Clubs Victoria Inc.

s.268 *Fair Work (Registered Organisations) Act 2009*

Certificate for the period ended 30 June 2013

I, Jonathan Chew, being the acting Chief Executive Officer of Clubs Victoria Inc. certify:

- that the documents lodged herewith are copies of the full report for Clubs Victoria Inc for the period ended 30 June 2013 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on *[insert date]*; and
- that the full report was presented to *a general meeting of members* of the reporting unit on 16 December 2013 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:

....

Name of prescribed designated officer:

Jonathan Chew..

Title of prescribed designated officer: ....Acting Chief Executive Officer

Dated: ....13 June 2014

CLUBS VICTORIA INC.

Annual Report 2012 - 2013

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president's report

It has been my pleasure to have served as your President during the year. It has been a year of consolidation for Clubs Victoria as I am sure it has been for most clubs.

The Clubs Victoria Council has taken a responsible approach to the management of your association and we continue to offer services very applicable to the market. We have played an important role in government advocacy, we have provided good member services, we have established education online and seminars and we continue to provide good networking opportunities.

Clubs come together under the Clubs Victoria banner to ensure they are protected from government legislation and regulation, and we have worked within a number of industry forums to ensure your voice has been heard; these included;

- Incorporated Associations Act.
- Taxation for NFP and charitable organisations.
- Liquor licensing changes and we continue to negotiate action on sign in
- Voluntary pre commitment

Our gaming clubs had the challenge of transition this year, but since this process settled the rewards are now being realised for the majority of clubs.

With regard to members we continue to provide extended services including the Enable HR system which is helping significantly those clubs that have committed to it. Our communication links extend to all licensed clubs with our Connect magazine and we continue to provide our members with over 50 regular updates and information sheets.

We continue to ensure we provide good recommended services to members and we encourage members to use the services of our partners and our supplier partners.

Our goal is to represent licensed clubs, and indeed the entire club network, and we continue to believe stakeholders, government and our partners would like a united voice. As long as our members support this approach we shall continue to try and bring the market together. We will continue to provide much needed services to our members and we shall continue to do so with small surpluses.

I would like to thank all members for their ongoing support. I would also like to acknowledge and thank our Alliance Partners and our supplier partners for without their support we would not be able to provide the services we offer. I also wish to thank your Council for the efforts they have contributed this year, and I would like to thank the secretariat team for their strong efforts to bring us back to profit.

It has been a year of challenges, but I predict a solid future for Clubs Victoria.

Barb Kelly

Club Victoria President

Council Member for Metropolitan
Manager, Chirnside Park Country Club

treasurer's report

The words … Back In the Black … are the ones I will concentrate on this year with my report. Clubs Victoria for the first time since 2008 are in surplus and although it has been a challenge to get there we should celebrate this achievement.

This year we achieved a $150,000 turnaround in operational bottomline. By any measure this is a good result and adds to the methodical manner in which your Council has gone about ensuring we recover the brand from a significant change to revenue in 2008.

Revenue indicates a slippage of membership but this was expected and we achieved more than budgeted. We also achieved a significant result in partnerships yet the total revenue had contracted. We took significant steps to reduce expenditure and we continue to do so to ensure we focus on core services.

We have budgeted for surplus for the coming year and we believe that if we re-entered the market in membership recruitment the business model will allow even greater services to be developed. We will retain our one stop service centre which allows a measureable coordinated response to members needs and we will begin to improve our social media strategy.

Profit is good, but strong cash flow is better and it is pleasing to report we retain good cash flows after recovering from poor levels a number of years previously.

All in all, this is a pleasing result. There is much more to be done but we are in the black, back on track.

BYRON SMITH

Clubs Victoria Treasurer

Council Member for Metropolitan

Former General Manager of Keysborough Golf Club

CLUBS VICTORIA INC.

