

# **Austrian Australian Club Incorporated**

ABN: 12 785 169 437

## **Financial Statements**

For the Year Ended 31 March 2020

# Austrian Australian Club Incorporated

ABN: 12 785 169 437

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For the Year Ended 31 March 2020

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# Austrian Australian Club Incorporated

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## Committee's Report For the Year Ended 31 March 2020

The committee members submit the financial report of the Association for the financial year ended 31 March 2020.

### 1. General information

#### Committee members

The names of the committee members in office at any time during, or since the end of, the year are:

<b>Names</b>	<b>Position</b>
Manuela Tolley	President
Rosemarie Doeberl	Senior Vice President
Anita Leins	Vice President - Social & Cultural
Marcia Withell	Secretary
Christopher Lang	Treasurer
Hanni Glanznig	Newsletter Editor
Frieda Koeck	Committee Member
Alice Hughes	Committee Member
Anita Leins	Former Treasurer
Rob Bolin	Former Senior Vice President
Frieda Koeck	Former Vice President - Social & Cultural
Christopher Lang	Former Secretary
Ingeborg Miklautz	Former Assistant Secretary
John Neveceral	Former Assistant Treasurer
Marcia Withell	Former Assistant Treasurer
Christopher Lang	Former Assistant Treasurer
Marcia Withell	Former Committee Member

#### Principal activities

The principal activities of the Association during the financial year was the operation of a licenced social club in Canberra ACT.

#### Significant changes

No significant change in the nature of these activities occurred during the year.

**Austrian Australian Club Incorporated**

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**Committee's Report**

**For the Year Ended 31 March 2020**

**2. Operating results and review of operations for the year**

**Operating result**

The (deficit) of the Association for the financial year after providing for income tax amounted to \$ (375,483)(2019 deficit \$ (197,959)).

Signed in accordance with a resolution of the Members of the Committee:

President: .....  
Manuela Tolley

Treasurer: .....  
Anita Leins

Dated 24 June 2019

## Austrian Australian Club Incorporated

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### Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 March 2020

		2020	2019
	Note	\$	\$
Sales revenue	5	897,753	847,001
Cost of sales		<u>(474,593)</u>	<u>(438,103)</u>
Gross profit		423,160	408,898
Other income	5	120,171	135,238
Administration expense		(131,073)	(121,867)
Depreciation expense	12(a)	(69,709)	(64,911)
Employment expense		(465,330)	(365,859)
Operations expense		<u>(271,742)</u>	<u>(187,304)</u>
<b>(Deficit) before income tax</b>		<b>(394,523)</b>	<b>(195,805)</b>
Income tax expense	6	<u>19,040</u>	<u>(2,154)</u>
<b>(Deficit) for the year</b>		<b><u>(375,483)</u></b>	<b><u>(197,959)</u></b>
<b>Other comprehensive income for the year, net of tax</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b><u>(375,483)</u></b>	<b><u>(197,959)</u></b>

The accompanying notes form part of these financial statements.

# Austrian Australian Club Incorporated

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## Statement of Financial Position As At 31 March 2020

	Note	2020 \$	2019 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	7	131,875	243,282
Trade and other receivables	8	12,023	11,657
Inventories	9	15,170	19,806
Other financial assets	10	450,242	711,604
Other assets	11	35,489	12,716
TOTAL CURRENT ASSETS		<u>644,799</u>	<u>999,065</u>
NON-CURRENT ASSETS			
Deferred tax assets		26,022	1,659
Property, plant and equipment	12	3,731,532	3,793,661
TOTAL NON-CURRENT ASSETS		<u>3,757,554</u>	<u>3,795,320</u>
TOTAL ASSETS		<u>4,402,353</u>	<u>4,794,385</u>
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	13	79,717	97,184
Employee benefits	14	2,968	7,374
TOTAL CURRENT LIABILITIES		<u>82,685</u>	<u>104,558</u>
NON-CURRENT LIABILITIES			
Deferred tax liabilities		8,197	2,873
TOTAL NON-CURRENT LIABILITIES		<u>8,197</u>	<u>2,873</u>
TOTAL LIABILITIES		<u>90,882</u>	<u>107,431</u>
NET ASSETS		<u>4,311,471</u>	<u>4,686,954</u>
<b>EQUITY</b>			
Reserves		3,578,463	3,578,463
Retained earnings		733,008	1,108,491
TOTAL EQUITY		<u>4,311,471</u>	<u>4,686,954</u>

The accompanying notes form part of these financial statements.

