.46
- 5,131	(Decrease) / Increase Athlete Future Fund	
290	(Decrease) / Increase Insurance Scheme	- 289.69
- 7,289	(Decrease) / Increase Master Credit Card	1,807.52
8,857	(Decrease) / Increase GST Clearing	- 1,656.38
	(Decrease) / Increase BAS Clearing	1,658.56
- 125	(Decrease) / Increase ATO Interest payable	-
- 440	(Decrease) / Increase in Superannuation Payable	476.90
11,258	(Decrease) / Increase in PAYG Payable	- 18,910.00
347	(Decrease) / Increase in Sports Foundation	- 346.75
- 24	(Decrease) / Increase in adjustment to retained earnings	-
<u>- 7,132</u>	Net cash provided by operating activities	<u>- 22,765.82</u>

AUSTRALIAN KARATE FEDERATION LIMITED

ABN: 29 705 212 987

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2021**

	Retained Earnings \$
Balance at 1 July 2019	118,713
Surplus / (deficit)	(35,329)
Balance at 30 June 2020	83,384
Surplus / (deficit)	8,119
Balance as at 30 June 2021	91,503

AUSTRALIAN KARATE FEDERATION LIMITED

ABN: 29 705 212 987

**DIRECTORS DECLARATION
FOR THE YEAR ENDED 30th JUNE 2021**

The Board has determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the committee:

- (a) the Profit and Loss account is drawn up so as to give a true and fair view of the results of the company for the financial year ended 30 June 2021;
- (b) the Balance Sheet and notes are drawn up so as to give a true and fair view of the financial position as at 30 June 2021 and
- (c) in the committee's opinion there are reasonable grounds to believe that the association will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board.

15/12/2021

Dated:



HANI ZAHRA

Director



MICHAEL JONES

Director

AUSTRALIAN KARATE FEDERATION LIMITED
ABN: 29 705 212 987

CERTIFICATE BY MEMBERS OF THE BOARD

We, HANI ZAHRA AND MICHAEL JONES, certify that:

- (a) We attended the annual general meeting of the company held on the date mentioned below; and
- (b) That the financial statements for the year ended 30 June 2021 were submitted to the members of the company at its annual general meeting.

15/12/2021

Dated:



HANI ZAHRA
Director



MICHAEL JONES
Director

AUSTRALIAN KARATE FEDERATION LIMITED

A.B.N. 29 705 212 987

DIRECTOR'S REPORT FOR THE FINANCIAL YEAR ENDED 30th JUNE, 2021

The Directors have pleasure in presenting the financial statement for the year ended **30th June 2021** and report as follows:

DIRECTORS

The Directors in office at the date of this report are as follows:

- | | | |
|---|---------------|--------------|
| 1 | Hani Zahra | President |
| 2 | Michael Jones | Treasurer |
| 3 | Ian Basckin | Board Member |
| 4 | | |
| 5 | | |
| 6 | | |
| 7 | | |

PRINCIPAL ACTIVITIES

The principal activities of the Company in the last financial year was that of promoting the sport of Karate

There has been no significant change in the nature of those activities occurred during the year.

RESULT OF OPERATIONS

The Net profit / (Loss) of the Company for the financial year ended 30.6.2021 was **\$ 8,118.96 profit** (2020 \$35,305.16 loss) and this amount has been transferred to Accumulated Funds.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the company during the year.

EVENTS SUBSEQUENT TO BALANCE DATE

In the interval between the end of the financial year and the date of this Report, no item, transaction or event of a material and unusual nature has arisen which is likely to affect substantially:

- 1) The operating of the Company
- 2) The results of those operations;
- 3) The state of affairs of the Company

in the financial year subsequent to that ended **30 June 2021**

AUSTRALIAN KARATE FEDERATION LIMITED

A.B.N. 29 705 212 987

DIRECTOR'S REPORT FOR THE FINANCIAL YEAR ENDED 30 JUNE, 2021

DIRECTORS' BENEFIT

Since the end of the previous financial year a Director of the Company, Mr , has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors' shown in the accounts, or the fixed salary of a employee of the Company or a related corporation), by reason of a contract made by the Company or a related Company or a related corporation with the Director or with a firm of which he is a member, or with a Company in which he has a substantial financial interest.

