

**COLEAMBALLY
COMMUNITY CLUB LIMITED**
ACN 001 394 109

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2020**

COLEAMBALLY COMMUNITY CLUB LIMITED

ACN 001 394 109

DIRECTORS' REPORT

The Directors present their report together with the accounts of the Coleambally Community Club Limited for the year ended 30 June 2020 and the auditors' review report thereon.

DIRECTORS & SECRETARY

The Directors and Secretary in office at the date of this report are: -

Chris Hardy
Appointed 25 November 2015
Director 5 years

Peter Dunbar
Appointed 27 November 2014
Director 6 years

Colleen Mader
Appointed 25 November 2015
Director 5 years

David Sandquest
Appointed 8 February 2017
Director 3 years

Sarah Hardy
Appointed 8 November 2017
Director 3 years

Ian Sutherland
Appointed 7 November 2018
Director 2 years

Jenna Davie
Appointed 7 November 2018
Director 2 years

Garry Wiseman
Appointed 13 November 2019
Director 1 year

Lynda Fraser
Appointed 13 November 2019
Director 1 year

Duncan Shirley
Appointed 10 May 2017
Secretary

At the date of this report the number of members of the company were: -

528 Ordinary Members (2019: 699 Ordinary Members)

DIRECTORS' MEETINGS

The number of Directors meetings and number of meetings attended by each of the Directors of the company during the financial year are:

Director	Number eligible to attend*	Number attended	Director	Number eligible to attend*	Number attended
Chris Hardy	10	9	Peter Dunbar	10	7
Colleen Mader	10	10	David Sandquest	10	8
Sarah Hardy	10	4	Ian Sutherland	10	10
Jenna Davie	4	3	Garry Wiseman	6	5
Lynda Fraser	4	2	Russell Rutledge	4	2

* Reflects the number of meetings held during the time the director held office during the period.

COLEAMBALLY COMMUNITY CLUB LIMITED
ACN 001 394 109

DIRECTORS' REPORT

PRINCIPAL ACTIVITIES

The principal activities of the Company during the course of the financial year remained unchanged and were to conduct a licensed club and promote lawn bowling.

RESULT

The net profit/(loss) of the Company for the year ended 30 June 2020 was a loss of \$33,880 (2019: profit \$28,330).

STATE OF AFFAIRS

On the 23rd March 2020 the Club was required to close its doors to the public as part of the Commonwealth Government's COVID-19 pandemic response.

These restrictions were relaxed in June 2020, however the Club is still required to implement social distancing, intensive cleaning and other preventative measures for members and guests within the Club.

At the date of this report it is unknown how long these restrictions will remain in place or the overall financial impact that this will have to the Club.

During this period of disruption the Directors and management have liaised closely with industry and regulatory bodies to apply for any relevant financial assistance from Commonwealth and State governments.

In the opinion of the Directors there were no other significant changes in the state of affairs of the Company that occurred during the financial year under review not otherwise disclosed in this report or the accounts.

EVENTS SUBSEQUENT TO BALANCE DATE

There has not arisen in the interval between the end of the financial year and the date of this report, any item, transaction or event of a material and unusual nature likely in the opinion of the Directors to affect substantially the operations of the Company, the results of those operations, or the state of affairs of the company in subsequent financial years.

LIKELY DEVELOPMENTS

The Company will continue to pursue its policy of providing facilities for the recreation of its members. Providing the Company is successful in containing costs the Directors are confident that profits will be obtained.

SHORT AND LONG TERM OBJECTIVES

The short and long term objectives of the Company is to continue to maintain the Club facility for the benefit of its members.

KEY PERFORMANCE INDICATORS

The Directors monitors key performance indicators against industry standards and internal expectations. The indicators are both financial and non-financial with the results presented for Director's discussion.

COLEAMBALLY COMMUNITY CLUB LIMITED
ACN 001 394 109

DIRECTORS' REPORT

DIRECTORS INTERESTS AND BENEFITS

Since the end of the previous financial year no Director has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by Directors shown in the accounts) because of a contract made by the Company with the Director or with a firm of which the Director is a member, or with a Company in which the Director has a substantial interest other than those matters recorded in Note 13 to the financial statements.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

Dated at Coleambally this 12th day of August 2020

Signed in accordance with a resolution of the directors:

Director

Director

AUDITORS INDEPENDENCE DECLARATION

As lead auditor for the review of the Coleambally Community Club Limited for the year ended 30 June 2020, I declare that to the best of my knowledge and belief, there have been:

(a) No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and

(b) No contraventions of any applicable code of professional conduct in relation to the review.

