



27 October 2016

Ms Barbara Kelly  
President  
Clubs Victoria Incorporated  
Unit 5, 19-35 Gertrude Street  
Fitzroy VIC 3065

By e-mail: [neill@ccv.net.au](mailto:neill@ccv.net.au)

Dear Ms Kelly

**Clubs Victoria Incorporated  
Financial Report for the year ended 30 June 2015 - FR2015/130**

I acknowledge receipt of the financial report for the year ended 30 June 2015 for Clubs Victoria Incorporated. The financial report was lodged with the Fair Work Commission (FWC) on 21 October 2016.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

Whilst the 2015 report has been filed the following should be addressed in the preparation of the next financial report.

**1. Timescale requirements**

As you are aware, an organisation is required under the RO Act to undertake certain steps in accordance with specified timelines. Information about these timeline requirements can be found on the FWC website. In particular, I draw your attention to 'Financial reporting process and time-lines' which explains the timeline requirements, and 'Diagrammatic summary of financial reporting time-lines' which sets out the timeline requirements in diagrammatical form.

I note that the following timescale requirements were not met:

**Reports must be presented to General Meeting within 6 months after end of financial year**

The Designated Officer's Certificate states that the financial report was presented to a General Meeting of members on 19 October 2016. Under section 266(1) of the RO Act, the report must be presented to a General Meeting of members within 6 months after the end of the financial year.

Please note that in future financial years if an extension of time is required, the reporting unit is required to apply in advance for an extension of time for holding the General Meeting in accordance with section 265(5) of the RO Act.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8656 4685 or by email at [ken.morgan@fwc.gov.au](mailto:ken.morgan@fwc.gov.au)

Yours sincerely

A handwritten signature in black ink, appearing to read 'K. Morgan', with a stylized flourish at the end.

Ken Morgan  
Financial Reporting Advisor  
Regulatory Compliance Branch



# CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

Certificate for the year ended 30<sup>th</sup> June 2015

I, Neill Murray, being the Acting Executive Director of Clubs Victoria Inc., certify:

- That the documents lodged herewith are copies of the full report for Clubs Victoria Inc. for the year ended 30<sup>th</sup> June 2015 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 16<sup>th</sup> September 2016; and
- That the full report was presented to a General Meeting of members of the reporting unit on 19<sup>th</sup> October 2016 in accordance with s. 266 of the Fair Work (Registered Organisations) Act 2009.

Signature of prescribed designated officer .....

A handwritten signature in blue ink, appearing to read 'Neill Murray', is written over the dotted line.

Name of prescribed designated officer .....

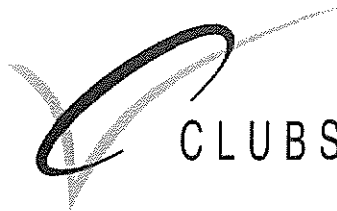
Neill Murray

Title of prescribed designated officer .....

Acting Executive Director

Dated: .....

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CLUBS VICTORIA INC.

# FINANCIAL REPORT

for the Year Ended

30 June 2015



## COMMITTEE'S OPERATING REPORT

Your committee members submit the financial report of Clubs Victoria Inc.  
for the period ended 30 June 2015