## Austrian Australian Club Incorporated

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### Statement of Changes in Equity For the Year Ended 31 March 2020

2020

	Retained Earnings	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 April 2019	1,108,491	3,578,463	4,686,954
Deficit for the year	(375,483)	-	(375,483)
<b>Balance at 31 March 2020</b>	<b>733,008</b>	<b>3,578,463</b>	<b>4,311,471</b>

2019

	Retained Earnings	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 April 2018	1,306,450	3,578,463	4,884,913
Deficit for the year	(197,959)	-	(197,959)
<b>Balance at 31 March 2019</b>	<b>1,108,491</b>	<b>3,578,463</b>	<b>4,686,954</b>

The accompanying notes form part of these financial statements.

## Austrian Australian Club Incorporated

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### Statement of Cash Flows For the Year Ended 31 March 2020

	2020	2019
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	1,084,604	1,043,311
Payments to suppliers and employees	(1,480,455)	(1,186,958)
Interest received	11,622	37,287
Income taxes paid	19,040	-
Net cash provided by operating activities	15	
	<u>(365,189)</u>	<u>(106,360)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment	12(a)	
	(7,580)	(193,359)
Purchase of financial assets		
	<u>261,362</u>	<u>367,875</u>
Net cash (used in) investing activities		
	<u>253,782</u>	<u>174,516</u>
Net (decrease)/increase in cash and cash equivalents held		
	(111,407)	68,156
Cash and cash equivalents at beginning of year		
	<u>243,282</u>	<u>175,126</u>
Cash and cash equivalents at end of financial year	7	
	<u>131,875</u>	<u>243,282</u>

The accompanying notes form part of these financial statements.

## Austrian Australian Club Incorporated

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# Notes to the Financial Statements

## For the Year Ended 31 March 2020

The financial statements cover Austrian Australian Club Incorporated as an individual entity. Austrian Australian Club Incorporated is a not-for-profit Association incorporated in the Australian Capital Territory under the *Associations Incorporation Act (ACT) 1991* ('the Act').

The functional and presentation currency of Austrian Australian Club Incorporated is Australian dollars.

### 1 Basis of Preparation

These general purpose financial statements have been prepared in accordance with the Associations Incorporation Act (ACT) 1991 and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

### 2 Change in Accounting Policy

#### Revenue from Contracts with Customers - Adoption of AASB 15

The Association has adopted AASB 15 *Revenue from Contracts with Customers* and AASB 1058 *Income of Not-for-Profit Entities* for the first time in the current year with a date of initial application of 1 April 2019.

The Association has applied AASB 15 and AASB 1058 using the cumulative effect method which means the comparative information has not been restated and continues to be reported under AASB 111, AASB 118, AASB 1004 and related interpretations. All adjustments on adoption of AASB 15 and AASB 1058 have been taken to retained earnings at 1 April 2019.

There is no material impact on these financial statements from applying AASB 15 and AASB 1058.

#### Leases - Adoption of AASB 16

The Association has adopted AASB 16 *Leases* using the modified retrospective (cumulative catch-up) method from 1 April 2019 and therefore the comparative information for the year ended 31 March 2019 has not been restated and has been prepared in accordance with AASB 117 *Leases* and associated Accounting Interpretations.

#### Impact of adoption of AASB 16

The impact of adopting AASB 16 is described below:

##### Association as a lessee

Under AASB 117, the Association assessed whether leases were operating or finance leases based on its assessment of whether the significant risks and rewards of ownership had been transferred to the Association or remained with the lessor. Under AASB 16, there is no differentiation between finance and operating leases for the lessee and therefore all leases which meet the definition of a lease are recognised on the statement of financial position (except for short-term leases and leases of low value assets).

