

COOLAMON SPORT AND RECREATION CLUB LIMITED

ABN: 44 001 061 829

FINANCIAL REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2016

COOLAMON SPORT AND RECREATION CLUB LIMITED

ABN: 44 001 061 829

CONTENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

Financial Report	Page
Directors' Report	1
Auditor's Independence Declaration	5
Statement of Profit or Loss and Other Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements	10
Directors' Declaration	20
Independent Auditor's Report	21

COOLAMON SPORT AND RECREATION CLUB LIMITED

ABN: 44 001 061 829

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2016

The Directors present their report on Coolamon Sport and Recreation Club Limited for the financial year ended 30 September 2016.

Directors

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

Names	Position	Appointed/Resigned
Trevor Jose	President	Appointed: 17 January 2016
Bruce Hutcheon	Director	Appointed: 17 January 2016
Gavin Stephenson	Director	Appointed: 17 January 2016
Warren McLoughlin	Director	Appointed: 17 January 2016
Anthony Armstrong	Director	Appointed: 14 December 2016 / Resigned: 8 February, 2017
Robert Menzies	Director	Appointed: 17 January 2016 / Resigned: 27 September 2016
Michael Kell	Director	Appointed: 17 January 2016 / Removed (non attendance): July, 2016
Edward Darlow	Director	Appointed: 9 February 2011 / Resigned: 14 November 2016
Raymond Wall	Director	Appointed: 8 February 2011 / Resigned: 14 November 2016
Robert Browning	Director	Appointed: 17 January 2010 / Resigned: 14 November 2016
Russell Menzies	Director	Appointed: 14 December 2008 / Resigned: 14 November 2016
Grant Furner	Director	Appointed: 17 June 2008 / Resigned: 14 November 2016
Henk Hulsman	Director	Appointed: 16 May 2006 / Resigned: 14 November 2016
Bruce Chant	Director	Appointed: 17 November 1972 / Resigned: 14 November 2016
Keith Birse	Director	Appointed: 20 November 2010 / Resigned: 17 January 2016
William Levy	Director	Resigned: 17 January 2016
Craig Corrigan	Director	Resigned: 17 January 2016
Paul Riley	Director	Resigned: 17 January 2016
John Platt	Director	Resigned: 17 January 2016

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Company Secretary

Trevor Jose (President) held the position of Company Secretary at the end of the financial year.

Review of operations

The loss of the Company after providing for income tax amounted to \$136,269.

Principal activity

The principal activity of Coolamon Sport and Recreation Club Limited during the financial year was to operate and promote the licensed Club for the benefits of its members.

No significant changes in the nature of the Company's activity occurred during the financial year.

COOLAMON SPORT AND RECREATION CLUB LIMITED

ABN: 44 001 061 829

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2016

Short term objectives

The Company's short term objectives are to:

- Support the local community;
- Maintain goodwill and fellowship; and
- Promote sport and recreational activities.

Long term objectives

The Company's long term objectives are to:

- Establish and maintain strong relationships with the local community;
- Be sustainable and strive for continuous improvement so as to offer the best possible outcomes for the Club's members and guests; and
- Replace the synthetic greens when required.

Strategies for achieving the objectives

To achieve these objectives, the Company has adopted the following strategies:

- Improve the Club facilities and strive for additional efficiencies; and
- Provide a wide range of entertainment for the local community.

Performance measures

To measure the Company's performance, the Club compares their performance against qualitative and quantitative benchmarks to assess financial sustainability of the Company and to ensure the Club's short-term and long-term objectives are being achieved.

Members' guarantee

Coolamon Sport and Recreation Club Limited is a Company limited by guarantee. In the event of, and for the purpose of winding up of the Company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$2, subject to the provisions of the Company's constitution.

At 30 September 2016, the collective liability of members was \$1,364.