### COMMITTEE MEMBERS

| <u>Position</u>        | <u>Name</u>    | <u>Elected</u> | <u>Term Expires</u> | <u>Term of service within<br/>Period</u> |
|------------------------|----------------|----------------|---------------------|--|
| President              | Barbara Kelly  | 2012           | 2015                | 01/07/2014 - 30/06/2015                  |
| Vice President Metro   | Peter Craig    | 2008           | 2014                | 01/07/2014 - 30/06/2015                  |
| Vice President Country | Vacant         |                |                     |  |
| Treasurer              | Byron Smith    | 2011           | 2014                | 01/07/2014 - 30/06/2015                  |
| CBD Region             | Joe Giacobbe   | 2011           | 2014                | 01/07/2014 - 30/06/2015                  |
| Metro Region           | Vacant         | 2012           | Resigned 2012       |  |
| Country (Area 1)       | Vacant         |                |                     |  |
| Country (Area 2)       | Vacant         |                |                     |  |
| Country (Area 3)       | Vacant         |                |                     |  |
| Country (Area 4)       | Stephen Hodge  | 2011           | 2014                | 01/07/2014 - 30/06/2015                  |
| Country (Area 5)       | Mark Griffiths | 2010           | 2013                | 01/07/2014 - 30/06/2015                  |
| Country (Area 6)       | Vacant         |                |                     |  |
| Casual Vacancy         | Mike Sweeney   |                |                     |  |
| Casual Vacancy         | Jason Wallace  |                |                     |  |
| Casual Vacancy         | Rick Scott     |                |                     |  |

The committee members listed above formed the final committee of Clubs Victoria Inc due to the amalgamation to form Community Clubs Victoria Inc

### 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

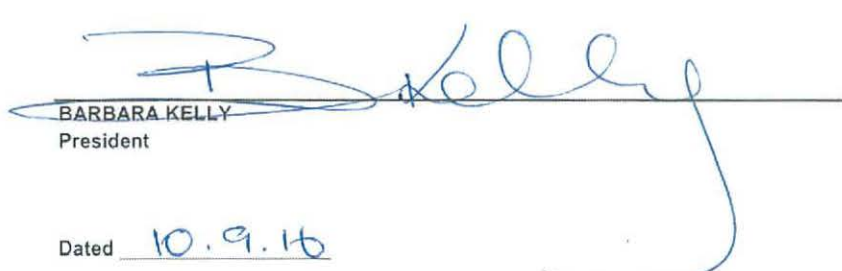
The surplus from ordinary activities amounted to \$2,716. The organisation's members voted and resolved to amalgamate with Community Clubs Association of Victoria Inc to form a new body Community Clubs Victoria Inc. This occurred on 15 August 2014. There have been no other significant changes. A member 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 reporting period for Section 230 of the Act schedule is 192.

The number of full-time or full-time equivalent employees at the end of the reporting period is NIL.

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

  
BARBARA KELLY  
President

Dated 10.9.16




## COMMITTEE OF MANAGEMENT STATEMENT

On 9<sup>th</sup> September 2016 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 period ended 30 June 2015:

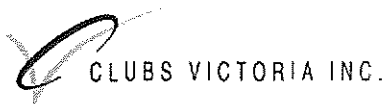
The Committee of Management declares in relation to the GPFR that in its opinion:

- 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 Commission.
- 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) no revenue has been derived from undertaking recovery of wages activity during the reporting period
- f) during the reporting period to which the GPFR relates and since the end of that period:
  - (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 Commission under section 273 of the Act.

For Committee of Management:

  
\_\_\_\_\_  
BARBARA KELLY  
President

Dated 10.9.16



## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2015

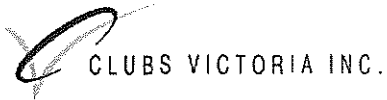
|                                   | <u>Note</u> | <u>2015</u>  | <u>2014</u>    |
|-----------------------------------|-------------|--------------|----------------|
|                                   |             | \$           | \$             |
| Revenue from Operating Income     | 2           | 43,200       | 683,026        |
| Other Income                      | 2           | 6            | 117,817        |
| Employee benefits                 | 3           | (27)         | (9,502)        |
| Operational expenses              | 3           | (40,463)     | (577,781)      |
| Depreciation expenses             |             | -            | (1,233)        |
| <b>NET CURRENT SURPLUS</b>        |             | <u>2,716</u> | <u>212,327</u> |
| <b>OTHER COMPREHENSIVE INCOME</b> |             | -            | -              |
| <b>TOTAL COMPREHENSIVE INCOME</b> |             | <u>2,716</u> | <u>212,327</u> |