# Austrian Australian Club Incorporated

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## Notes to the Financial Statements For the Year Ended 31 March 2020

### 2 Change in Accounting Policy

#### Leases - Adoption of AASB 16

##### Impact of adoption of AASB 16

The Association has elected to use the exception to lease accounting for short-term leases and leases of low value assets, and the lease expense relating to these leases are recognised in the statement of profit or loss on a straight line basis.

##### *Practical expedients used on transition*

AASB 16 includes a number of practical expedients which can be used on transition, the Association has used the following expedients:

- contracts which had previously been assessed as not containing leases under AASB 117 were not re-assessed on transition to AASB 16;
- lease liabilities have been discounted using the Association's incremental borrowing rate at 1 April 2019;
- right-of-use assets at 1 April 2019 have been measured at an amount equal to the lease liability adjusted by the amount of any prepaid or accrued lease payments;
- a single discount rate was applied to all leases with similar characteristics;
- the right-of-use asset was adjusted by the existing onerous lease provision (where relevant) at 31 March 2019 rather than perform impairment testing of the right-of-use asset;
- excluded leases with an expiry date prior to 31 March 2020 from the statement of financial position and lease expenses for these leases have been recorded on a straight-line basis over the remaining term;
- used hindsight when determining the lease term if the contract contains options to extend or terminate the lease;
- for leases which were classified as finance leases under AASB 117, the carrying amount of the right-of-use asset and the lease liability at 1 April 2019 are the same value as the leased asset and liability on 31 March 2020.

### 3 Summary of Significant Accounting Policies

#### (a) Income Tax

The association adopts the liability method of tax effect accounting whereby the income tax expense shown in the Statement of Profit or Loss and Other Comprehensive income before income tax adjusted for any permanent difference.

Only non-member income of the association is assessable for tax, as member income is excluded under the principle of mutuality.

## **Notes to the Financial Statements**

### **For the Year Ended 31 March 2020**

#### **3 Summary of Significant Accounting Policies**

##### **(a) Income Tax**

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

##### **(b) Revenue and other income**

###### **For comparative year**

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Association and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

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

###### **Sale of goods**

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

###### **Revenue from contracts with customers**

###### **For current year**

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Association expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

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

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## Notes to the Financial Statements For the Year Ended 31 March 2020

### 3 Summary of Significant Accounting Policies

#### (b) Revenue and other income

##### Revenue from contracts with customers

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Association have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

##### Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Association are:

##### Sale of goods

Revenue associated with the sale of goods is recognised when the performance obligation of the sale has been fulfilled and control of the goods has transferred to the customer, which occurs when the goods are collected/delivered.

##### Interest revenue

Interest is recognised using the effective interest method.

##### Other income

Other income is recognised on an accruals basis when the Association is entitled to it.

#### (c) Goods and services tax (GST)

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

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

Cash flows are presented on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

#### (d) Inventories

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

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## Notes to the Financial Statements For the Year Ended 31 March 2020

### 3 Summary of Significant Accounting Policies

#### (e) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Assets measured using the revaluation model are carried at fair value at the revaluation date less any subsequent accumulated depreciation and impairment losses. Revaluations are performed whenever there is a material movement in the value of an asset under the revaluation model.

#### Land and buildings

Land and buildings are measured using the revaluation model.

#### Plant and equipment

Plant and equipment are measured using the cost model.

#### Depreciation

Property, plant and equipment, excluding leasehold land, is depreciated on a straight-line basis over the assets useful life to the Association, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

<b>Fixed asset class</b>	<b>Depreciation rate</b>
Buildings	4% - 25%
Plant and Equipment	4% - 40%
Poker Machines	20%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

## Austrian Australian Club Incorporated

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# Notes to the Financial Statements

## For the Year Ended 31 March 2020

### 3 Summary of Significant Accounting Policies

#### (f) Financial instruments

Financial instruments are recognised initially on the date that the Association becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

#### Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### *Classification*

On initial recognition, the Association classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)

Financial assets are not reclassified subsequent to their initial recognition unless the Association changes its business model for managing financial assets.