JOHN L BUSH & CAMPBELL
Chartered Accountants

David Rosetta
Partner

Wagga Wagga
12 August 2020

COLEAMBALLY COMMUNITY CLUB LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
Sales revenue	2	222,307	288,907
Less: Cost of sales		(102,925)	(146,652)
Gross profit		<u>119,382</u>	<u>142,255</u>
Other revenues from ordinary activities	2	212,373	261,646
Administration expenses		(5,037)	(6,500)
Depreciation expenses		(33,765)	(14,561)
Profit/(loss) on disposal of assets		(10,854)	-
Members expenses		(30,394)	(30,078)
Occupancy expenses		(64,112)	(94,668)
Finance costs		-	(9)
Employee expenses		(205,623)	(196,254)
Other expenses		(15,850)	(33,501)
Profit/(loss) from ordinary activities before income tax		<u>(33,880)</u>	<u>28,330</u>
Income tax expense related to ordinary activities	1	-	-
Total profit/(loss) from ordinary activities		<u><u>(33,880)</u></u>	<u><u>28,330</u></u>
Other comprehensive income		-	-
Total comprehensive income		<u><u>(33,880)</u></u>	<u><u>28,330</u></u>

The Statement of Financial Position is to be read in conjunction with the notes
to and forming part of the financial statements.

COLEAMBALLY COMMUNITY CLUB LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2020

	Note	2020 \$	2019 \$
CURRENT ASSETS			
Cash and cash equivalents	4	68,929	95,666
Trade and other receivables	5	5,850	8,213
Inventories	1	21,977	15,557
TOTAL CURRENT ASSETS		96,756	119,436
NON-CURRENT ASSETS			
Property, plant and equipment	6	862,689	890,367
Other non-current assets	7	6,978	6,978
TOTAL NON-CURRENT ASSETS		869,667	897,345
TOTAL ASSETS		966,423	1,016,781
CURRENT LIABILITIES			
Trade and other payables	8	8,789	28,211
Provisions	10	6,582	3,638
TOTAL CURRENT LIABILITIES		15,371	31,849
NON-CURRENT LIABILITIES			
Borrowings	9	17,000	17,000
TOTAL LIABILITIES		32,371	48,849
NET ASSETS		934,052	967,932
EQUITY			
Retained earnings		934,052	967,932
TOTAL EQUITY		934,052	967,932

The Statement of Financial Position is to be read in conjunction with the notes
to and forming part of the financial statements.

COLEAMBALLY COMMUNITY CLUB LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
Retained earnings at the beginning of the financial year	967,932	939,602
Net profit from ordinary activities	(33,880)	28,330
Retained earnings at the end of the financial year	<u>934,052</u>	<u>967,932</u>

The Statement of Changes in Equity is to be read in conjunction with the notes to and forming part of the financial statements.

COLEAMBALLY COMMUNITY CLUB LIMITED

STATEMENT OF CASH FLOWS

AS AT 30 JUNE 2020

	Note	2020 \$	2019 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts in the course of operations		437,043	545,669
Cash payments in the course of operations		(446,839)	(506,730)
Interest received		-	-
Net cash provided by operating activities	11(ii)	(9,796)	38,939
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(16,941)	(31,786)
Proceeds from sale of property, plant and equipment		-	-
Net cash used in investing activities		(16,941)	(31,786)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase (decrease) in borrowings		-	-
Net cash used in financing activities		-	-
Net increase/(decrease) in cash held		(26,737)	7,153
Cash at the beginning of the financial year		95,666	88,513
Cash at the end of the financial year	11(i)	68,929	95,666

The Statement of Financial Position is to be read in conjunction with the notes
to and forming part of the financial statements.

COLEAMBALLY COMMUNITY CLUB LIMITED
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2020

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with the Corporations Act 2001 and Australian Accounting Standards – Reduced Disclosure Regime, and comply with other requirements of the law.

The financial report is for the Coleambally Community Club Limited as an individual entity, incorporated and domiciled in Australia. The Coleambally Community Club Limited is a Company limited by guarantee.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs. It does not take into account changing money values or, except where stated, current valuations of non current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Accounting policies

(a) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

State and federal government entitlements are recognised as income upon receipt.

All revenue is stated net of the amount of goods and services tax (GST).

(b) Inventories

Inventories are measured at the lower of cost and current replacement cost. Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition. At year end goods for resale of \$21,977 (2019:\$15,557) were held.

(c) Receivables

Accounts receivable include amounts due from members and other services. Accounts receivables are recognised at the amounts receivable as they are due for settlement. Accounts receivables do not carry any interest and are stated at their nominal value.

(d) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

COLEAMBALLY COMMUNITY CLUB LIMITED
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2020

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost less, where applicable, accumulated depreciation and impairment losses.

