St. Kitts and Nevis Football Association Inc.

Financial Statements
December 31, 2016
(expressed in Eastern Caribbean dollars)

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Independent Auditors' Report

To the Members of
St. Kitts and Nevis Football Association Inc.

Opinion

We have audited the financial statements of **St. Kitts and Nevis Football Association Inc.** (the "Association") which comprise the statement of financial position as at December 31, 2016, and the statement of comprehensive income, statement of changes in accumulated fund and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 2016, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Association in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants ("IESBA Code")* together with the ethical requirements that are relevant to our audit of the financial statements in the Eastern Caribbean, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standard for Small and Medium-Sized Entities, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Association'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 management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

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Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 ISAs 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 these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Association to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Grant Thornton

Chartered Accountants
June 23, 2017
Basseterre, St. Kitts

St. Kitts and Nevis Football Association Inc.

Statement of Financial Position

As at December 31, 2016

(expressed in Eastern Caribbean dollars)

	2016 $	2015 $
Assets		
Current asset		
Cash at banks (note 7)	**134,435**	304,233
Non-current asset		
Property and equipment (note 8)	**967,750**	1,114,769
Total assets	**1,102,185**	1,419,002
Liabilities and accumulated fund		
Current liabilities		
Bank overdraft (note 10)	**166,753**	–
Accounts payable and accrued liabilities (note 11)	**387,244**	297,984
Deferred income (note 9)	**–**	108,501
Capital grants (note 12)	**662,962**	713,275
Total liabilities	**1,216,959**	1,119,760
Accumulated fund	**(114,774)**	299,242
Total liabilities and accumulated fund	**1,102,185**	1,419,002

The accompanying notes on pages 1 to 16 are an integral part of these financial statements.

Approved by the Management Committee on June 23, 2017.

President **General Secretary**

St. Kitts and Nevis Football Association Inc.

Statement of Comprehensive Income

For the year ended December 31, 2016

(expressed in Eastern Caribbean dollars)

	2016 $	2015 $
Income		
Grants		
FIFA	**1,551,878**	3,053,923
CONCACAF	**273,840**	57,096
Gates receipts	**716,894**	608,358
Broadcast rights	**165,060**	102,093
Sponsorships and contributions	**118,794**	79,691
Subscriptions and team registration	**8,108**	31,690
Other income	**87,658**	15,398
	2,922,232	3,948,249
Expenses		
Football development (note 14)	**(1,768,876)**	(1,779,912)
Administrative (note 13)	**(840,268)**	(796,987)
Local competitions (note 15)	**(454,568)**	(408,863)
Advertising and promotions (note 16)	**(272,536)**	(328,816)
	(3,336,248)	(3,314,578)
(Loss)/surplus for the year	**(414,016)**	633,671
Other comprehensive income	**–**	–
Total comprehensive (loss)/surplus for the year	**(414,016)**	633,671

The accompanying notes on pages 1 to 16 are an integral part of these financial statements.

St. Kitts and Nevis Football Association Inc.

Statement of Changes in Accumulated Fund

For the year ended December 31, 2016

(expressed in Eastern Caribbean dollars)

	2016 $	2015 $
Balance at beginning of year	**299,242**	(334,429)
(Loss)/surplus for the year	**(414,016)**	633,671
Balance at end of year	**(114,774)**	299,242

The accompanying notes on pages 1 to 16 are an integral part of these financial statements.

St. Kitts and Nevis Football Association Inc.