## STATEMENT OF FINANCIAL POSITION FOR THE PERIOD ENDED 30 JUNE 2015

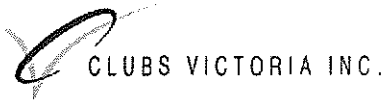
|  | <u>Note</u> | <u>2015</u><br>\$ | <u>2014</u><br>\$ |
|--|-------------|-------------------|-------------------|
| <b>ASSETS</b>                              |             |                   |                   |
| <b>CURRENT ASSETS</b>                      |             |                   |                   |
| Cash and cash equivalents                  | 4           | 78,590            | 146,058           |
| Accounts receivables and other receivables | 5           | 45,232            | 23,476            |
| Other current assets                       | 6           | -                 | 2,925             |
| <b>TOTAL CURRENT ASSETS</b>                |             | <b>123,823</b>    | <b>172,459</b>    |
| <b>TOTAL ASSETS</b>                        |             | <b>123,823</b>    | <b>172,459</b>    |
| <b>LIABILITIES</b>                         |             |                   |                   |
| <b>CURRENT LIABILITIES</b>                 |             |                   |                   |
| Accounts payable and other payables        | 7           | -                 | 8,151             |
| Other current liabilities                  | 8           | -                 | 43,200            |
| <b>TOTAL CURRENT LIABILITIES</b>           |             | <b>-</b>          | <b>51,351</b>     |
| <b>TOTAL LIABILITIES</b>                   |             | <b>-</b>          | <b>51,351</b>     |
| <b>NET ASSETS</b>                          |             | <b>123,823</b>    | <b>121,108</b>    |
| <b>EQUITY</b>                              |             |                   |                   |
| <b>MEMBERSHIP FUNDS:</b>                   |             |                   |                   |
| Accumulated Surplus (Deficit)              |             | 123,823           | 121,108           |
| <b>TOTAL MEMBERS FUNDS</b>                 |             | <b>123,823</b>    | <b>121,108</b>    |





## STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2015

|   | Retained Earnings | Total          |
|---|-------------------|----------------|
|   | \$                | \$             |
| Balance at 1 July 2013  | (91,219)          | (91,219)       |
| Surplus for the year  | 212,327           | 212,327        |
| Other comprehensive income for the year                                 | -                 | 0              |
| <b>Total comprehensive income attributable to members of the entity</b> | <b>212,327</b>    | <b>212,327</b> |
| <b>Balance at 30 June 2014</b>  | <b>121,108</b>    | <b>121,108</b> |
| Balance at 1 July 2014  | 121,108           | 121,108        |
| Surplus for the period  | 2,716             | 2,716          |
| Other comprehensive income for the period                               | -                 | 0              |
| <b>Total comprehensive income attributable to members of the entity</b> | <b>2,716</b>      | <b>2,716</b>   |
| <b>Balance at 30 June 2015</b>  | <b>123,823</b>    | <b>123,823</b> |



## STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2015

|  | <u>Note</u> | <u>2015</u>     | <u>2014</u>    |
|--|-------------|-----------------|----------------|
|  |             | \$              | \$             |
| <b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b> |             |                 |                |
| Receipts from members & commercial activities      |             | 23,475          | 751,329        |
| Interest received                                  |             | -               | 27             |
| Payments to suppliers and other contract services  |             | (52,010)        | (662,679)      |
| Payments to employees                              |             | -               | (9,502)        |
| Net GST paid to the ATO                            |             | 6,299           | (17,149)       |
| <b>Net cash provided by operating activities</b>   | 13          | <b>(22,236)</b> | <b>62,026</b>  |
| <b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b> |             |                 |                |
| Funds loaned to CCV                                |             | (45,232)        | -              |
| Purchase of Fixed assets                           |             | -               | (2,150)        |
| <b>Net cash provided from investing activities</b> |             | <b>(45,232)</b> | <b>(2,150)</b> |
| <br>   |             |                 |                |
| <b>Net increase/(decrease) in cash held</b>        |             | <b>(67,468)</b> | <b>19,876</b>  |
| <b>Cash at beginning of period</b>                 |             | <b>146,058</b>  | <b>126,182</b> |
| <b>Cash at end of period</b>                       |             | <b>78,590</b>   | <b>146,058</b> |



# NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015

## 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### **Basis of preparation**

These 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 in so far as they relate to the financial statements prepared on a liquidation bases, the Fair Work (Registered Organisations) Act 2009 and requirements of the Associations Incorporations Reform Act 2012. Material accounting policies adopted in preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

Clubs Victoria is a not-for-profit entity and was established for community service purposes.

The members approved the amalgamation of the Association with the Community Clubs Association of Victoria Inc in March 2014 which was subsequently executed in on 15 August 2014 in accordance with the requirements of the Associations Incorporations Act 2012 (Vic). Therefore these financial statements have been prepared on a liquidation basis where all assets and liabilities are recorded at the value upon which they will be realised and settled upon amalgamation. A requirement exists to seek approval for the amalgamation of the two associations under the terms of the Fair Work Act 2006 and the Fair Work (Registered Organisations) Act 2009 and this is being pursued. Meanwhile the accounts reflect the fact that management and the members have made a decision to cease trading of Clubs Victoria Inc at the time of amalgamation and wind up the Association.

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.

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.

### **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**

Plant and equipment are measured on the cost basis and are therefore carried at cost 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 FOR THE PERIOD ENDED 30 JUNE 2015

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

#### Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over the assets useful life 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 FOR THE PERIOD ENDED 30 JUNE 2015

### 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.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015

### 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**

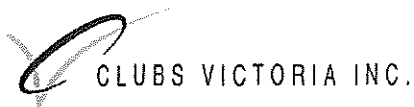
Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

#### **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 FOR THE PERIOD ENDED 30 JUNE 2015

### 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.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015

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

#### 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 to 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).

#### 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 recognised 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 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.

#### 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 2014)*

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;





## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015

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

- 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.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015

|  | <u>2015</u>   | <u>2014</u>    |
|--|---------------|----------------|
| <b>2 REVENUE AND OTHER INCOME</b>                        | <b>\$</b>     | <b>\$</b>      |
| <b>Operating activities</b>                              |               |                |
| Members subscriptions                                    | 13,000        | 296,758        |
| Sponsorships   | -             | 320,484        |
| Other Fees & Services                                    | 30,200        | 65,784         |
| Recruitment Income                                       | -             | -              |
| <b>Total revenue from operating activities</b>           | <b>43,200</b> | <b>683,026</b> |
| <b>Other income</b>                                      |               |                |
| Interest received  | 6             | 28             |
| Gain (loss) on disposal of property, plant and equipment | -             | (2,211)        |
| Write-off of debt forgiven - Clubs NSW Loan              | -             | 120,000        |
| <b>Total other income</b>                                | <b>6</b>      | <b>117,817</b> |
| <b>Total revenue</b>                                     | <b>43,206</b> | <b>800,843</b> |
| <b>3 EXPENSES</b>  |               |                |
| <b>Operational expenses</b>                              |               |                |
| Events & Seminars costs                                  | 28,946        | 91,592         |
| Fee for Service Costs                                    | -             | 31,512         |
| Licence fees, Telephone and external support             | -             | 122,833        |
| Administration   | 1,225         | 43,589         |
| Occupancy  | -             | 12,019         |
| Other Facility expenses                                  | 4,311         | 22,706         |
| IT Expenses  | 377           | 8,455          |
| Donations  | -             | 500            |
| Consultants, Finance & Legal Costs                       | 5,604         | 244,575        |
| <b>Total operational expenses</b>                        | <b>40,463</b> | <b>577,781</b> |
| <b>Employee expenses</b>                                 |               |                |
| Salaries & Wages   | -             | -              |
| Superannuation   | -             | -              |
| WorkCover  | -             | -              |
| Payroll & Fringe Benefits Tax                            | -             | -              |
| Staff Expenses, Travel, Seminars & Training              | 27            | 9,502          |
| <b>Total employee expenses</b>                           | <b>27</b>     | <b>9,502</b>   |
| There are no longer employees as of 31 July 2012         |               |                |
| <b>4 CASH AND CASH EQUIVALENTS</b>                       | <b>2015</b>   | <b>2014</b>    |
| Cash at bank   | 78,590        | 145,593        |
| Term Deposits  | -             | 465            |
| <b>Total cash and cash equivalents</b>                   | <b>78,590</b> | <b>146,058</b> |
| <b>5 TRADE AND OTHER RECEIVABLES</b>                     |               |                |
| Trade debtors  | -             | 23,476         |
| BAS refundable   | -             | 2,553          |
| Loan - Community Clubs Victoria                          | 45,232        | -              |
| <b>Total trade and other receivables</b>                 | <b>45,232</b> | <b>26,029</b>  |