Financial Report 2012/13

CLUBS VICTORIA INC.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2013

	Note	2013	2012
		$	$
Revenue from Operating Income	2	716,317	794,076
Revenue from Non-Operating Income	2	27	40
Employee benefits	3	(19,865)	(211,894)
Operational expenses	4	(656,548)	(665,971)
Depreciation expenses	8	(1,067)	(1,450)
SURPLUS (DEFICIT) FOR THE YEAR		38,864	(85,199)
OTHER COMPREHENSIVE INCOME			
Reversal of Impairment Loss		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		38,864	(85,199)

CLUBS VICTORIA INC.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2013

	Note	2013	2012
		$	$
CURRENT ASSETS			
Cash and cash equivalents	5	126,182	158,088
Trade and other receivables	6	176,556	45,001
Other assets	7	1,015	-
TOTAL CURRENT ASSETS		303,753	203,089
NON CURRENT ASSETS			
Property, plant and equipment	8	1,294	1,880
TOTAL NON-CURRENT ASSETS		1,294	1,880
TOTAL ASSETS		305,047	204,969
CURRENT LIABILITIES			
Trade and other payables	9	45,516	23,535
Other current liabilities	10	190,750	144,451
Loans	11	40,000	30,000
Provisions	12	-	17,066
TOTAL CURRENT LIABILITIES		276,266	215,052
NON CURRENT LIABILITIES			
Loans	11	120,000	120,000
TOTAL CURRENT LIABILITIES		120,000	120,000
TOTAL LIABILITIES		396,266	335,052
NET ASSETS		(91,219)	(130,083)
MEMBERSHIP FUNDS:			
Accumulated Surplus (Deficit)		(91,219)	(130,083)
TOTAL MEMBERS FUNDS		(91,219)	(130,083)

The accompanying notes form part of this financial report.

CLUBS VICTORIA INC.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2013

	Retained Earnings	Total
	$	$
Balance at 1 July 2011	(44,884)	(44,884)
Total comprehensive income for the year	(85,199)	(85,199)
Transfer to/from reserves	-	-
Balance at 30 June 2012	**(130,083)**	**(130,083)**
Balance at 1 July 2012	(130,083)	(130,083)
Total comprehensive income for the year	38,864	38,864
Transfer to/from reserves	-	-
Balance at 30 June 2013	**(91,219)**	**(91,219)**

CLUBS VICTORIA INC.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2013

	Note	2013 $	2012 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members & Commercial activities		787,951	880,058
Interest received		27	40
Payments to suppliers and other contract services		(793,427)	(723,925)
Payments to Employees		(19,865)	(211,894)
Net GST Paid to the ATO		(16,111)	(18,891)
Net cash provided by operating activities	16	**(41,425)**	**(74,612)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Fixed assets		(481)	-
Net cash provided from investing activities		**(481)**	**-**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Clubs NSW loan		50,000	150,000
Repayment of Clubs NSW loan		(40,000)	-
Net cash provided from financing activities		**10,000**	**150,000**
Net increase/(decrease) in cash held		**(31,906)**	**75,388**
Cash at beginning of year		**158,088**	**82,700**
Cash at end of year		**126,182**	**158,088**

The accompanying notes form part of this financial report.

CLUBS VICTORIA INC.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2013

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Fair Work (Registered Organisations) Act 2009 and requirements of the Associations Incorporations Reform Act 2012.

The financial report covers Clubs Victoria Inc. as an individual entity. Clubs Victoria Inc. is registered under the Fair Work (Registered Organisations) Act 2009, and is also incorporated in Victoria under the Associations Incorporations Reform Act 2012.

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

Reporting Basis and Conventions

The financial statements except for cash flow information has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Accounting Policies

a) Income Tax

The Association is exempt from income tax under Section 50-15 of the Income Tax Assessment Act.

b) Property, Plant & Equipment

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

Plant and Equipment

Plant and equipment are measured on the cost basis less accumulated depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the Association to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2013

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over the useful lives of the assets to the association commencing from the time the asset is held ready for use.
The depreciation rates used for each class of depreciable asset are:

Class of Fixed Asset	Depreciation Rate
Office equipment	10-66%

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated amount.

Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains and losses are included in statement of comprehensive income.

c) Leases

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

Finance leases are capitalised by recording an asset and a liability at the lower of the amount 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.

Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the association will obtain ownership of the asset or over the term of the lease.

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

d) Impairment of Assets

At the end of each reporting period, the Association reviews the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to statement of comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the Association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2013

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the association commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Finance instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:
(i) the amount at which the financial asset or financial liability is measured at initial recognition
(ii) less principal repayments
(iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and
(iv) less any reduction for impairment.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The association does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are held for trading for the purpose of short-term profit taking, where they are derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

CLUBS VICTORIA INC.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2013

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period, which will be classified as non-current assets.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the association's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period, which will be classified as non-current assets.

If during the period the association sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire category of held-to-maturity investment would be tainted and would be reclassified as available-for-sale.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

(v) Financial Liabilities
Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At the end of each reporting period, the association assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a significant or prolonged decline in the value of the instrument below its original cost is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

Derecognition

Financial assets are derecognised where the contractual right to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2013

1 **STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

f) 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 expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year 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 not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

g) 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. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

h) Revenue

Revenue from Membership and Sponsorship fees is recognised in the period in which it relates to. Revenue from other services is recognised on an invoiced or receipts basis. All revenue is stated net of the amount of goods and services tax (GST).

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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as an item of the expense.

Receivable and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

j) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

When the association has retrospectively applied an accounting policy, made a retrospective restatement or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

k) 272 Information to be provided to members or General Manager

(1) A member of a reporting unit, or the General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

(2) The application must be in writing and must specify the period within which, and the manner in which, the information is be be made available. The period must not be less than 14 days after the application is given to the reporting unit.

(3) A reporting unit must comply with an application made under subsection (1).

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2013

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

m) Provisions

Provisions are recongnised when the association 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. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

n) Key Estimates

Impairment

Clubs Victoria Inc. assesses the impairment at each reporting date by evaluation of conditions and events specific to the group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2013

1 **STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

o) **New Accounting Standards for Application in Future Periods**

The Australian Accounting Standards Board has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the association has decided not to early adopt. A discussion of those requirements and their impact on the association is as follows:

AASB 9: Financial instruments (December 2010) (applicable for annual reporting periods commencing on or after 1 January 2013)

This Standard is applicable retrospectively and includes revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments. The association has not yet determined any potential impact on the financial statements.

The key changes made to accounting requirements include:

- simplifying the classifications of financial assets into those carried at amortised costs and those carried at fair value;

- simplifying the requirements for embedded derivatives;

- removing the tainting rules associated with held-to-maturity assets;

- removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;

- allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument;

- requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on: (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows; and

- requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the entity's own credit risk in other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit and loss.

CLUBS VICTORIA INC.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2013

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

AASB 13: Fair Value Measurement and AASB 2011–8: Amendments to Australian Accounting Standards arising from AASB 13 (applicable for annual reporting periods commencing on or after 1 January 2013).
AASB 13 defines fair value, sets out in a single Standard a framework for measuring fair value, and requires disclosures about fair value measurement.

AASB 13 requires:
-inputs to all fair value measurements to be categorised in accordance with a fair value hierarchy; and
-enhanced disclosures regarding all assets and liabilities (including, but not limited to, financial assets and financial liabilities) to be measured at fair value.

These Standards are expected to result in more detailed fair value disclosures, but are not expected to significantly impact the amounts recognised in the association's financial statements.

AASB 2012–2: Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 2012–2 principally amends AASB 7: Financial Instruments: Disclosures to require entities to include information that will enable users of their financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position.

This Standard is not expected to significantly impact the association's financial statements.

AASB 2012–3: Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities (applicable for annual reporting periods commencing on or after 1 January 2014).