Statement of Cash Flows

For the year ended December 31, 2016

(expressed in Eastern Caribbean dollars)

	2016 $	2015 $
Cash flows from operating activities		
(Loss)/surplus for the year	**(414,016)**	633,671
Item not affecting cash		
Depreciation	**147,019**	110,596
Operating (loss)/surplus before changes in working capital	**(266,997)**	744,267
Changes in working capital balances other than cash:		
Increase in accounts payable and accrued liabilities	**81,260**	17,348
Increase in deferred income	**(108,501)**	99,414
Decrease in capital grants	**(42,313)**	(50,313)
Net cash (used in)/from operating activities	**(336,551)**	810,716
Cash flows used in investing activity		
Purchase of property and equipment	**–**	(472,146)
Cash flows used in financing activity		
Repayments of loans payable	**–**	(54,023)
Net (decrease)/increase in cash and bank overdraft during the year	**(336,551)**	284,547
Cash and bank overdraft at beginning of year	**304,233**	19,686
Cash and overdraft at end of year	**(32,318)**	304,233
Represented by:		
Cash (note 7)	**134,435**	304,233
Bank overdraft (note 10)	**(166,753)**	–
	(32,318)	304,233

The accompanying notes on pages 1 to 16 are an integral part of these financial statements.

(expressed in Eastern Caribbean dollars)

1 Nature of operations

The St. Kitts and Nevis Football Association Inc. (the "Association") was incorporated in 1999 pursuant to the St. Kitts and Nevis Football Association (Incorporated) Act Chapter 23.27. The aims and objectives of the Association are as follows:

a) To regulate and control the conduct of football in St. Kitts and Nevis under Fédération Internationale de Football Association ("FIFA"; English: International Federation of Association Football) and to provide playing fields and conveniences in connection therewith;
b) To promote local and inter-territorial matches and to provide prizes or awards to participants thereof; and
c) To foster and promote the playing football under the said system and to become members of or affiliated to Association's having similar objectives.

2 General information and compliance with International Financial Reporting Standards (IFRS)

The accompanying financial statements of the Association have been prepared in accordance with IFRS as issued by the International Accounting Standards Board (IASB). The financial statements have been prepared under historical cost convention. The measurement bases are more fully described in the summary of accounting policies.

3 Changes in accounting policies

New standards and amendments to standards effective for the financial year beginning January 1, 2016

Certain new standards, interpretations and amendments to existing standards have been published that became effective during the current financial year. The Association has assessed the relevance of such new standards and amendments and has concluded that these will not be relevant. Accordingly, the Association has made no changes to its accounting policies in 2016.

Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Association

At the date of authorisation of these financial statements, certain new standards, and amendments to existing standards have been published by the IASB that are not yet effective, and have not been adopted early by the Association. Information on those expected to be relevant to the Association's financial statements is provided below.

Management anticipates that all relevant pronouncements will be adopted in the Association's accounting policies for the first period beginning after the effective date of the pronouncement. New standards, interpretations and amendments either not adopted or listed below are not expected to have a material impact on the Association's financial statements.

(expressed in Eastern Caribbean dollars)

3 Changes in accounting policies *…continued*

Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Association *…continued*

- IFRS 9, 'Financial Instruments', (effective for annual periods beginning on or after January 1, 2018). In July 2014, the IASB issued IFRS 9 which is the comprehensive standard to replace IAS 39 'Financial Instruments: Recognition and Measurement', and includes requirements for classification and measurement of financial assets and liabilities, impairment of financial assets and hedge accounting. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income (OCI) and fair value through Profit or Loss (FVPL). The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in OCI, for liabilities designated at FVPL. The standard is effective for accounting periods on or after January 1, 2018. The full impact of IFRS 9 is yet to be assessed.

- IFRS 15, 'Revenue from contracts with customers' deals with revenue recognition and establishes principles for reporting useful information to users of financial statement about the nature, amount, timing and uncertainty of revenue and cash flow arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard is effective for annual periods beginning on or after January 1, 2018. The impact of IFRS 15 is being assessed by the Association.

- IFRS 16 – Leases - IFRS 16 eliminates the current dual accounting model for lessees, which distinguishes between on-statement of financial position finance leases and off-statement of financial position operating leases. Instead, there is a single, on-statement of financial position accounting model that is similar to current finance lease accounting.