Future developments and results

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

COOLAMON SPORT AND RECREATION CLUB LIMITED

ABN: 44 001 061 829

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2016

Events after the reporting date

The following events occurred after the reporting date:

- In November 2016, the Company established a Fighting Fund Trust Account with the purpose of obtaining non-refundable community pledges. The pledges have since been used to pay off the Company's outstanding superannuation liabilities.
- The Company is in the process of seeking assistance from the Department of Finance by way of having their Australian Taxation Office liabilities waived.
- Since the appointment of the new Board, a review has been undertaken on the Company's internal control environment. The review identified significant deficiencies which resulted in legal advice being sought and further investigations being undertaken. The impact of the deficiencies remains unknown at the date of this report.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Meetings of Directors

During the financial year, 10 meetings of Directors were held. Attendances by each Director during the year were as follows:

	Number eligible to attend	Number attended
Trevor Jose	9	9
Bruce Hutcheon	9	6
Gavin Stephenson	9	8
Warren McLoughlin	9	9
Anthony Armstrong	10	7
Robert Menzies	8	8
Michael Kell	10	3

COOLAMON SPORT AND RECREATION CLUB LIMITED

ABN: 44 001 061 829

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2016

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 September 2016 has been received and can be found on page 5 of the financial report.

Signed in accordance with a resolution of the Board of Directors:



Director:

Trevor Jose



Director:

Bruce Hutcheon

Dated 14 October 2017

COOLAMON SPORT AND RECREATION CLUB LIMITED

ABN: 44 001 061 829

AUDITOR'S INDEPENDENCE DECLARATION

FOR THE YEAR ENDED 30 SEPTEMBER 2016

We declare that, to the best of our knowledge and belief, during the year ended 30 September 2016, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

National Audits Group Pty Ltd
Authorised Audit Company



Steven J Watson
Managing Director

Wagga Wagga

16 October 2017

COOLAMON SPORT AND RECREATION CLUB LIMITED

ABN: 44 001 061 829

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Note	2016 \$	2015 \$
Revenue	4	510,911	629,694
Cleaning		(7,143)	(2,034)
Depreciation		(42,276)	(45,276)
Employee benefits		(184,476)	(215,542)
Entertainment and function expenses		(19,014)	(13,605)
Insurance		(22,547)	(23,299)
Interest expense		(19,987)	(15,429)
Other expenses		(58,518)	(61,976)
Poker machine and Keno expenses		(16,644)	(15,319)
Professional services		(10,951)	(9,078)
Purchases		(186,050)	(150,939)
Repairs and maintenance		(5,736)	(15,368)
Sub club expenses		(21,909)	(15,985)
Utilities		(51,929)	(36,163)
Unappropriated expenditure		-	(166,656)
Loss before income tax		(136,269)	(156,973)
Income tax expense	2(a)	-	-
Loss for the year		(136,269)	(156,973)
Other comprehensive income		-	-
Total comprehensive loss for the year		(136,269)	(156,973)

The accompanying notes form part of these financial statements.

COOLAMON SPORT AND RECREATION CLUB LIMITED

ABN: 44 001 061 829

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Note	2016 \$	2015 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	17,935	20,890
Trade and other receivables		-	15,274
Inventories		15,960	21,495
Prepayments		-	50
TOTAL CURRENT ASSETS		<u>33,895</u>	<u>57,709</u>
NON-CURRENT ASSETS			
Property, plant and equipment	6	<u>890,499</u>	<u>942,432</u>
TOTAL NON-CURRENT ASSETS		<u>890,499</u>	<u>942,432</u>
TOTAL ASSETS		<u>924,394</u>	<u>1,000,141</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	195,109	106,827
Borrowings	8	196,227	203,617
Employee benefits	9	-	20,371
TOTAL CURRENT LIABILITIES		<u>391,336</u>	<u>330,815</u>
TOTAL LIABILITIES		<u>391,336</u>	<u>330,815</u>
NET ASSETS		<u>533,058</u>	<u>669,326</u>
EQUITY			
Retained earnings		<u>533,058</u>	<u>669,326</u>
TOTAL EQUITY		<u>533,058</u>	<u>669,326</u>

The accompanying notes form part of these financial statements.

COOLAMON SPORT AND RECREATION CLUB LIMITED

ABN: 44 001 061 829

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2016

	2016 \$	2015 \$
Retained earnings at the beginning of the year	669,326	826,299
Loss for the year	(136,269)	(156,973)
Retained earnings at the end of the year	<u>533,058</u>	<u>669,326</u>

The accompanying notes form part of these financial statements.