This Standard adds application guidance to AASB 132: Financial Instruments: Presentation to address potential inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.

This Standard is not expected to significantly impact the association's financial statements.

AASB 2012–5: Amendments to Australian Accounting Standards arising from Annual Improvements 2009–2011 Cycle (applicable for annual reporting periods commencing on or after 1 January 2013).
This Standard amends a number of Australian Accounting Standards as a consequence of the issuance of Annual Improvements to IFRSs 2009–2011 Cycle by the International Accounting Standards Board, including:
-AASB 1: First-time Adoption of Australian Accounting Standards to clarify the requirements in respect of the application of AASB 1 when an entity discontinues and then resumes applying Australian Accounting Standards;
-AASB 101: Presentation of Financial Statements and AASB 134: Interim Financial Reporting to clarify the requirements for presenting comparative information;
-AASB 116: Property, Plant and Equipment to clarify the accounting treatment of spare parts, stand-by equipment and servicing equipment;
-AASB 132 and Interpretation 2: Members' Shares in Co-operative Entities and Similar Instruments to clarify the accounting treatment of any tax effect of a distribution to holders of equity instruments; and
-AASB 134 to facilitate consistency between the measures of total assets and liabilities an entity reports for its segments in its interim and annual financial statements.

This Standard is not expected to significantly impact the association's financial statements.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2013

Reduced disclosure requirements not yet adopted

- AASB 1053 Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2 , 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and interpretations 2, 4, 5, 15, 17, 127, 129 & 1052] (applicable for annual reporting periods commencing on or after 1 July 2013)

AASB 1053 establishes a revised differential financial reporting framework consisting of two tiers of financial reporting requirements for those entities preparing general purpose financial statements:
- Tier 1: Australian Accounting Standards; and
- Tier 2: Australian Accounting Standards - Reduced Disclosure Requirements.

Tier 2 of the framework comprises the recognition, measurement and presentation requirements of the Tier 1, but contains significantly fewer disclosure requirements.

Since the association is a not-for-profit private sector entity, it qualifies for the reduced disclosure requirements for Tier 2 entities. It is anticipated that the association will take advantage of Tier 2 reporting at a later date.

CLUBS VICTORIA INC.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2013

		2013	2012
2	**REVENUE**	$	$
	Revenue from Operating Activities		
	Members subscriptions	286,944	383,523
	Sponsorships	325,180	231,958
	Other Fees & Services	104,193	174,977
	Recruitment Income	-	3,618
	Sub total from Operating Activities	**716,317**	**794,076**
	Revenue from Non-Operating Activities		
	Interest received	27	40
	Sub total from Non-Operating Activities	**27**	**40**
	TOTAL REVENUE	**716,344**	**794,116**
3	**EMPLOYEE BENEFITS**		
	Salaries & Wages	17,116	184,091
	Superannuation	1,409	16,560
	WorkCover	-	(302)
	Payroll & Fringe Benefits Tax	-	(11,278)
	Staff Expenses, Travel, Seminars & Training	1,340	22,823
	TOTAL EMPLOYEE BENEFITS	**19,865**	**211,894**

There are no longer employees as of 31 July 2012

		2013	2012
4	**OPERATIONAL EXPENSES**		
	Events & Seminars costs	143,423	257,104
	Fee for Service Costs	28,855	39,708
	Licence fees, Telephone and external support	106,341	109,826
	Administration	69,359	146,908
	Occupancy	10,535	11,156
	Other Facility expenses	31,541	47,078
	IT Expenses	8,773	14,247
	Donations	1,430	396
	Consultants, Finance & Legal Costs	256,291	39,547
	TOTAL OPERATIONAL EXPENSES	**656,548**	**665,971**
5	**CASH AND CASH EQUIVALENTS**		
	Petty cash float	400	400
	Cash at bank	125,315	157,222
	Term Deposits	467	460
	TOTAL CASH AND CASH EQUIVALENTS	**126,182**	**158,088**
6	**TRADE AND OTHER RECEIVABLES**		
	Trade debtors	176,556	45,001
	TOTAL TRADE AND OTHER RECEIVABLES	**176,556**	**45,001**

Current trade receivables are non-interest bearing loans and generally receivable within 60 days. A provision for impairment is recognised against subscriptions where there is objective evidence that an individual trade receivable is impaired. No impairment was required at 30 June 2013.

