



7 August 2018

Ms Barbara Kelly
President
Clubs Victoria Inc.

Sent via email:

Dear Ms Kelly

Re: – Clubs Victoria Inc. - financial report for year ending 30 June 2017 (FR2017/47)

I refer to email correspondence on 13 July 2018 from Mr Ben Hibbert, of Wisewould Mahoney, providing advice in relation to matters raised in my correspondence of 15 June 2018, concerning the financial report lodged with the Registered Organisations Commission ('ROC') on 17 May 2018. I also acknowledge receipt, on 3 August 2018, of your advice confirming that the date on which the certificate of prescribed officer was signed by you was 6 June 2018, and not 6 May 2018 as appearing on the certificate.

The financial report has now been filed. However this does *not* mean that the current Inquiry has also concluded. As of the date of this letter that Inquiry is still in process. The acceptance of the financial report for filing is without prejudice to the ongoing inquiry or any residual concerns regarding your compliance with the RO Act and your rules.

The following comments are made for the purpose of assisting the preparation of the report for the year ending 30 June 2018.

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 timelines can be found on the ROC website. In particular, I draw your attention to the fact sheet titled *Financial reporting process* which explains the timeline requirements, and the fact sheet titled *Summary of financial reporting timelines* which sets out the timelines in diagrammatical format.

The following timescale requirements were not met:

Preparation of the General Purpose Financial Report (GPFR)

Sections 253 and 254 of the RO Act require that a GPFR and an Operating Report be prepared as soon as practicable after the end of the financial year. The Committee of Management statement indicates that a resolution relating to the GPFR and Operating Report was not made until 24 April 2018, 9 months and 24 days after the reporting unit's end of financial year, and 3 months and 10 days after the latest possible date for lodgement with the ROC.

As soon as practicable means that a resolution by the committee in relation to the GPFR and Operating report must be made early enough to ensure that the audit report can be signed and a copy of the full report can be provided to members within the timeframe set out in subsection 265(5).

The ROC considers that the preparation of these reports after the date by which they should have been made available to members does not represent 'as soon as practicable' after the end of financial year, as required by section 253 and 254 of the RO Act. If you have not already

commenced to do so, we recommend that you immediately commence preparation of your GPFR for the year ended 30 June 2018.

Audit

Pursuant to section 256(1) a reporting unit is required to ensure that there is a registered auditor of the reporting unit at any time when an auditor is required for the purpose of the reporting unit complying with its reporting obligations. This is a civil penalty provision. A list of registered auditors is available on the ROC's website. It is noted that rule 26 of your rules requires that the auditor is appointed by resolution of the *Council*.

The auditor must audit the GPFR, which includes the properly executed committee of management statement, prior to provision of those documents (along with a properly executed operating report and the auditor's report, which together are referred to as the "full report") to your members 21 days prior to the date of your General Meeting.

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

The Designated Officer's Certificate stated that the full report was presented to a General Meeting of members on 17 May 2018. 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 subsections 265(5) and 266 are civil penalty provisions.

Reporting Requirements

New Reporting Guidelines will apply to organisations and branches with financial years commencing on or after 1 July 2017. The new Reporting Guidelines are now available on the ROC website and any further information or updates on the guidelines will be provided through the [subscription service](#).

On the ROC website is a number of factsheets in relation to the financial reporting process and associated timelines. Along with the new Reporting Guidelines, a model set of financial statements can also be found. The ROC recommends reporting units use this model as it will assist in ensuring compliance with the RO Act, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

Our website also provides a compliance calculator which can assist you to self-assess compliance with the statutory timeframes. We would recommend that you use the calculator to ensure that you undertake each step with respect to your financial report for the year ended 30 June 2018 in the correct order and in accordance with the RO Act.

If you have any questions about the above, please do not hesitate to contact me by email at stephen.kellett@roc.gov.au.