COOLAMON SPORT AND RECREATION CLUB LIMITED

ABN: 44 001 061 829

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Note	2016 \$	2015 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		526,235	618,325
Payments to suppliers and employees		(517,814)	(676,086)
Interest paid		(3,986)	(3,762)
Net cash provided by/(used in) operating activities		<u>4,435</u>	<u>(61,523)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from borrowings		-	30,000
Repayment of borrowings		(9,760)	(6,264)
Net cash provided by/(used in) financing activities		<u>(9,760)</u>	<u>23,736</u>
Net decrease in cash and cash equivalents held		(5,325)	(37,787)
Cash and cash equivalents at beginning of year		<u>20,711</u>	<u>58,498</u>
Cash and cash equivalents at end of financial year	5	<u><u>15,386</u></u>	<u><u>20,711</u></u>

The accompanying notes form part of these financial statements.

COOLAMON SPORT AND RECREATION CLUB LIMITED

ABN: 44 001 061 829

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

The financial report covers Coolamon Sport and Recreation Club Limited as an individual entity. Coolamon Sport and Recreation Club Limited is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Coolamon Sport and Recreation Club Limited is Australian dollars (\$AUD) and all amounts have been rounded to the nearest dollar.

The financial report was authorised for issue by the Directors on 14 October 2017.

1 BASIS OF PREPARATION

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements, *Corporations Act 2001* and *Corporations Regulations 2001*.

The financial statements have been prepared on an accruals basis and are based on historical costs. Comparatives are consistent with prior years, unless otherwise stated.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Income Tax

The Company has claimed a self assessed exemption from income tax as a sporting club in accordance with Section 50.45 of the *Income Tax Assessment Act 1997*. Accordingly no provision for income tax has been recognised in the financial statements.

(b) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the Company are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(c) Revenue and other income

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 Company 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).

COOLAMON SPORT AND RECREATION CLUB LIMITED

ABN: 44 001 061 829

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(c) Revenue and other income

Bar sales

Revenue derived through bar sales is recognised on transfer of goods to the patron as this is deemed to be the point in time when all the risks and rewards associated with the goods are transferred and there is no longer any ownership or effective control over the inventory.

Poker machine takings

Poker machine takings are recognised as revenue when received and shown in the statement of profit or loss and other comprehensive income as a net amount.

Interest revenue

Interest is recognised using the effective interest method.

Subscriptions

Revenue from membership subscriptions is recognised on receipt.

Other income

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

(d) 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 in the statement of cash flows are included on an inclusive basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(e) Inventories

Inventories for bar stock are measured at the lower of cost and net realisable value. Cost of inventory is determined using the individual item basis which is inclusive of freight and delivery charges and is net of any rebates and discounts received.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written off in the statement of profit or loss and other comprehensive income when deemed to be damaged or obsolete.

(f) Property, plant and equipment

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

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

COOLAMON SPORT AND RECREATION CLUB LIMITED

ABN: 44 001 061 829

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(f) Property, plant and equipment

Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Depreciation

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

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

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

Fixed asset class	Depreciation rate
Buildings	2.5%
Plant and Equipment	10% - 66.67%
Furniture, Fixtures and Fittings	7% - 25%
Leasehold improvements	2.5% - 10%

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.

(g) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand and cash at bank which is readily convertible to known amounts of cash and subject to an insignificant risk of change in value.

(h) Employee benefits

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

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements.

(i) Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

COOLAMON SPORT AND RECREATION CLUB LIMITED

ABN: 44 001 061 829

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(j) Going concern and deficiency of current assets

Despite having current liabilities exceed current assets by \$357,441 as at 30 September 2016 (2015: \$273,106) and an operating loss of \$136,269 for the year then ended (2015: \$156,975), the Directors are of the opinion the Company will continue on a going concern basis due to the following circumstances:

- In November 2016, the Company established a Fighting Fund Trust Account with the purpose of obtaining non-refundable community pledges. The pledges have since been used to pay off the Company's outstanding superannuation liabilities; and
- The Company is in the process of seeking assistance from the Department of Finance by way of having their Australian Taxation Office liabilities waived.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Director's 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.

Key estimates - impairment of property, plant and equipment

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

Key estimates - inventory

Each item on inventory is reviewed on an annual basis to determine whether it is being carried at higher than its net realisable value. During the year, management have written down inventory based on best estimate of the net realisable value, although until the time that inventory is sold this is an estimate.