CLUBS VICTORIA INC.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2013

Credit risk

The association has no significant concentrations of credit risk with respect to any single counterparty or group of counterparties. The main source of credit risk to the association is considered to relate to the class of assets described as subscriptions receivable.

The following table details the association's subscriptions receivable exposed to credit risk with ageing analysis and impairment provided for thereon. Amounts are considered as "past due" when the debt has not been settled within the terms and conditions agreed between the association and the member or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining their willingness to pay and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the association. All members late in paying their subscription are potentially subject to a late fee. The balances of receivables that remain within the initial terms (as detailed in the table) are considered to be of high credit quality.

	Gross Amt	Past due and impaired	Past due but not imparied (Days Overdue)		
			<30	31-90	>90
2013	$	$	$	$	$
Other receivables	176,556	-	143,424	7,618	25,514
Total	176,556	-	143,424	7,618	25,514

	Gross Amt	Past due and impaired	Past due but not imparied (Days Overdue)		
			<30	31-60	>90
2012	$	$	$	$	$
Other receivables	45,001	-	12,130	3,540	29,331
Total	45,001	-	12,130	3,540	29,331

		2013	2012
7	**OTHER ASSETS**	$	$
	Prepayments	1,015	-
	TOTAL OTHER ASSETS	1,015	-
8	**PROPERTY, PLANT AND EQUIPMENT**		
	Office equipment		
	At cost	11,666	11,185
	Accumulated depreciation	(10,372)	(9,305)
		1,294	1,880
	TOTAL PROPERTY, PLANT AND EQUIPMENT	1,294	1,880

CLUBS VICTORIA INC.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2013

Movements in carrying amounts

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

	Office equipment	Total
	$	$
Carrying amount at 01/07/2011	3,330	3,330
Depreciation expense	(1,450)	(1,450)
Carrying amount as at 30/06/2012	**1,880**	**1,880**
Additions	481	481
Depreciation expense	(1,067)	(1,067)
Carrying amount as at 30/06/2013	**1,294**	**1,294**

		2013	2012
9	**TRADE AND OTHER PAYABLE**	**$**	**$**
	Creditors and accrued expenses	34,204	23,535
	BAS Payable	11,312	-
	TOTAL TRADE AND OTHER PAYABLES	**45,516**	**23,535**
10	**OTHER CURRENT LIABILITIES**		
	Prepaid Income	190,750	144,451
	TOTAL OTHER CURRENT LIABILITIES	**190,750**	**144,451**
11	**FINANCIAL LIABILITIES**		
	CURRENT		
	Loan - Clubs NSW	40,000	30,000
		40,000	**30,000**
	NON CURRENT		
	Loan - Clubs NSW	120,000	120,000
		120,000	**120,000**
	TOTAL FINANCIAL LIABILITIES	**160,000**	**150,000**
12	**PROVISIONS**		
	CURRENT		
	Provision for annual leave	-	17,066
	Provision for long service leave	-	-
		-	17,066
	NON CURRENT		
	Provision for long service leave	-	-
		-	-
	TOTAL PROVISIONS	-	**17,066**

NOTES TO THE FINANCIAL STATEMENTS
AS AT 30 JUNE 2013

13 FINANCIAL INSTRUMENTS

Financial Risk Management Obectives and Policies
Clubs Victoria Inc.'s principle financial instruments comprise of deposits with banks, short term investments and accounts receivable and payable.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect to each class of financial asset financial liability and equity instrument are disclosed in note 1 to the financial statements.