#### *Amortised cost*

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Association's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

# Austrian Australian Club Incorporated

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## Notes to the Financial Statements For the Year Ended 31 March 2020

### 3 Summary of Significant Accounting Policies

#### (f) Financial instruments

##### Financial assets

##### *Fair value through other comprehensive income*

##### Equity instruments

The Association has no investments in listed and unlisted entities over which they do not have significant influence nor control.

##### *Financial assets through profit or loss*

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

The Association holds no investments that fall into this category.

##### *Impairment of financial assets*

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Association considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Association's historical experience and informed credit assessment and including forward looking information.

The Association uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Association uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Association in full, without recourse to the Association to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Association in accordance with the contract and the cash flows expected to be received.

##### *Trade receivables*

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Association has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

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## Notes to the Financial Statements For the Year Ended 31 March 2020

### 3 Summary of Significant Accounting Policies

#### (f) Financial instruments

##### Financial assets

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Association renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

##### *Other financial assets measured at amortised cost*

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

##### Financial liabilities

The Association measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Association comprise trade payables, bank and other loans and lease liabilities.

#### (g) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

#### (h) Employee benefits

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

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits.

### 4 Critical Accounting Estimates and Judgments

The committee make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

## Austrian Australian Club Incorporated

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### Notes to the Financial Statements For the Year Ended 31 March 2020

#### 4 Critical Accounting Estimates and Judgments

##### Key estimates - impairment of property, plant and equipment

The Association assesses impairment at the end of each reporting period by evaluating conditions specific to the Association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

#### 5 Revenue and Other Income

	2020	2019
	\$	\$
Sales revenue		
- Membership Fees	3,203	3,951
- Revenue - Bar	408,510	424,044
- Revenue - Poker Machines	147,886	191,395
- Revenue - Restaurant	154,578	107,474
- Revenue - TAB	183,576	120,137
	<u>897,753</u>	<u>847,001</u>
Other income		
- Catering	-	720
- Door Income	5,298	8,080
- Gain on sale non current assets	-	22,820
- Hall Hire	28,298	26,027
- Interest Received	10,897	28,740
- Raffle Income	7,697	7,197
- Sundry Income	63,829	41,654
- Reimbursement	4,152	-
	<u>120,171</u>	<u>135,238</u>
<b>Total Revenue and other income</b>	<u><u>1,017,924</u></u>	<u><u>982,239</u></u>

## Austrian Australian Club Incorporated

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### Notes to the Financial Statements For the Year Ended 31 March 2020

#### 6 Income Tax Expense

(a) The major components of tax expense (income) comprise:

	2020	2019
	\$	\$
Current tax expense		
Income tax expense	(17,000)	2,215
Timing differences	(2,040)	(61)
<b>Income tax expense for continuing operations</b>	<b>(19,040)</b>	<b>2,154</b>

(b) Reconciliation of income tax to accounting profit:

	2020	2019
	\$	\$
Prima facie tax payable on profit from ordinary activities before income tax at 27.5%	(108,494)	(53,846)
Add:		
	(108,494)	(53,846)
Less:		
- Excluded members result	89,454	56,000
Income tax expense	<b>(19,040)</b>	<b>2,154</b>

#### 7 Cash and Cash Equivalents

	2020	2019
	\$	\$
Cash at bank and in hand	131,875	243,282
	<b>131,875</b>	<b>243,282</b>

#### 8 Trade and Other Receivables

	2020	2019
	\$	\$
CURRENT		
Trade receivables	7,023	6,657
Other receivables	5,000	5,000
	<b>12,023</b>	<b>11,657</b>

# Austrian Australian Club Incorporated

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## Notes to the Financial Statements For the Year Ended 31 March 2020

### 9 Inventories

	2020	2019
	\$	\$
CURRENT		
At cost:		
Inventory - Bar Stock	15,170	19,806
	<u>15,170</u>	<u>19,806</u>

### 10 Other Financial Assets

	2020	2019
	\$	\$
CURRENT		
Term Deposit	450,242	711,604
<b>Total</b>	<u>450,242</u>	<u>711,604</u>