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 2015.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015

### 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 impaired (Days Overdue) |       |     |
|-------------------|-----------|-----------------------|--|-------|-----|
|                   |           |                       | <30                                      | 31-60 | >90 |
| <b>30/06/2015</b> | \$        | \$                    | \$                                       | \$    | \$  |
| Trade debtors     | -         | -                     | -  | -     | -   |
| <b>Total</b>      | -         | -                     | -  | -     | -   |

|                   | Gross Amt | Past due and impaired | Past due but not impaired (Days Overdue) |        |     |
|-------------------|-----------|-----------------------|--|--------|-----|
|                   |           |                       | <30                                      | 31-60  | >90 |
| <b>30/06/2014</b> | \$        | \$                    | \$                                       | \$     | \$  |
| Trade debtors     | 23,476    | -                     | -  | 23,476 | -   |
| <b>Total</b>      | 23,476    | -                     | -  | 23,476 | -   |

|  |             |               |
|--|-------------|---------------|
| <b>6 OTHER CURRENT ASSETS</b>          | <u>2015</u> | <u>2014</u>   |
| Prepayments                            | \$ -        | \$ 2,925      |
| <b>Total other current assets</b>      | <u>-</u>    | <u>2,925</u>  |
| <b>7 TRADE AND OTHER PAYABLE</b>       | \$          | \$            |
| Creditors and accrued expenses         | -           | 10,704        |
| <b>Total trade and other payables</b>  | <u>-</u>    | <u>10,704</u> |
| <b>8 OTHER CURRENT LIABILITIES</b>     |             |               |
| Prepaid Income                         | -           | 43,200        |
| <b>Total other current liabilities</b> | <u>-</u>    | <u>43,200</u> |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015

### 9 FINANCIAL INSTRUMENTS

#### Financial Risk Management Objectives 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<br>Amount<br>30/06/2015<br>\$ | Carrying<br>Amount<br>30/06/2014<br>\$ |
|------------------------------------|------|--|--|
| <b>Financial Assets</b>            |      |  |  |
| Cash and Cash Equivalent           | 4    | 78,590                                 | 146,058                                |
| Trade and Other Receivables        | 5    | 45,232                                 | 26,029                                 |
| <b>Total Financial Assets</b>      |      | <b>123,823</b>                         | <b>172,087</b>                         |
| <b>Financial Liabilities</b>       |      |  |  |
| At amortised cost                  |      |  |  |
| Trade Creditors                    | 7    | -                                      | 10,704                                 |
| <b>Total Financial Liabilities</b> |      | <b>-</b>                               | <b>10,704</b>                          |

#### Specific Financial Risk Exposures and Management

##### a) Financial Risk

Following the amalgamation of Clubs Victoria Inc with Community Clubs Victoria Inc, the association will be wound up. This being the case there is no requirement to specifically manage financial risk.

## NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE PERIOD ENDED 30 JUNE 2015

### 9 FINANCIAL INSTRUMENTS (Continued)

#### b) 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<br>Amount<br>30/06/2015<br>\$ | Net Fair<br>value<br>30/06/2015<br>\$ | Carrying<br>Amount<br>30/06/2014<br>\$ | Net Fair<br>value<br>30/06/2014<br>\$ |
|------------------------------------|--|---------------------------------------|--|---------------------------------------|
| <b>Financial Assets</b>            |  |                                       |  |                                       |
| Cash and cash equivalent           | 78,590                                 | 78,590                                | 146,058                                | 146,058                               |
| Trade & Other receivables          | 45,232                                 | 45,232                                | 23,476                                 | 23,476                                |
| <b>Total Financial Assets</b>      | <b>123,823</b>                         | <b>123,823</b>                        | <b>169,534</b>                         | <b>169,534</b>                        |
| <b>Financial Liabilities</b>       |  |                                       |  |                                       |
| Trade creditors                    | -                                      | -                                     | 10,704                                 | 10,704                                |
| Loans payable                      | -                                      | -                                     | -                                      | -                                     |
| <b>Total Financial Liabilities</b> | <b>-</b>                               | <b>-</b>                              | <b>10,704</b>                          | <b>10,704</b>                         |

#### 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 assets, closing quoted bid prices at reporting date are used.

#### Interest rate risk sensitivity analysis

At 30 June 2015, 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:

|                                     | 30/06/2015<br>\$ | 30/06/2014<br>\$ |
|-------------------------------------|------------------|------------------|
| <b>Changes in surplus (deficit)</b> |                  |                  |
| - Increase of 2%                    | 1,572            | 2,912            |
| - Decrease of 2%                    | (1,572)          | (2,912)          |
| <b>Changes in equity</b>            |                  |                  |
| - Increase of 2%                    | 1,572            | 2,912            |
| - Decrease of 2%                    | (1,572)          | (2,912)          |

## NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE PERIOD ENDED 30 JUNE 2015

### 10 RELATED PARTY TRANSACTIONS

No transaction with related parties has occurred during the reporting period.

### 11 COMMITTEE MEMBERS BENEFITS

During or since the reporting period 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.

### 12 AUDITOR'S REMUNERATION

|                                  | <u>2015</u>  | <u>2014</u>  |
|----------------------------------|--------------|--------------|
| Remuneration of the auditor for: |              |              |
| - auditing the financial report  | 1,000        | 9,100        |
|                                  | <u>1,000</u> | <u>9,100</u> |

### 13 CASH FLOW INFORMATION

| Reconciliation of Cash Flow from Operations with Surplus/(Deficit)<br>from Ordinary Activities after Income Tax | <u>2015</u>     | <u>2014</u>   |
|---|-----------------|---------------|
| <u>Surplus (Deficit) for the period</u>   | 2,716           | 212,327       |
| <u>Non-cash flows in surplus</u>  |                 |               |
| Increase / (decrease) in loans  | -               | (120,000)     |
| Depreciation expense  | -               | 1,233         |
| Net gain/(loss) on disposal of property, plant, equipment   | -               | 2,211         |
| <u>Changes in assets and liabilities:</u>   |                 |               |
| (Increase) / decrease in trade and other receivables  | (21,756)        | 153,080       |
| (Increase) / decrease in prepayments  | 2,925           | (1,910)       |
| Increase / (decrease) in trade and other payables   | (8,153)         | (37,365)      |
| Increase / (decrease) in prepaid income   | 2,032           | (147,550)     |
| Increase / (decrease) in employee benefit provisions  | -               | -             |
| <b>Net cash provided by operating activities</b>  | <u>(22,236)</u> | <u>62,026</u> |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015

| 14 KEY MANAGEMENT PERSONNEL COMPENSATION | <u>2015</u> | <u>2014</u>    |
|--|-------------|----------------|
| Short term Benefit                       | -           | 113,768        |
| Post employment Benefit                  | -           | -              |
| Total Compensation                       | <u>-</u>    | <u>113,768</u> |