The totals for each category of financial instruments, measured in accordance with AASB 139, are as follows:

	Note	Carrying Amount 2013 $	Carrying Amount 2012 $
Financial Assets			
Cash and Cash Equivalent	5	126,182	158,088
Trade and Other Receivables	6	176,556	45,001
Total Financial Assets		302,738	203,089
Financial Liabilities			
At amortised cost			
Trade Creditors	8	34,204	23,535
Loans - Clubs NSW	9	160,000	150,000
Total Financial Liabilities		194,204	173,535

Specific Financial Risk Exposures and Management

a) **Interest Rate Risk**
The Committee do not believe that the interest rate risk is significant. Therefore the association does hot have any formal policy for managing such risk.

b) **Liquidity Risk**

Liquidity risk arises from the possibility that Clubs Victoria Inc. might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. Clubs Victoria Inc. manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities; and
- only investing surplus cash with major financial institutions.

The following table discloses the contractual maturity analysis for Clubs Victoria Inc.'s financial liabilities.

For interest rates applicable to each class of liability refer to individual notes to the financial statements.

NOTES TO AND FORMING PART OF THE ACCOUNTS AS AT 30TH JUNE 2013

13 FINANCIAL INSTRUMENTS (Continued)

Financial liability and financial assets maturity analysis

	Within 1 year		1 to 5 years		Over 5 years		Total	
	2013	2012	2013	2012	2013	2012	2013	2012
	$	$	$	$	$	$	$	$
Financial Liabilities due for payment								
Trade creditors	34,204	23,535	-	-	-	-	34,204	23,535
Loans payable	40,000	30,000	120,000	120,000	-	-	160,000	150,000
Total contractual outflows	74,204	53,535	120,000	120,000	-	-	194,204	173,535
Total expected outflows	74,204	53,535	120,000	120,000	-	-	194,204	173,535
Financial Assets - Cash flow realisable								
Cash and cash equivalents	126,182	158,088	-	-	-	-	126,182	158,088
Trade & Other receivables	176,556	45,001	-	-	-	-	176,556	45,001
Total anticipated inflows	302,738	203,089	-	-	-	-	302,738	203,089
Net (outflow)/inflow of financial instruments	228,534	149,553					108,535	29,553

c) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the Statement of Financial Position and Notes to the Financial Statements.

The Association does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Association.

d) Price risk

Price risk relates to the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices largely due to demand and supply factor for commodities.

Clubs Victoria Inc. is exposed to securities price risk on available-for-sale investments. Such risk is managed through diversification of investments across industries and geographic locations.

e) Fair value of Financial Assets and Liabilities

The fair values of financial assets and liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction.Areas of judgement and the assumptions used have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded.

Net fair value

	Carrying Amount 2013	Net Fair value 2013	Carrying Amount 2012	Net Fair value 2012
	$	$	$	$
Financial Assets				
Cash and cash equivalent	126,182	126,182	158,088	158,088
Trade & Other receivables	176,556	176,556	45,001	45,001
Total Financial Assets	302,738	302,738	203,089	203,089
Financial Liabilities				
Trade creditors	34,204	34,204	23,535	23,535
Loans payable	160,000	160,000	150,000	150,000
Total Financial Liabilities	194,204	194,204	173,535	173,535

NOTES TO AND FORMING PART OF THE ACCOUNTS AS AT 30TH JUNE 2013

13 FINANCIAL INSTRUMENTS (Continued)

Fair values of financial instruments are determined on the following basis:
Cash, deposit investments, cash equivalents and non-interest bearing financial assets and liabilities (trade debtors, other receivables, trade creditors and advances) are valued at costs which approximates to fair value.

For listed available-for-sale financial asstes, closing quoted bid prices at reporting date are used.