Yours faithfully



Stephen Kellett
Financial Reporting
Registered Organisations Commission



CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

Certificate for the year ended 30 June 2017

I Barbara Kelly being the President 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 June 2017 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 26 April 2018; and
- that the full report was presented to a general meeting of members of the reporting unit on 17 May 2018 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Signature of prescribed designated officer:

Name of prescribed designated officer: Barbara Kelly

Title of prescribed designated officer: President

Dated: 6.5.18



CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

Certificate for the year ended 30 June 2017

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 June 2017 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 26 April 2018; and
- that the full report was presented to a general meeting of members of the reporting unit on 17 May 2018 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Signature of prescribed designated officer:..........

Name of prescribed designated officer: Neill Murray

Title of prescribed designated officer: Acting Executive Director

Dated: ... 17 May 2018.....



FINANCIAL REPORT

for the Year Ended

30 June 2017



COMMITTEE'S OPERATING REPORT

Your committee members submit the financial report of Clubs Victoria Inc.
for the year ended 30 June 2017

COMMITTEE MEMBERS

<u>Position</u>	<u>Name</u>	<u>Term of service within Period</u>
President	Barbara Kelly	01/07/2016 - 30/06/2017
Vice President Metro	Leon Ross	01/07/2016 - 30/06/2017
Vice President Country	Rod Bye	01/07/2016 - 30/06/2017
CBD Councillor	Mark Dalmau	01/07/2016 - 30/06/2017
Treasurer and Councillor Area 2	Anne Canterbury	01/07/2016 - 30/06/2017
Councillor Metro	Phillip Dentith	01/07/2016 - 30/06/2017
Councillor Area 3	Mike Sweeney	01/07/2016 - 30/06/2017
Councillor Area 4	Peter Wilson	01/07/2016 - 30/06/2017
Councillor Area 5	Rod Bye	01/07/2016 - 30/06/2017
Councillor Area 6	Stephen Cheater	01/07/2016 - 30/06/2017
Acting Executive Director	Neill Murray	01/07/2016 - 30/06/2017

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

There were no significant changes to the nature of these activities during the year.

FINANCIAL AFFAIRS

During the year the loan owed by Community Clubs Victoria of \$31,290 was deemed to be no longer recoverable. Therefore the loan was written off as a bad debt.

Other than the above matter there have been no other significant change to the financial affairs of the organisation during the year.

OPERATING RESULTS

The deficit from ordinary activities amounted to \$50,579. 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.


TRUSTEE

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 year for Section 230 of the Act schedule is 173.

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

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


BARBARA KELLY
President

Dated 24 April 2018



STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 June 2017

	<u>Note</u>	<u>2017</u>	<u>2016</u>
		\$	\$
Membership subscriptions		-	-
Other income	2	8	-
Operational expenses	3	(50,587)	-
Employee expenses - officeholders	3	-	-
Employee expenses - non-officeholders	3	-	-
NET DEFICIT FOR THE YEAR		<u>(50,579)</u>	<u>-</u>
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME		<u>(50,579)</u>	<u>-</u>



STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 30 June 2017

	<u>Note</u>	<u>2017</u> \$	<u>2016</u> \$
<u>ASSETS</u>			
<u>CURRENT ASSETS</u>			
Cash and cash equivalents	4	78,244	78,392
Accounts receivables and other receivables	5	-	45,431
<u>TOTAL CURRENT ASSETS</u>		78,244	123,823
<u>TOTAL ASSETS</u>		78,244	123,823
<u>LIABILITIES</u>			
<u>CURRENT LIABILITIES</u>			
Payables	6	5,000	-
Employee benefits provisions	9	-	-
<u>TOTAL CURRENT LIABILITIES</u>		5,000	-
Employee benefits provisions	9	-	-
<u>NON-CURRENT LIABILITIES</u>		-	-
<u>TOTAL LIABILITIES</u>		5,000	-
<u>NET ASSETS</u>		73,244	123,823
<u>EQUITY</u>			
<u>MEMBERSHIP FUNDS:</u>			
Accumulated Surplus (Deficit)		73,244	123,823
<u>TOTAL MEMBERS FUNDS</u>		73,244	123,823