The depreciable amount of all fixed assets except freehold land and buildings is depreciated on a straight line basis over their useful lives to the economic entity commencing from the time the asset is held ready for use.

<i>Class of fixed assets</i>	<i>Depreciation rate</i>
Plant and equipment	5 - 20%

The activities of the Company included that of holding freehold property for the purpose of producing income. Whilst it is recognised that there exists a diminution in value due to depreciation of the buildings, the Directors have decided to make no provision for such as the combined current market value of the land and buildings is considered to be in excess of the book value thereof.

This is a departure from AASB116 – Property, Plant and Equipment issued by the Australian Accounting Standards Board. The financial effect of this departure from the standard is such that the amount of depreciation shown hereunder has not been charged against the operating results.

Depreciation on Buildings	\$15,000
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(f) Employee Benefits

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to the Statement of Financial Position date. Employee benefits expected to be settled within one year together with benefits arising from wages, salaries and annual leave which may be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on costs. Other employee benefits payable later than one year have been measured at the net present value.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

(g) Payables

Trade creditors represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

COLEAMBALLY COMMUNITY CLUB LIMITED
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2020

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Income Tax

The Company has self assessed itself to be exempt from income tax under Division 50-45 of the Income Tax Assessment Act 1997. To be eligible for the exemption the Directors have reviewed all elements of the self assessment and is satisfied that the operations of the Club promote or encourage the relevant games and sports with which it is associated.

(i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable, or payable to the ATO, is included as a current asset or liability in the Statement of Financial Position.

COLEAMBALLY COMMUNITY CLUB LIMITED

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
NOTE 2 - REVENUE		
Sale of goods	222,307	288,907
Poker machine revenue	60,174	66,453
Catering and functions	628	10,118
Raffles	17,275	18,490
Poker machine rebate	7,388	7,312
Donations Received	53,522	123,024
Grants received	2,675	-
Cashflow Boost	14,910	-
JobKeeper subsidies	24,000	-
Other operating revenue	31,801	36,249
	<u>434,680</u>	<u>550,553</u>

NOTE 3 - PROFIT FROM ORDINARY ACTIVITIES

Operating profit/(loss) has been determined after:

(i) Charging expenses:

Depreciation of property, plant and equipment	33,765	14,561
Auditors remuneration	3,000	3,300
Loss on disposal of fixed assets	10,854	144

NOTE 4 - CASH AND CASH EQUIVALENTS

Bendigo Bank - cheque account	17,216	5,727
Bendigo Bank - keno account	1,604	2,695
Bendigo Bank - savings account	1,472	30,396
Rural Bank - Term Deposit	20,440	20,118
Undeposited funds	-	10,900
Cash on hand	28,197	25,830
	<u>68,929</u>	<u>95,666</u>

NOTE 5 - TRADE AND OTHER RECEIVABLES

Current

Trade debtors	1,702	4,065
Prepayments	4,148	4,148
	<u>5,850</u>	<u>8,213</u>

COLEAMBALLY COMMUNITY CLUB LIMITED

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
NOTE 6 - PROPERTY, PLANT AND EQUIPMENT		
Land and buildings - at cost	766,402	766,402
Plant & equipment - at cost	324,801	613,662
Less: accumulated depreciation	(228,514)	(489,697)
	<u>96,287</u>	<u>123,965</u>
	<u><u>862,689</u></u>	<u><u>890,367</u></u>
Plant and equipment		
Opening balance	129,999	112,919
Additions	16,942	31,782
Disposals	(16,889)	(141)
Depreciation	(33,765)	(14,561)
Closing balance	<u><u>96,287</u></u>	<u><u>129,999</u></u>
NOTE 7 - OTHER NON-CURRENT ASSETS		
Formation expenses	<u><u>6,978</u></u>	<u><u>6,978</u></u>
NOTE 8 - TRADE AND OTHER PAYABLES		
Current		
Trade creditors and accruals	8,789	20,968
PAYG payable	-	2,121
Goods & services tax	-	5,122
	<u><u>8,789</u></u>	<u><u>28,211</u></u>
NOTE 9 - BORROWINGS		
Non-current		
Coleambally Lions Club Loan (a)	<u><u>17,000</u></u>	<u><u>17,000</u></u>

(a) The Coleambally Lions Club has extended a loan to The Club. The loan does not bear interest and is repayable on thirteen months notice.

COLEAMBALLY COMMUNITY CLUB LIMITED
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
NOTE 10 - PROVISIONS			
Current			
Annual leave		6,582	3,638

NOTE 11 - NOTES TO THE STATEMENT OF CASH FLOWS

(i) Reconciliation of cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at bank and short term deposits at call, net of outstanding bank overdrafts. Cash as at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows.