  Lessor accounting remains similar to current practice – i.e. lessors continue to classify leases as finance and operating leases. For lessees, the lease becomes an on-statement of financial position liability that attracts interest, together with a right to use assets also being recognized on the statement of financial position. In other words, lessees will appear to become more asset-rich but also more heavily indebted. The impacts are not limited to the statement of financial position. There are also changes in accounting over the life of the lease. In particular, companies will now recognise a front-loaded pattern of expense for most leases, even when they pay constant annual rentals. The standard is effective for annual periods beginning on or after January 1, 2019. The impact of IFRS 16 is being assessed by the Association.

There are no other new or amended standards and interpretations that are issued but not yet effective, that are expected to have a significant impact on the accounting policies or financial disclosures of the Association.

(expressed in Eastern Caribbean dollars)

4 Summary of accounting policies

The financial statements have been prepared using the significant accounting policies and measurement bases.

a) Cash

Cash comprise current accounts at banks, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of any bank overdraft.

b) Property and equipment and depreciation

Property and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably. All other repairs and maintenance expenditures are charged to the statement of comprehensive income in the period incurred.

Land is not depreciated. Depreciation is computed on the straight-line basis at rates considered adequate to write off the cost of depreciable property and equipment, less salvage value, over their estimated useful lives as follows:

Building	5 %
Furniture and fixtures	10%
Recording equipment	20%
Computer equipment	20%
Office equipment	20%
Motor vehicles	20%
Other equipment	20%

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The amount of the write-down or impairment is recognised in the statement of comprehensive income.

Gains and losses on the disposal are determined by comparing the net proceeds with the carrying amount and are recognised within "other income" in the statement of comprehensive income.

(expressed in Eastern Caribbean dollars)

4 Summary of accounting policies *…continued*

c) Impairment of non-financial assets

Assets that are subject to depreciation are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's book value exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level, for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

d) Accounts payable and accrued liabilities

Accounts payable and accrued liabilities are obligation to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable and accrued liabilities are classified as current liability if payments are due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Accounts payable and accrued liabilities are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

e) Loans payable

Loans payable are recognised initially at fair value, net of transaction cost incurred. Loans payable are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the loans payable using the effective interest method.

Loans payable are classified as current liabilities unless the Association has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date.

f) Provision

Provisions are recognised when the Association has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligation may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

(expressed in Eastern Caribbean dollars)

4 Summary of accounting policies *…continued*

g) Accumulated fund

Accumulated fund includes all current and prior period retained surplus as reported in the statement of comprehensive income.

h) Revenue recognition

The Association recognises revenue when: the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for the Association's activities. It is measured at the fair value of consideration received or receivable. Revenue is recognised as follows:

Grants and deferred income
Grants received in respect of capital expenditure are credited to a deferred grant account and are released to the statement of comprehensive income over the expected lives of the relevant assets by matching the relevant depreciation expense. Where a grant relates to an asset which is not depreciated, the grant remains in deferred grants until the end of the asset's life or when the asset is sold.

Revenue grants are credited to income when the grants are received.

Gate receipts, sponsorships and contributions, subscriptions and team registrations and broadcast rights
Revenue earned from gate receipts, sponsorships and contributions, subscriptions and team registrations and broadcast rights are recognised on the accrual basis.

Interest income
Interest income is recognised in the statement of comprehensive income for all interest bearing instruments using the effective interest method.

i) Expenses

Expenses are recognized in the statement of comprehensive income upon utilization of the service or as incurred.

j) Short term employee benefits

Short–term employee benefits, including holiday entitlement, are current liabilities measured at the undiscounted amount that the Association expects to pay as a result of the unused entitlement.

k) Taxation

Under the existing laws of St. Kitts and Nevis, the Association is not subject to assessment or liable to income tax in the Federation of St. Kitts and Nevis.

(expressed in Eastern Caribbean dollars)

4 Summary of accounting policies *…continued*

l) Operating leases – Association as a lessee

Leases which do not transfer to the Association substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments (net of any incentive received from the lessor) are recognized as expense in the statement of comprehensive income on a straight-line basis over the lease term. Associated costs, such as repairs and maintenance and insurance, are expensed as incurred.

m) Foreign currency translation

Functional and presentation currency
Items included in the financial statements of the Association are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Eastern Caribbean dollars, which is the Association's presentation and functional currency.

Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in currencies other than the functional currency are reported at the exchange rates prevailing at the period end. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the statement of comprehensive income.

n) Financial instruments

Financial assets

Classification

The Association classifies its financial assets as loans and receivables. Loans and receivables are non–derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non–current assets.

The Association's loans and receivables relates only to cash at banks in the statement of financial position.

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade–date being the date on which the Association commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Association has transferred substantially all risks and rewards of ownership.

(expressed in Eastern Caribbean dollars)

4 Summary of accounting policies *...continued*

n) Financial instruments *...continued*

Financial liabilities
The Association's financial liabilities are recognized initially on the trade date at which the Association becomes a party to the contractual provisions of the instrument. Financial liabilities are recognized initially at fair value and are subsequently carried at amortized cost, taking into account the impact of applying the effective interest method of amortization (or accretion) for any related premium, discount and any directly attributable transaction costs. The Association derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

Included in this category are the Association's accounts payable and accrued liabilities and loans payable.

Offsetting financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statement of financial position.

o) Events after the reporting date

Post year-end events that provide additional information about the Association's financial position at the reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the financial statements when material.

5 Financial risk management

a) Financial risk factors

The Association's activities expose it to a variety of financial risks: market risk (including foreign currency risk, fair value interest rate risk and cash flow interest rate risk) and liquidity risk. The Association has not entered into forward contracts to reduce risk exposures. The Association's overall risk management programme seeks to minimize potential adverse effects on the Association's financial performance.

Risk management is carried out by management under policies approved by the Management Committee. The Management Committee identifies and evaluates financial risks in close cooperation with the Association's management.

i) Market risk

The Association takes on exposure to market risk, which is the risk that the fair value of cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks arise from foreign exchange rates.

(expressed in Eastern Caribbean dollars)

5 Financial risk management *...continued*

a) Financial risk factors *...continued*

i) Market risk *...continued*

Substantially all of the Association's transactions and assets and liabilities are denominated in either Eastern Caribbean dollars or United States dollars. Currency risk arises when future commercial transactions or recognized assets and liabilities are denominated in a currency that is not the entity's functional currency.

The Association's exposure to currency risk is limited as its transactions are mainly denominated in United States or Eastern Caribbean dollars. The exchange rate of the Eastern Caribbean dollar (EC$) to the United States dollar (US$) has been formally pegged at EC$2.70 = US$1.00 since July 1976. Management does not believe significant foreign exchange risk exists as of December 31, 2016.

ii) Credit risk

Credit risk arises from the possibility that counterparties may default on their obligations to the Association. The Association has no significant credit risk as at December 31, 2016.

iii) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash balances and the availability of funding from an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying operations management maintains flexibility in funding by monitoring availability under committed credit lines. All of the Association's financial liabilities are contractually due within 12 months after the end of the reporting period.

b) Fair value of financial assets and liabilities

Fair value amounts represent estimates of the consideration that would currently be agreed upon between knowledgeable, willing parties who are under no compulsion to act and is best evidenced by a quoted market value, if one exists.

Determination of fair value

The carrying values of these financial assets and liabilities are equal to their fair value because of the short maturity of these instruments. Short-term financial assets represent cash at banks, while short-term financial liabilities are comprise of accounts payable and accrued liabilities and bank overdraft.

(expressed in Eastern Caribbean dollars)

5 Financial risk management *…continued*

c) Capital risk management

The Association maintains a level of capital that is sufficient to meet several objectives, including an acceptable total debt-to-equity ratio to provide access to adequate funding sources to support current operations and fulfilment of its strategic plan. The Association's capital is represented by its accumulated fund. As at December 31, 2016 and 2015, the Association's (accumulated deficit)/fund amounted to $114,774 and $299,242, respectively.

The Association manages its capital structure and makes adjustments in light of changes in activities, economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust its capital structure, the Association may sell assets to reduce debt and seek additional grant funding.