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 June 2017

	Retained Earnings	Retained Earnings
	\$	\$
Balance at 1 July 2015	123,823	121,108
Surplus for the year	-	2,716
Other comprehensive income for the year	-	-
Total comprehensive income attributable to members of the entity	-	2,716
Balance at 30 June 2016	<u>123,823</u>	<u>123,823</u>
Balance at 1 July 2016	123,823	123,823
Surplus for the period	(50,579)	-
Other comprehensive income for the period	-	-
Total comprehensive income attributable to members of the entity	(50,579)	-
Balance at 30 June 2017	<u>73,244</u>	<u>123,823</u>



STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 June 2017

	<u>Note</u>	<u>2017</u>	<u>2016</u>
		\$	\$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Receipts from members & commercial activities		-	-
Interest received		8	-
Payments to suppliers and other contract services		(156)	-
Payments to employees		-	-
Net GST paid to the ATO		-	-
Net cash provided by operating activities	13	(148)	-
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Funds loaned to CCV		-	(198)
Purchase of Fixed assets		-	-
Net cash provided from investing activities		-	(198)
Net increase/(decrease) in cash held		(148)	(198)
Cash at beginning of period		78,392	78,590
Cash at end of period		78,244	78,392



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

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 YEAR ENDED 30 JUNE 2017

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.

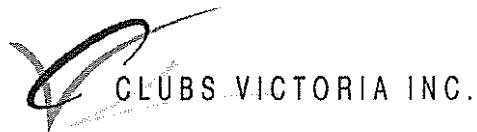
Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the association will obtain ownership of the asset or over the term of the lease.

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 YEAR ENDED 30 JUNE 2017

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 YEAR ENDED 30 JUNE 2017

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 YEAR ENDED 30 JUNE 2017

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 YEAR ENDED 30 JUNE 2017

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

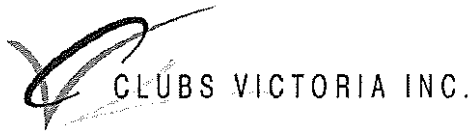
The Australian Accounting Standards Board has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the association has decided not to early adopt. A discussion of those requirements and their impact on the association 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 YEAR ENDED 30 JUNE 2017

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 YEAR ENDED 30 JUNE 2017

		<u>2017</u>	<u>2016</u>
2 REVENUE AND OTHER INCOME	Note	\$	\$
Other income			
Interest received		8	-
Gain (loss) on disposal of property, plant and equipment		-	-
Total other income		8	-
Total revenue		8	-
3 EXPENSES			
Operational expenses			
Accounting fees		12,680	-
Audit fees	13	6,461	-
Bad Debts expense	11	31,290	-
Bank fees		156	-
Total operational expenses		50,587	-
Employee expenses - Officeholders			
Wages and salaries		-	-
Superannuation		-	-
Leave and other entitlements		-	-
Separation and redundancies		-	-
Other employee expenses		-	-
Total employee expenses - officeholders		-	-
Employee expenses - Non-Officeholders			
Wages and salaries		-	-
Superannuation		-	-
Leave and other entitlements		-	-
Separation and redundancies		-	-
Other employee expenses		-	-
Total employee expenses - non-officeholders		-	-
4 CASH AND CASH EQUIVALENTS			
Cash at bank		78,244	78,392
Total cash and cash equivalents		78,244	78,392
5 TRADE AND OTHER RECEIVABLES			
Trade debtors		-	-
Loan - Community Clubs Victoria		-	45,431
Total trade and other receivables		-	45,431

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 2017.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

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
30/06/2017	\$	\$	\$	\$	\$
Trade debtors	-	-	-	-	-
Total	-	-	-	-	-
30/06/2016	\$	\$	\$	\$	\$
Trade debtors	-	-	-	-	45,431
Total	-	-	-	-	45,431

	<u>2017</u>	<u>2016</u>
6 TRADE AND OTHER PAYABLE	\$	\$
Creditors and accrued expenses	5,000	-
Total trade and other payables	<u>5,000</u>	<u>-</u>
7 OTHER CURRENT ASSETS		
Prepayments	-	-
Total other current assets	<u>-</u>	<u>-</u>
8 OTHER CURRENT LIABILITIES		
Prepaid Income	-	-
Total other current liabilities	<u>-</u>	<u>-</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