Cash & cash equivalents	4	68,929	95,666
Bank overdraft	9	-	-
		68,929	95,666

(ii) Reconciliation of operating profit to net cash provided by operating activities

Profit / (loss) for the year		(33,880)	28,330
Add / (Less) non-cash items			
Depreciation		33,765	14,561
Debenture interest		-	(15,870)
Net loss/(gain) on sale of fixed assets		10,854	144
Net cash provided by operating activities before		10,739	27,165
change in assets and liabilities during the financial year			
(Increase) / Decrease in inventories		(6,420)	9,382
(Increase) / Decrease in receivables		2,363	(4,884)
(Decrease) / Increase in payables		(19,422)	6,745
(Decrease) / Increase in provisions		2,944	531
Net cash provided / (used) by operating activities		(9,796)	38,939

COLEAMBALLY COMMUNITY CLUB LIMITED
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2020

NOTE 12 - RELATED PARTIES

Transactions with related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.

NOTE 13 – MEMBERS GUARANTEE

The entity is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$20.00 each towards meeting any outstandings and obligations of the entity. At 30 June 2020 the number of members was 528 (2019:699).

NOTE 14 – GOING CONCERN

On 23rd March 2020 the Club was forced to temporarily close to the public in response to the government mandated restrictions associated with the ongoing COVID 19 pandemic response. While the Club has since recommenced trading on a limited basis, this closure has had a significant financial impact.

The Directors acknowledge that the Company is reliant on external donations and other contributions provided by the local community and other external stakeholders in order to continue operating as a going concern.

COLEAMBALLY COMMUNITY CLUB LIMITED

DIRECTORS DECLARATION

1. In the opinion of the Directors of the Coleambally Community Club Limited:

- (a)** the financial statements of the Company are drawn up so as to give a true and fair view of the result and cash flows for the financial year ended 30 June 2020, and the state of affairs of the Company at 30 June 2020;
- (b)** at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. The attached financial statements and notes thereto are in accordance with the Corporations Act 2001 and Australian Accounting Standards – Reduced Disclosure Regime.

Dated at Coleambally this 12th day of August 2020

Signed in accordance with a resolution of the Directors:

Director

Director

INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS OF:

COLEAMBALLY COMMUNITY CLUB LIMITED

Report on the financial report

We have reviewed the accompanying financial report of the Coleambally Community Club Limited, which comprises the statement of financial position as at 30 June 2020, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes and the directors' declaration.

Directors' responsibility for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Regime and the *Corporations Act 2001* and for such internal controls as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the financial report is not presented fairly, in all material respects, in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001*.

A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of the Coleambally Community Club Limited on 12 August 2020 would be in the same terms if provided to the directors as at the date of this auditor's review report.

Basis for Qualified Conclusion

- As indicated in Note 1(b) depreciation has not been charged on freehold land and buildings. This is a departure from AASB 116 “Property, Plant and Equipment”. The financial effects of this departure are set out in Note 1(b). In our opinion, depreciation should be charged to the statement of comprehensive income so as to absorb the cost of the assets over their useful economic lives.
- The Directors have elected to recognise the 2020 Cashflow Boost and JobKeeper Subsidy benefits as income when received by the Club rather than when the Club’s entitlement to these payments was originally confirmed. This is a departure from the recognition requirements of ASB 1058 - *Income of Not-for-Profit Entities* which states that such entitlements are to be recognised at their full value when the entity has confirmed its right to receive these entitlements. This internal policy has no effect on the Club’s entitlement or subsequent collection of these payments.

Qualified Conclusion

Based on our review, which is not an audit and with the exception of the matter described in the preceding paragraph, nothing has come to our attention that causes us to believe that the financial report of the Coleambally Community Club Limited does not present fairly, in all material respects, the financial position of the Coleambally Community Club Limited as at 30 June 2020, and of its financial performance and its cash flows for the year ended on that date, in accordance with the Corporations Act 2001.

Emphasis of Matter

Without further modifying our opinion we draw attention to the following matters:

- The Club encountered significant financial disruption during the year due to the ongoing COVID 19 pandemic, including the complete closure of the Club during April, May & June 2020. At the date of this report the Club has recommenced trading in a restricted manner to continue compliance with social distancing, hygiene and record-keeping requirements mandated by the Commonwealth and State governments.
- Note 14 of this financial report, which acknowledges that the Club is currently reliant on the continuation of one-off contributions and donations independent from the general trading of the Club in order to continue operating as a going concern.

JOHN L BUSH & CAMPBELL
Chartered Accountants

David Rosetta
Partner

Wagga Wagga
12 August 2020