Interest rate risk sensitivity analysis
At 30 June 2013, the effect of surplus (deficit) and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	2013 $	2012 $
Changes in surplus (deficit)		
- Increase of 2%	676	3,154
- Decrease of 2%	(676)	(3,154)
Changes in equity		
- Increase of 2%	676	3,154
- Decrease of 2%	(676)	(3,154)

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2013

14 COMMITTEE MEMBERS BENEFITS

During or since the financial year the Association has paid premiums to insure all directors and officers of the Association against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of directors or officers of the Association, other than conduct involving a willful breach of duty in relation to the Association.

15 AUDITOR'S REMUNERATION

Remuneration of the auditor for:	2013	2012
- auditing the financial report	9,000	10,250
	9,000	10,250

16 CASH FLOW INFORMATION

Reconciliation of Cash Flow from Operations with Surplus/(Deficit) from Ordinary Activities after Income Tax

Surplus (Deficit) for the year	38,864	(85,199)
Depreciation	1,067	1,450
(Increase) / decrease in trade and other receivables	(131,555)	57,639
(Increase) / decrease in prepayments	(1,015)	-
Increase / (decrease) in trade and other payables	21,981	(54,880)
Increase / (decrease) in prepaid income	46,299	(3,921)
Increase / (decrease) in employee benefit provisions	(17,066)	10,299
Net cash provided by operating activities	**(41,425)**	**(74,612)**

17 KEY MANAGEMENT PERSONNEL COMPENSATION

Short term Benefit	17,116	184,091
Post employment Benefit	1,409	16,560
Total Compensation	18,525	200,651

Short tem Benefits and Post employment Benefits include Salaries, superannuation, annual leave, long service leave and redundancy payments for key management personnel.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2013

18 CONTINGENT LIABILITIES AND ASSETS

Contingent Liability
There are no contingent liabilities

Contingent Asset

The association disposed of intellectual property to Project Mercury in return for sponsorship to the value of $150,000 per annum for a period of 5 years commencing August 2012 with an option for a further 5 year period. Revenue in relation to the sale of intellectual property has not been recognised in the financial statements as it cannot be reliably measured.

19 EVENTS AFTER THE REPORTING PERIOD

There were no significant events subsequent to the reporting period.

20 FINANCIAL POSITION OF CLUBS VICTORIA INC.

Clubs Victoria Inc. had a deficiency in net assets of $91,219 as at 30 June 2013. The association earned a net surplus for the year ended 30 June 2013 of $38,864. This surplus is a significant improvement on previous results and demonstrates the successful adoption of the new business model adopted by the Committee in 2012.

The Council Members of Clubs Victoria Inc. continue to monitor the financial position of the association to ensure that it can pay its debts as and when they fall due.

Council members continue to take the following steps to improve the financial position of Clubs Victoria Inc:

- To monitor the renewal of members subscriptions to improve the profitability of the association, and
- Continue to seek organisations for additional sponsorship
- Maintain a reduced expenditure model until revenues improve.

21 ASSOCIATION DETAILS

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

Level 3
316 Queen Street
MELBOURNE VIC 3000

CLUBS VICTORIA INC.

COMMITTEE'S OPERATING REPORT

Your committee members submit the financial report of Clubs Victoria Inc.
for the year ended 30th June 2013.

COMMITTEE MEMBERS

Position	Name	Elected	Term Expires
President	Barbara Kelly	2012	2015
Vice President Metro	Peter Craig	2008	2014
Vice President Country	Mark Griffiths	2010	2013
Treasurer	Byron Smith	2011	2014
CBD Region	Joe Giacobbe	2011	2014
Metro Region	Travis Wallis	2012	Resigned 2012
Metro Region	Ian Carlisle	2009	2012
Country (Area 1)	Brendan Bell	2010	2013
Country (Area 2)	Vacant		
Country (Area 3)	Vacant		
Country (Area 4)	Stephen Hodge	2011	2014
Country (Area 5)	Mark Griffiths	2010	2013
Country (Area 6)	Neville Whitley	2009	2012
Casual Vacancy	Mike Sweeney		
Casual Vacancy	Jason Wallace		
Casual Vacancy	Rick Scott		