### 11 Other Assets

	2020	2019
	\$	\$
CURRENT		
Prepayments	14,375	11,991
Accrued income	21,114	725
	<u>35,489</u>	<u>12,716</u>

### 12 Property, plant and equipment

	2020	2019
	\$	\$
Buildings		
At cost	3,728,067	3,728,067
Accumulated depreciation	(175,719)	(154,147)
Total buildings	<u>3,552,348</u>	<u>3,573,920</u>
Plant and equipment		
At cost	605,258	597,678
Accumulated depreciation	(457,553)	(419,878)
Total plant and equipment	<u>147,705</u>	<u>177,800</u>
Poker machines		
At cost	174,159	174,159
Accumulated depreciation	(142,680)	(132,218)
Total poker machines	<u>31,479</u>	<u>41,941</u>
<b>Total property, plant and equipment</b>	<u>3,731,532</u>	<u>3,793,661</u>

## Austrian Australian Club Incorporated

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### Notes to the Financial Statements For the Year Ended 31 March 2020

#### 12 Property, plant and equipment

##### (a) Movements in carrying amounts of property, plant and equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	<b>Buildings</b>	<b>Plant and Equipment</b>	<b>Poker Machines</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Year ended 31 March 2020</b>				
Balance at the beginning of year	3,573,920	177,800	41,941	3,793,661
Additions	-	7,580	-	7,580
Depreciation expense	(21,572)	(37,675)	(10,462)	(69,709)
<b>Balance at the end of the year</b>	<b>3,552,348</b>	<b>147,705</b>	<b>31,479</b>	<b>3,731,532</b>

	<b>Buildings</b>	<b>Plant and Equipment</b>	<b>Poker Machines</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Year ended 31 March 2019</b>				
Balance at the beginning of year	3,595,492	68,067	1,654	3,665,213
Additions	-	141,049	52,310	193,359
Depreciation expense	(21,572)	(31,316)	(12,023)	(64,911)
<b>Balance at the end of the year</b>	<b>3,573,920</b>	<b>177,800</b>	<b>41,941</b>	<b>3,793,661</b>

#### 13 Trade and Other Payables

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Current		
Trade payables	16,450	28,401
GST payable	15,589	16,147
Accrued expense	11,100	17,347
Provision for income tax	(530)	(530)
Other payables	37,108	35,819
	<b>79,717</b>	<b>97,184</b>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

## Austrian Australian Club Incorporated

ABN: 12 785 169 437

### Notes to the Financial Statements For the Year Ended 31 March 2020

#### 14 Employee Benefits

	2020	2019
	\$	\$
Current liabilities		
Provision for employee benefits	2,968	7,374
	<u>2,968</u>	<u>7,374</u>

#### 15 Cash Flow Information

##### (a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2020	2019
	\$	\$
(Deficit) for the year	(375,483)	(197,959)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	69,709	64,911
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(20,755)	5,971
- (increase)/decrease in prepayments	(2,384)	(2,239)
- (increase)/decrease in inventories	4,636	(1,478)
- increase/(decrease) in trade and other payables	(11,220)	36,408
- increase/(decrease) in income taxes payable	(19,039)	3,526
- increase/(decrease) in accrued expense	(6,247)	(17,448)
- increase/(decrease) in employee benefits	(4,406)	1,948
Cashflows from operations	<u>(365,189)</u>	<u>(106,360)</u>

#### 16 Events after the end of the Reporting Period

The financial report was authorised for issue on \_\_\_\_\_ by the Committee of Management.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

#### 17 Statutory Information

The registered office and principal place of business of the association is:

Austrian Australian Club Incorporated

# **Austrian Australian Club Incorporated**

ABN: 12 785 169 437

## **Statement by Members of the Committee**

In the opinion of the committee the financial report as set out on pages 2-18:

1. Present fairly the financial position of Austrian Australian Club Incorporated as at 31 March 2020 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that Austrian Australian Club Incorporated will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the committee and is signed for and on behalf of the committee by:

President .....

Treasurer .....