6 Critical accounting estimates and judgments

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Judgements, estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

At year end, in the opinion of management, there were no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(expressed in Eastern Caribbean dollars)

7 Cash

	2016 $	2015 $
St. Kitts-Nevis-Anguilla National Bank Limited		
Current account – US$	**132,851**	25,920
Savings account – EC$	**1,248**	1,224
Current account – EC$	**242**	93,558
Current account – EC$, U-20 to Mexico	**94**	92
	134,435	120,794
The Royal Bank of Canada		
Current account – EC$	**–**	100,858
Current account – US$	**–**	82,581
	–	183,439
	134,435	304,233

Cash is held in bank accounts at the St. Kitts-Nevis-Anguilla National Bank Limited and The Royal Bank of Canada, earning interest at a rate of 2% per annum (2015: 2%).

(expressed in Eastern Caribbean dollars)

8 Property and equipment

	Land $	Building $	Furniture and fixtures $	Motor Vehicles $	Recording equipment $	Computer equipment $	Office equipment $	Other equipment $	Total $
Year ended December 31, 2015									
Opening net book value	45,969	701,752	5,498	–	–	–	–	–	753,219
Additions	–	–	14,155	380,647	31,265	15,981	30,098	–	472,146
Depreciation for the year	–	(51,663)	(4,058)	(44,409)	(4,169)	(2,093)	(4,204)	–	(110,596)
Closing net book value	**45,969**	**650,089**	**15,595**	**336,238**	**27,096**	**13,888**	**25,894**	**–**	**1,114,769**
At December 31, 2015									
Cost	45,969	1,033,260	45,719	422,647	41,212	33,839	46,196	7,178	1,676,020
Accumulated depreciation	–	(383,171)	(30,124)	(86,409)	(14,116)	(19,951)	(20,302)	(7,178)	(561,251)
Net book amount	**45,969**	**650,089**	**15,595**	**336,238**	**27,096**	**13,888**	**25,894**	**–**	**1,114,769**
Year ended December 31, 2016									
Opening net book value	45,969	650,089	15,595	336,238	27,096	13,888	25,894	–	1,114,769
Depreciation for the year	–	(51,663)	(3,758)	(76,129)	(6,253)	(3,196)	(6,020)	–	(147,019)
Closing net book value	**45,969**	**598,426**	**11,837**	**260,109**	**20,843**	**10,692**	**19,874**	**–**	**967,750**
At December 31, 2016									
Cost	45,969	1,033,260	45,719	422,647	41,212	33,839	46,196	7,178	1,676,020
Accumulated depreciation	–	(434,834)	(33,882)	(162,538)	(20,369)	(23,147)	(26,322)	(7,178)	(708,270)
Net book amount	**45,969**	**598,426**	**11,837**	**260,109**	**20,843**	**10,692**	**19,874**	**–**	**967,750**

(expressed in Eastern Caribbean dollars)

9 Deferred income

FIFA

Under the FIFA financial assistance programme, national association members of FIFA, are entitled to receive financial aid to improve their administrative and technical infrastructure.

The movement of financial assistance from FIFA is shown below.

	2016 $	2015 $
Balance at beginning of year	**108,258**	5,748
Grants received during the year	**1,443,620**	3,152,604
Disbursements during the year	**(1,396,384)**	(3,050,094)
Unutilised funds recognised as grant income	**(155,494)**	–
Balance at end of year	**–**	108,258

Confederation of North, Central American and Caribbean Association Football (CONCACAF)

Financial assistance from CONCACAF represents grants received from CONCACAF relating to football tournaments. The movement of this account is shown below.

	2016 $	2015 $
Balance at beginning of year	**243**	3,339
Grants received during the year	**–**	54,000
Disbursements during the year	**(243)**	(57,096)
Balance at end of year	**–**	243
Total balance at end of year	**–**	108,501

10 Bank overdraft

	2016 $	2015 $
The Royal Bank of Canada		
Current account – EC$	**154,902**	**–**
Current account – US$	**11,851**	**–**
	166,753	**–**

As at December 31, 2016, the Association maintained a $150,000 overdraft facility with The Royal Bank of Canada which carried an interest rate of 12.5% to 13.0% (2016 12.5% to 13.0%).