DIRECTORS & AUDITORS INDEMNIFICATION

The company has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the company or a related body corporate:

- a) indemnified or made any relevant agreement for indemnifying against a liability, including costs and expenses in successfully defending legal proceedings:
- b) But has paid or agreed to pay an insurance premium in respect of a Management Liability Insurance contract insuring against a liability for the costs or expenses to defend legal proceedings.

AUDITOR'S INDEPENDENCE

The auditor's independence declaration is included in the Annual Report.

Signed in accordance with a resolution of the Board of Directors

at Sydney on **15/12/2021**



Director



Director

AUSTRALIAN KARATE FEDERATION LIMITED

ABN 29 705 212 987

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1 Association Information

Australian Karate Federation Ltd is an Company Limited by Guarantee under the Corporation Act 2001.

2 Summary Of Significant Accounting Policies

Basis of Accounting

In the opinion of the Management Committee, the company is not a reporting entity because there are no users dependent on general purpose financial reports..

This is a special purpose financial report that has been prepared for the purposes of complying with the Corporation Act 2001, the Charitable Fundraising Act 1991 and associated regulations. The Management Committee has determined that the accounting policies adopted are appropriate to meet the needs of the users.

The financial report has been prepared in accordance with the relevant Australian Accounting Standards, except for:

The financial report has been prepared in accordance with the historical cost convention and does not take into account changing monetary values. The accrual and going concern basis have been adopted. Comparative information is reclassified where appropriate to enhance comparability.

The following is a summary of the significant accounting policies adopted in the preparation of these financial statements. Unless otherwise stated, these accounting policies are consistent with those of the previous year.

Income Tax

The Association is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997 as amended, and as such it is exempt from paying income tax.

Property, Plant & Equipment

Items of equipment and furniture are depreciated.

The depreciation amount of all fixed assets, excluding freehold land, is depreciated on a straight line basis over their useful lives to the company commencing from the time the asset is held ready for use.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with original maturities of three months or less, that are readily convertible to known amounts of cash.

Revenue recognition

Donations are accounted for on a cash basis.

Other revenue is recognised when it is received or when the right to receive payment is established.

Grants are recognised as income over the period to which they relate.

Grants received in advance are deferred as a liability and not recognised until the Association has provided the services that meet the grant conditions.

Employee Entitlements

Provision is made for the Association's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements are measured at their nominal amount.

The amount charged to the income statement in respect of superannuation represents the contributions made by the Association to superannuation funds during the financial year.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office (ATO), in this case it is recognised as part of the cost of acquisition of the asset or as part of the expenses.

Receivables and payables are stated inclusive of the amount of GST receivable or payable.

Balance Sheet

Australian Karate Federation Limited As at 31 December 2021

31 DEC 2021

Assets

Bank

AKF Grants	42,174.66
AKF Insurance	47,275.23
AUD PayPal	2,979.60
AUSTRALIAN KARATE FEDERATION	26,575.17
Total Bank	119,004.66

Current Assets

Accounts Receivable	74,982.81
Cash On Hand	2,750.00
Travel Credits	15,500.57
Total Current Assets	93,233.38

Total Assets	212,238.04
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Liabilities

Current Liabilities

Accounts Payable	82,000.00
GST	6,969.84
BAS	3,702.87
Superannuation Payable	1,782.00
Wages Payable - Payroll	613.00
Master Credit Card	1,057.16
Total Current Liabilities	96,124.87

Total Liabilities	96,124.87
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Net Assets	116,113.17
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Equity

Current Year Earnings	26,470.46
Retained Earnings	89,642.71
Total Equity	116,113.17

Profit and Loss

Australian Karate Federation Limited For the 6 months ended 31 December 2021

JUL-DEC 2021

Trading Income

AKF Coaching and Referees	4,986.16
Athlete Registration Fees	140.91
Club Membership- AKF INC	600.00
Grants	50,000.00
Prepaid Membership Insurance	101,426.04
Total Trading Income	157,153.11

Gross Profit	157,153.11
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Operating Expenses

Bank Fees and Charges	1,001.74
Net International Tour Costs	13,765.15
Prepayment Nationals 2021	718.63
Printing Stationery	4,881.87
Rent	6,000.00
Wages And Salaries	20,116.43
Superannuation	3,978.00
Telephone & Internet	3,412.14
General Office Expenses	2,308.22
IT Expense	1,500.47
Insurance Payable	73,000.00
Total Operating Expenses	130,682.65

Net Profit	26,470.46
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