Dated

# Independent Audit Report to the members of Austrian Australian Club Incorporated

## Report on the Audit of the Financial Report

### Opinion

We have audited the financial report of Austrian Australian Club Incorporated (the Association), which comprises the statement of financial position as at 31 March 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by members of the committee.

In our opinion, the accompanying financial report presents fairly, in all material respects, including:

- (i) giving a true and fair view of the Association's financial position as at 31 March 2020 and of its financial performance and its cash flows for the year ended; and
- (ii) complying with the Associations Incorporation Act (ACT) 1991.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Association in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

### Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with the Associations Incorporation Act (ACT) 1991, and for such internal control as management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, 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.

### Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

## **Independent Audit Report to the members of Austrian Australian Club Incorporated**

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, 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 the management.
- Conclude on the appropriateness of the 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 auditor's report to the related disclosures in the financial reporter, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's 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 report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the management 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.

### **Hardwicks**

Chartered Professional Accountants

Robert Johnson FCA  
Partner

Canberra

Dated

# Compilation Report

## For the Year Ended 31 March 2020

### COMPILATION REPORT TO AUSTRIAN AUSTRALIAN CLUB INCORPORATED

We have compiled the accompanying special purpose financial statements of Austrian Australian Club Incorporated, which comprise the detailed trading statements for the year ended. The specific purpose for which the special purpose financial statements have been prepared is to provide financial information to the committee of management.

#### *The Responsibility of the Committee Of Management*

The committee of management of Austrian Australian Club Incorporated are solely responsible for the information contained in the special purpose financial statements, the reliability, accuracy and completeness of the information and for the determination that the basis of accounting used is appropriate to meet their needs and for the purpose of complying with the association's constitution.

#### *Our Responsibility*

On the basis of the information provided by the committee of management we have compiled the accompanying special purpose financial statements in accordance with the basis of accounting as described in the notes to the financial statements and APES 315 *Compilation of Financial Information*.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with the basis of accounting as described in the notes to the financial statements. We have complied with the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants*.

#### *Assurance Disclaimer*

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The special purpose financial statements were compiled exclusively for the benefit of the committee of management who are responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of the special purpose financial statements.

Hardwickes  
Chartered Accountants

Robert Johnson FCA  
Partner

Canberra  
Date 24 June 2019

## Austrian Australian Club Incorporated

ABN: 12 785 169 437

### Poker machine trading account

	2020	2019
	\$	\$
<b>Sales revenue</b>		
Poker machine clearance	180,904	222,111
Less: payouts	(18,229)	(12,031)
Less: net GST remitted to ATO	(14,789)	(19,098)
Cash in Hopper	-	412
	<u>147,886</u>	<u>191,394</u>
<b>Less: Direct expenses</b>		
Depreciation - Poker Machines	10,462	12,023
Computer Expenses - Ari	9,384	3,646
Repairs & Maintenance-Aristocr	4,749	7,746
Gambling Levy	3,770	1,360
	<u>28,365</u>	<u>24,775</u>
<b>Net profit / (loss)</b>	<u><u>119,521</u></u>	<u><u>166,619</u></u>

# Austrian Australian Club Incorporated

ABN: 12 785 169 437

## Bar trading account

	2020	2019
	\$	\$
<b>Sales revenue</b>		
Bulk Beer	232,313	266,755
Packaged Beer	37,789	43,534
Non Alcoholic	22,661	23,130
Wine	37,039	43,640
Spirits	42,142	43,889
Sundry & Dry Bar	36,567	3,096
Catering Levy	-	720
	<b>408,511</b>	<b>424,764</b>
<b>Cost of sales</b>		
Bulk Beer	153,854	141,289
Packaged Beer	17,255	16,841
Non Alcoholic	8,389	5,943
Wine	16,562	22,276
Spirits	15,290	16,158
Sundry - Item Bar	712	21
Sundries - Bar	3,767	3,881
Breakage & Wastage	426	551
Beer Gas	-	605
Freight - Bar	5,045	4,614
	<b>221,300</b>	<b>212,179</b>
<b>Cost of goods sold</b>		
	<b>187,211</b>	<b>212,585</b>
<b>Gross profit</b>		
<b>Less: Direct expenses</b>		
Foodstuffs	22	1,250
Duty Officer - Drinks	676	705
Duty Offices-Meals	11,184	4,847
Member's drinks	74	31
Committee - Drinks	1,272	1,521
Committee - Meals	-	(505)
Management - Drinks	625	443
Staff Drinks	1,690	2,265
Restaurant Drinks	1,823	2,638
Wages & Salaries	431,066	332,868
Gas Kitchen	6,784	2,832
Holiday Leave Pay	(4,407)	1,949
SGC-Superannuation	38,670	31,042
Licences Fees & Permits	6,847	4,877
	<b>496,326</b>	<b>387,773</b>
<b>Net profit / (loss)</b>	<b>(309,115)</b>	<b>(175,188)</b>