9 EMPLOYEE PROVISIONS

CURRENT

Employee expenses - Officeholders

Annual leave	-	-
Long service leave	-	-
Separation and redundancies	-	-
Other employee provisions	-	-
Total employee expenses - officeholders	-	-

Employee expenses - Non-officeholders

Annual leave	-	-
Long service leave	-	-
Separation and redundancies	-	-
Other employee provisions	-	-
Total employee expenses - non-officeholders	-	-

NON-CURRENT

Employee expenses - Officeholders

Annual leave	-	-
Long service leave	-	-
Separation and redundancies	-	-
Other employee provisions	-	-
Total employee expenses - officeholders	-	-

Employee expenses - Non-officeholders

Annual leave	-	-
Long service leave	-	-
Separation and redundancies	-	-
Other employee provisions	-	-
Total employee expenses - non-officeholders	-	-



NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2017

10 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 Amount 30/06/2017 \$	Carrying Amount 30/06/2016 \$
Financial Assets			
<u>At amortised cost</u>			
Cash and Cash Equivalent	4	78,244	78,392
Trade and Other Receivables	5	-	45,431
Total Financial Assets		78,244	123,823
Financial Liabilities			
<u>At amortised cost</u>			
Trade Creditors	6	5,000	-
Total Financial Liabilities		5,000	-

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 THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

10 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 Amount 30/06/2017 \$	Net Fair value 30/06/2017 \$	Carrying Amount 30/06/2016 \$	Net Fair value 30/06/2016 \$
Financial Assets				
Cash and cash equivalent	78,244	78,244	78,392	78,392
Trade & Other receivables	-	-	45,431	45,431
Total Financial Assets	78,244	78,244	123,823	123,823
Financial Liabilities				
Trade creditors	5,000	5,000	-	-
Loans payable	-	-	-	-
Total Financial Liabilities	5,000	5,000	-	-

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.

Interest rate risk sensitivity analysis

At 30 June 2017, 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:

	30/06/2017 \$	30/06/2016 \$
Changes in surplus (deficit)		
- Increase of 2%	1,565	1,568
- Decrease of 2%	(1,565)	(1,568)
Changes in equity		
- Increase of 2%	1,565	1,568
- Decrease of 2%	(1,565)	(1,568)

c) Fair value measurement hierarchy

The assets and liabilities of the Association are not measured at fair value.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

11 RELATED PARTY TRANSACTIONS

A loan owed by Community Clubs Victoria Inc. to the Association of \$31,290 was written off as a bad debt as at 30 June 2017 as it was not expected to be collected.

No other transactions with related parties occurred during the reporting period.

12 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.

13 AUDITOR'S REMUNERATION

	<u>2017</u>	<u>2016</u>
Remuneration of the auditor for:		
- auditing the financial report FY15	2,200	-
- auditing the financial report FY16	2,261	-
- auditing the financial report FY17	2,000	-
	<u>6,461</u>	<u>-</u>

14 CASH FLOW INFORMATION

	<u>2017</u>	<u>2016</u>
Reconciliation of Cash Flow from Operations with Surplus/(Deficit) from Ordinary Activities after Income Tax		
<u>Surplus (Deficit) for the period</u>	(50,579)	-
<u>Non-cash flows in surplus</u>		
Increase / (decrease) in loans	-	(198)
Depreciation expense	-	-
Net gain/(loss) on disposal of property, plant, equipment	-	-
<u>Changes in assets and liabilities:</u>		
(Increase) / decrease in trade and other receivables	45,431	-
(Increase) / decrease in prepayments	-	-
Increase / (decrease) in trade and other payables	5,000	-
Net cash provided by operating activities	(148)	(198)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

15 KEY MANAGEMENT PERSONNEL COMPENSATION	<u>2017</u>	<u>2016</u>
Short term Benefit	-	-
Post employment Benefit	-	-
Total Compensation	<u>-</u>	<u>-</u>

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

16 CONTINGENT LIABILITIES AND ASSETS

Contingent Liability

There are no contingent liabilities as at 30 June 2017

Contingent Asset

There are no contingent assets as at 30 June 2017

17 EVENTS AFTER THE REPORTING PERIOD

There were no other significant events subsequent to the reporting period.