COOLAMON SPORT AND RECREATION CLUB LIMITED

ABN: 44 001 061 829

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

	2016 \$	2015 \$
4 REVENUE AND OTHER INCOME		
Rental income	13,905	12,190
Sundry income	963	9,437
Bar sales	258,400	324,590
Catering income	11,781	7,997
Function income	4,785	14,503
Fundraising and raffles	9,000	-
Green fees	-	28,214
Memberships	19,132	19,891
Poker machine takings	130,132	112,531
Commissions	59,350	85,712
Sponsorship	3,463	14,630
	<u>510,911</u>	<u>629,694</u>
5 CASH AND CASH EQUIVALENTS		
CURRENT		
Cash on hand	12,000	11,500
Cash at bank	5,935	9,390
	<u>17,935</u>	<u>20,890</u>

Reconciliation of cash

Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

	Note		
Cash and cash equivalents		17,935	20,890
Bank overdrafts	8	(2,549)	(179)
Balance as per statement of cash flows		<u>15,386</u>	<u>20,711</u>

COOLAMON SPORT AND RECREATION CLUB LIMITED

ABN: 44 001 061 829

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

	2016 \$	2015 \$
6 PROPERTY, PLANT AND EQUIPMENT		
Buildings		
At cost	624,094	624,094
Accumulated depreciation	(134,251)	(118,649)
	<u>489,843</u>	<u>505,445</u>
Plant and equipment		
At cost	81,236	143,403
Accumulated depreciation	(53,300)	(102,420)
	<u>27,936</u>	<u>40,983</u>
Furniture, fixtures and fittings		
At cost	27,050	36,096
Accumulated depreciation	(18,162)	(20,133)
	<u>8,888</u>	<u>15,963</u>
Leasehold Improvements		
At cost	487,674	487,674
Accumulated amortisation	(123,842)	(107,633)
	<u>363,832</u>	<u>380,041</u>
Total property, plant and equipment	<u>890,499</u>	<u>942,432</u>

COOLAMON SPORT AND RECREATION CLUB LIMITED

ABN: 44 001 061 829

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

6 PROPERTY, PLANT AND EQUIPMENT

(a) *Movements in Carrying Amounts*

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

	Buildings	Plant and Equipment	Furniture, Fixtures and Fittings	Leasehold Improvements	Total
	\$	\$	\$	\$	\$
Year ended 30 September 2016					
Balance at the beginning of year	505,445	40,983	15,963	380,041	942,432
Disposals	-	(5,547)	(4,110)	-	(9,657)
Depreciation expense	(15,602)	(7,500)	(2,965)	(16,209)	(42,276)
Balance at the end of the year	489,843	27,936	8,888	363,832	890,499

COOLAMON SPORT AND RECREATION CLUB LIMITED

ABN: 44 001 061 829

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

	2016 \$	2015 \$
7 TRADE AND OTHER PAYABLES		
CURRENT		
Trade payables	58,564	30,358
ATO payable	85,277	41,792
Superannuation payable	51,268	34,677
	<u>195,109</u>	<u>106,827</u>
8 BORROWINGS		
CURRENT		
NAB - bank overdraft	2,549	179
Lease liabilities	4,222	10,832
NAB - bank loan	189,456	192,606
	<u>196,227</u>	<u>203,617</u>
Bank loan		
At 30 September 2016, the bank loan with the National Australian Bank (NAB) had a facility limit of \$200,000 which was secured by a registered mortgage over the Company's building located at Lewis Street Coolamon NSW (Title reference: 319/1034246).		
9 EMPLOYEE BENEFITS		
CURRENT		
Annual leave	-	20,371
	<u>-</u>	<u>20,371</u>

10 LEASING COMMITMENTS

Finance leases

A finance lease was in place for a John Deere Tractor which had a term of 5 years. The lease was paid in full on 2 May 2017.

Operating leases

A perpetual special lease is in place for land leased from the Department of Primary Industry (DPI). Lease payments are increased on an annual basis to reflect market rentals.

COOLAMON SPORT AND RECREATION CLUB LIMITED

ABN: 44 001 061 829

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

11 KEY MANAGEMENT PERSONNEL REMUNERATION

The total remuneration paid to key management personnel of the Company during the year was \$89,000.

For details of other transactions with key management personnel, refer to Note 13: Related Parties.

12 CONTINGENCIES

In the opinion of the Directors, the Company did not have any contingencies at 30 September 2016 (30 September 2015:None).