## Austrian Australian Club Incorporated

ABN: 12 785 169 437

### Restaurant trading account

	2020	2019
	\$	\$
<b>Sales revenue</b>		
Restaurant sales	<u>154,578</u>	107,474
<b>Gross profit</b>	<u>154,578</u>	107,474
<b>Less: Direct expenses</b>		
Food costs	86,405	75,139
Tools and equipment	4,381	10,115
Cleaning	-	1,662
Utilities	1,114	3,346
Cutlery and crockery	-	3,331
Repairs and maintenance	2,062	34,496
Merchant fees	-	873
Admin fees	-	137
Other expenses	<u>42,547</u>	-
	<u>136,509</u>	129,099
<b>Net profit / (loss)</b>	<u><u>18,069</u></u>	<u><u>(21,625)</u></u>

## Austrian Australian Club Incorporated

ABN: 12 785 169 437

### Profit and Loss Account

	2020	2019
	\$	\$
Net result from poker machine trading account	119,521	166,619
Net result from bar trading account	(309,115)	(175,188)
Net result from restaurant trading account'	18,069	(21,625)
Room hire income	28,298	26,027
Membership Fees	3,203	3,951
Insurance recovery	14,960	-
Interest income	10,947	28,807
Other income	44,851	56,864
TAB Comissions	183,575	120,138
Gain on sale non current assets	-	22,820
Covid-19 support	21,114	-
<b>Total sales</b>	<b>135,423</b>	<b>228,413</b>
<b>Less: Expenses</b>		
Audit	12,150	12,072
Accounting	19,250	15,600
Administration costs	696	861
Advertising Expenses	12,308	2,518
Austrian Choir - Donation	3,600	3,600
Bands & Music	25,244	22,945
Bank Charges	225	5,362
Cleaning	26,684	31,449
Club Socials	1,365	1,307
Computer Expenses-SoftWare&Oth	5,150	4,751
Depreciation - Property	21,572	21,572
Depreciation - Plant & Equipment	37,675	31,316
Donations & Gifts - Charity	280	626
Electricity	33,334	36,877
Entertainment	23,906	20,522
Float Discrepancies	(4,482)	(2,643)
Insurance	37,610	25,965
Internet	433	720
Legal fees	1,433	-
Merchant Charges	7,394	4,425
Member's Expenses	1,111	1,765
Newsletter	709	1,107
Other expenses	2,207	7,725
Petrol reimbursement - Richard	-	91
Printing Postage & Stationery	5,405	2,621
Raffle Expenses	3,802	5,867
Rates	12,497	10,008
Repairs & Maintenance	31,413	11,661
Representing club	-	123
Security	1,051	949
Subscriptions - Annual	17,745	16,512
Telephone & Fax - Club	2,936	3,025
Trade Waste	5,178	3,568

## Austrian Australian Club Incorporated

ABN: 12 785 169 437

### Profit and Loss Account

	2020	2019
	\$	\$
Training	89	3,803
TAB Payments	169,738	107,737
Water and Sewerage	10,238	7,811
<b>Total expenses</b>	<b>529,946</b>	<b>424,218</b>
Income tax expense	19,040	(2,154)
<b>(Deficit)/Surplus for the year</b>	<b>(375,483)</b>	<b>(197,959)</b>