The committee members decided to leave the positions vacant for those members whose terms have expired in 2012

PRINCIPAL ACTIVITIES

The principal activities of the association were:
- to provide industrial relations, human resources, financial & general compliance support to members
- to provide facilities to members of the association

OPERATING RESULTS

The surplus from ordinary activities amounted to $38,864. The organisation has received certain grant monies to promote and assist members. There have been no other significant changes. A member may resign in accordance with Rule 10 of the organisation by giving written notice to the Executive Director.

No member or officer of the organisation is a trustee or a director of a trustee of a superannuation entity or an exempt public sector superannuation scheme where the criterion for that office is membership or office holder of this organisation.

The number of members recorded as at the end of the financial year for Section 230 of the Act schedule is 342.
The number of full-time or full-time equivalent employees at the end of the financial year is NIL.

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

B Kelly

BARBARA KELLY
President

Dated 27.11.13

CLUBS VICTORIA INC.

COMMITTEE OF MANAGEMENT STATEMENT

On 27 November 2013 at a meeting of the Committee of Management of Clubs Victoria Inc. the Financial Report was tabled, which included the following resolutions and it was resolved to accept the Financial Report including the following resolutions in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2013:

The Committee of Management declares in relation to the GPFR that in its opinion:

a) the financial statements and notes comply with the Australian Accounting Standards;

b) the financial statements and notes comply with the reporting guidelines of the General Manager, Fair Work Australia.

c) the financial statements and notes presents fairly the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;

d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;

e) during the financial year to which the GPFR relates and since the end of that year:

(i) meetings of the committee of management were held in accordance with the rules of the organisation;and

(ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and

(iii) the financial records of the reporting unit have been kept and maintained in accordance with the Act and the regulations; and

(iv) the information sought in any request of a member of the reporting unit or the General Manager duly made under section 272 of the Act has been furnished to the member or the General Manager; and

(v) there has been compliance with any order for inspection of financial records made by Fair Work Australia under section 273 of the Act.

For Committee of Management:

B Kelly

BARBARA KELLY
President

Dated 27.11.13

Bell Partners
Chartered Accountants

Level 20, 181 Williams Street
Melbourne Victoria 3000
PO Box 185
Toorak Victoria 3142
T: 61 3 9824 8555
F: 61 3 9824 8580
E: bellpartners@bellpartners.com.au

Report on the Financial Report

We have audited the accompanying financial statements of Clubs Victoria Incorporated which comprises the statement of financial position as at 30 June 2013 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the statement by members of the committee.

Committee's Responsibility for the Financial Statements

The committee of the association is responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Associations Incorporations Reform Act 2012 and the Fair Work (Registered Organisations) Act 2009 and is appropriate to meet the needs of the members. The committee's responsibility also includes such internal control as the committee determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

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

Independence

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

Auditor's Opinion

In our opinion the general purpose financial report:

a) is presented fairly in accordance with the applicable Australian Accounting Standards and the requirements imposed by of Chapter 8 Part 3 of the Fair Work (Registered Organisations) Act 2009
b) is in accordance with the Associations Incorporations Reform Act 2012, including, giving a true and fair view of the association's financial position as at 30 June 2013 and its performance for the year ended on that date, and complying with Australian Accounting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 20 of the financial statements which indicates that Clubs Victoria Inc. earned a net surplus of $38,864 during the year ended 30 June 2013 and, as of that date, the association's current liabilities exceeded its total assets by $91,219. These conditions, along with other matters as set forth in Note 20, indicate the existence of a material uncertainty which may cast significant doubt about the association's ability to continue as a going concern.

Bell Partners

Bell Partners
Chartered Accountants

Ryan H Dummett
Partner

Dated: 3 DECEMBER 2013

Level 1, 465 Auburn Road, Hawthorn East Vic 3123