13 RELATED PARTIES

Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Directors (whether executive or otherwise) of that entity are considered key management personnel. Key management personnel of the Company during the year were as follows:

- Trevor Jose (President)
- Gavin Stephenson (Director)
- Warren McLoughlin (Director)
- Bruce Hutcheon (Director)
- Robert Menzies (Director)
- Michael Kell (Director)
- Russell Menzies (Director)
- Henk Hulsman (Director)
- William Levy (Director)
- Craig Corrigan (Director)
- Paul Riley (Director)
- John Platt (Director)
- Andrew McPherson (Secretary Manager)

For details of remuneration disclosures relating to key management personnel, refer to Note 11: Key Management Personnel Remuneration.

Other related parties

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

Transactions with related parties

There were no related related party transactions during the year.

COOLAMON SPORT AND RECREATION CLUB LIMITED

ABN: 44 001 061 829

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

14 EVENTS AFTER THE END OF THE REPORTING PERIOD

The financial report was authorised for issue on 14 October 2017 by the Board of Directors.

The following events occurred after the reporting date:

- In November 2016, the Company established a Fighting Fund Trust Account with the purpose of obtaining non-refundable community pledges. The pledges have since been used to pay off the Company's outstanding superannuation liabilities.
- The Company is in the process of seeking assistance from the Department of Finance by way of having their Australian Taxation Office liabilities waived.
- Since the appointment of the new Board, a review has been undertaken on the Company's internal control environment. The review identified significant deficiencies which resulted in legal advice being sought and further investigations being undertaken. The impact of the deficiencies remains unknown at the date of this report.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

15 STATUTORY INFORMATION

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

Coolamon Sport and Recreation Club Limited

71-73 Lewis Street

COOLAMON NSW 2701

COOLAMON SPORT AND RECREATION CLUB LIMITED

ABN: 44 001 061 829

DIRECTORS' DECLARATION

FOR THE YEAR ENDED 30 SEPTEMBER 2016

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 6 to 19, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
 - b. give a true and fair view of the financial position as at 30 September 2016 and of the performance for the year then ended.
2. In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



Director

Trevor Jose



Director

Bruce Hutcheon

Dated 14 October 2017

COOLAMON SPORT AND RECREATION CLUB LIMITED

ABN: 44 001 061 829

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2016

Report on the Audit of the Financial Report

Qualified Opinion

We have audited the financial report of Coolamon Sport and Recreation Club Limited (the Company), which comprises the statement of financial position as at 30 September 2016, 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 Directors' declaration.

In our opinion, except for the effects of the matters described in the *Basis for Qualified Opinion* section of our report, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Company's financial position as at 30 September 2016 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards - reduced disclosure requirements and the *Corporations Regulations 2001*.

Basis for Qualified Opinion

We were appointed as the Company's auditor on 16 May 2016. The predecessor auditor provided the Company with an adverse opinion for the year ended 30 September 2015. During the course of our audit for the year ended 30 September 2016, it was evident the Company had significant deficiencies in its internal control environment. As a result, we were unable to obtain sufficient and appropriate audit evidence to support the balances reported at 30 September 2015 and we have modified our opinion on this basis.

In addition to the above, the balances reported at 30 September 2015 enter in to the determination of the Company's performance and cashflows for the year ended 30 September 2016. This along with the significant deficiencies in the internal control environment created material uncertainty surrounding the Company's performance for the year ended 30 September 2016. As a result, we were unable to obtain sufficient and appropriate audit evidence to support the Company's performance for the year ended 30 September 2016 and therefore, also modified our opinion on this basis.

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 Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and 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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the Directors of the Company, would be in the same terms if given to the Directors as at the time of this independent auditor's report.

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

COOLAMON SPORT AND RECREATION CLUB LIMITED

ABN: 44 001 061 829

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2016

Material Uncertainty Related to Going Concern

Without modifying our opinion further, we draw attention to Note 2(j): Going Concern and Deficiency of Current Assets, which identifies the Company's current liabilities exceeded its current assets by \$357,441 as at 30 September 2016 (2015: \$273,106) and incurred an operating loss of \$136,269 for the year then ended (2015: \$156,975).

The deficiency of current assets and retained losses of the Company indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and therefore, the Company may be unable to realise its assets and discharge its liabilities in the normal course of business. Factors mitigating this material uncertainty have been identified at Note 2(j) and the financial report has subsequently been prepared on a going concern basis.

Responsibilities of Directors 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 Requirements and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

National Audits Group Pty Ltd
Authorised Audit Company



Steven J Watson
Managing Director

Wagga Wagga

Dated 16 October 2017