(expressed in Eastern Caribbean dollars)

11 Accounts payable and accrued liabilities

	2016 $	2015 $
Accounts payable	**369,244**	287,984
Accrued liabilities	**18,000**	10,000
	387,244	297,984

12 Capital grants

The Association received capital grants from FIFA to purchase land and construct the Association's building located at Basseterre. St. Kitts. Upon completion of the construction of the building, depreciation charges for the year are shown as depreciation in the statement of comprehensive income while the related deferred grants are released to the statement of comprehensive income as grant income.

In 2016, depreciation charge of the Association's building amounting to $50,313 (2015: $50,313).

	2016 $	2015 $
Land	**45,969**	45,969
Building		
Cost	**1,006,260**	1,006,260
Accumulated depreciation	**(389,267)**	(338,954)
	616,993	667,306
	662,962	713,275

(expressed in Eastern Caribbean dollars)

13 Administrative expenses

	2016 $	2015 $
Salaries, wages social security and levies	**408,944**	384,374
Office supplies	**119,383**	65,364
Depreciation	**96,706**	110,596
Telephone and faxes	**34,800**	34,613
Bank charges	**33,690**	18,367
Transportation and travel	**26,236**	25,022
Others	**25,909**	14,896
Professional fees	**21,980**	19,250
Cleaning and ground maintenance	**19,869**	24,376
Brokerage fees	**11,295**	4,471
Insurance	**11,216**	11,337
Rental	**9,500**	10,600
Taxes and licenses	**8,888**	19,261
Utilities	**5,600**	28,466
Shows/special events	**4,574**	5,871
Postage	**1,328**	832
Photographic services	**350**	600
Subscriptions	**–**	11,972
Donations	**–**	5,070
Freight charges	**–**	1,649
	840,268	796,987

(expressed in Eastern Caribbean dollars)

14 Football development

	2016 $	2015 $
Transportation, travel and accommodation	**1,094,791**	1,097,433
National team – stipend and allowances	**288,286**	325,846
Allowances	**135,667**	70,156
Salaries and wages	**115,797**	146,311
Supplies	**27,343**	11,116
Photographic services	**23,980**	15,850
Insurance	**21,292**	–
Miscellaneous	**18,899**	1,644
Seminars and workshops	**14,473**	3,427
Medical	**10,459**	6,312
Brokerage fees	**6,208**	5,907
Taxes and licenses	**6,203**	25,802
Facilitators fees	**3,266**	13,882
Freight charges	**1,162**	5,260
Passport fees	**1,050**	5,542
Security	**–**	17,362
Cleaning and ground maintenance	**–**	28,062
	1,768,876	1,779,912

15 Local competition

	2016 $	2015 $
Salaries and wages	**233,779**	143,694
Referees stipend and allowances	**96,572**	60,981
League prizes	**39,031**	60,854
Insurance	**20,696**	22,853
Cleaning and ground maintenance	**17,762**	41,869
Transportation, travel and accommodation	**15,826**	33,212
Photographic services	**15,305**	9,930
Appearance fees	**6,800**	–
Supplies	**4,417**	5,783
Tickets	**1,466**	11,307
Freight fees	**1,207**	–
Miscellaneous	**740**	10,166
Utilities	**600**	3,375
Brokerage fees	**367**	339
Medical	**–**	3,000
Allowances	**–**	1,500
	454,568	408,863

(expressed in Eastern Caribbean dollars)

16 Advertising and promotions

	2016 $	2015 $
Advertising and promotions	**94,432**	290,584
Entertainment	**178,104**	38,232
	272,536	328,816

17 Related party transactions

Related party relationship exists when one party has the ability to control directly or indirectly, through one or more intermediaries, the other party or exercise significant influence over the other party in making financial and operating decisions. Such relationships also exist between or among entities under common control, with the reporting enterprise and its key management personnel and Management Committee.

For the year ended December 31, 2016, the Association has no significant transactions with its related parties.