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

### 15 CONTINGENT LIABILITIES AND ASSETS

*Contingent Liability*

There are no contingent liabilities as at 30 June 2015

*Contingent Asset*

There are no contingent assets as at 30 June 2015

### 16 EVENTS AFTER THE REPORTING PERIOD

There were no significant events subsequent to the reporting period.

### 17 FINANCIAL POSITION OF CLUBS VICTORIA INC.

Clubs Victoria Inc. has a balance of net assets of \$123,824 at the date of amalgamation and earned a net surplus of \$2,716. This amount and all future assets and liabilities will be adopted by the newly formed entity Community Clubs Victoria Inc.

### 18 FAIR WORK COMMISSION DISCLOSURES

There were no compulsory levies raised from the members or as appeals for voluntary contributions (including whip arounds) for the furtherance of a particular purpose

There were no donations or grants received

There were no expenses incurred as consideration for employers making payroll deductions of membership subscriptions.

There were no fees and periodic subscriptions paid in respect of its affiliation to any political party, any federation, congress, council or group of organisations, or any international body having an interest in industrial matters

There were no grants or donations paid

There were no fees and/or allowances paid to persons in respect of their attendances as representatives of the reporting unit at conferences or other meetings;

There were no expenses incurred in connection with holding meetings of members of the reporting unit and any conferences or meetings of councils, committees, panels or other bodies for the holding of which the reporting unit was wholly or partly responsible

There were no legal costs and other expenses related to litigation or other legal matters

There were no penalties imposed on the organisation under the RO Act with respect to conduct of the reporting unit.

There were no payables to employers as consideration for the employers making payroll deductions of membership subscriptions;

There were no payables in respect of legal costs and other expenses related to litigation or other legal matters

There were no compulsory levies imposed on the reporting unit.

### 19 ASSOCIATION DETAILS

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

5/19

Gertrude Street

FITZROY VIC 3065

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CLUBS VICTORIA INCORPORATED

### Report on the Financial Report

We have audited the accompanying financial report of Clubs Victoria Incorporated, which comprises the statements of financial position as at 30 June 2015, the statements of profit or loss and other comprehensive income, the statements of changes in equity and the statements of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and statement by members of the committee.

#### *Committee's Responsibility for the Financial Report*

The committee of the association is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and 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 the financial report that is free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, 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 directors, 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.

#### *Auditor's Opinion*

In our opinion the financial report of Clubs Victoria Inc. for the year ended 30 June 2015 gives a true and fair view of the financial position of the Incorporated Association and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and the Associations Incorporations Reform Act 2012 and the Fair Work (Registered Organisations) Act 2009.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CLUBS VICTORIA INCORPORATED  
(CONT)**

*Emphasis of Matter*

We wish to draw to your attention that the financial statements of the Association have been prepared on liquidation basis as disclosed in note 1 of the financial statements as management and the members approved the amalgamation of the association with the Community Clubs Association Victoria Inc. and therefore there is an intention that the association will cease to trade at the time of the amalgamation.

*Auditor's Qualifications*

Ashfords Audit and Assurance Pty Ltd (the auditor) is a firm where:

- a. at least one member is an approved auditor;
- b. the approved auditor is a person who is a member of Chartered Accountants Australia New Zealand;  
and
- c. the approved auditor holds a current Certificate of Public Practice.

*Ashfords Audit and Assurance*

**Ashfords Audit and Assurance Pty Ltd**  
Chartered Accountants



**Ryan H. Dummett**  
Director

Dated this 14th day of September 2016