18 FINANCIAL POSITION OF CLUBS VICTORIA INC.

Clubs Victoria Inc. has a balance of net assets of \$73,244 at the reporting date. Following the amalgamation with Community Clubs Association Victoria Inc., this amount and all future assets and liabilities will be adopted by the newly formed entity Community Clubs Victoria Inc.

19 REGISTERED ORGANISATION COMMISSION DISCLOSURES

There were no compulsory levies raised by the association or voluntary contributions collected from the members during the year.

There was no fund or account required to be kept by the organisation during the year in accordance with the rules of the organisation.

No transfers or withdrawals were made during the year to any fund, account or controlled entity kept for any special 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;

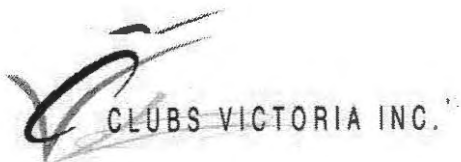
There were no payables in respect of legal costs and other expenses related to litigation or other legal matters

There were no compulsory levies imposed on the reporting unit.

20 ASSOCIATION DETAILS

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

5/19 Gertrude Street
FITZROY VIC 3065



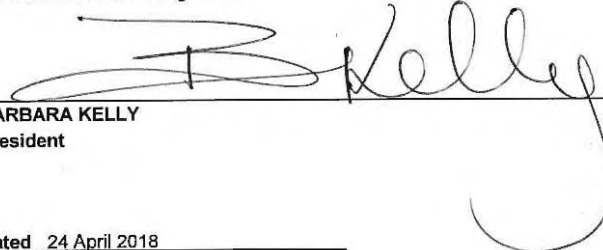
COMMITTEE OF MANAGEMENT STATEMENT

On 24th April 2018 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 2017:

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 24 April 2018

INDEPENDENT AUDITOR REPORT TO THE MEMBERS OF CLUBS VICTORIA INCORPORATED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Clubs Victoria Incorporated (the Reporting Unit), which comprises the statement of financial position as at 30 June 2017, the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2017, notes to the financial statements, including a summary of significant accounting policies; and the Committee of Management Statement.

In my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Clubs Victoria Incorporated as at 30 June 2017, and its financial performance and its cash flows for the year ended on that date in accordance with:

- a) the Australian Accounting Standards; and
- b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

We declare that management's use of the going concern basis in the preparation of the financial statements of the Reporting Unit is appropriate.

Basis for Opinion

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

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

Information Other than the Financial Report and Auditor's Report Thereon

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

My opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Committee of Management for the Financial Report

The Committee of Management of the Reporting Unit is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Reporting Unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.

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

- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reporting Unit's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. We are am responsible for the direction, supervision and performance of the Reporting Unit audit. We remain solely responsible for my audit opinion.

We communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during my audit.

I declare that I am an approved auditor, a member of Chartered Accountants Australia New Zealand and hold a current Public Practice Certificate.

Ashfords Audit and Assurance

Ashfords Audit and Assurance Pty Ltd
Chartered Accountants

Ryan H. Dummett

Ryan H. Dummett
Director

Dated this 26th day of April 2018

Suite 5, 14 Garden Boulevard, Dingley Vic 3172



15 March 2018

Ms Barbara Kelly
President
Clubs Victoria Inc.

Sent via email

Dear Ms Kelly

Re: – Clubs Victoria Inc - financial report for year ending 30 June 2017 (FR2017/47)

A financial report for the year ending 30 June 2017 for Clubs Victoria Inc. (**the reporting unit**) was lodged with the Registered Organisations Commission (**the ROC**) on 30 December 2017. Mr Chris Enright, Executive Director ROC, wrote to you on 12 February 2018 in relation to the requirement under the *Fair Work (Registered Organisations) Act 2009 (RO Act)* that the auditor of a reporting unit must be a registered auditor. Your letter in response to this letter was received on 22 February 2018 and is being reviewed by the ROC Compliance team. The Compliance team will write to you separately about issues raised in the correspondence.

I am writing specifically in relation to the financial documents which were lodged with the ROC on 30 December 2017. I have examined the report and identified a number of matters, the details of which are set out below, that you are required to address.

The General Purpose Financial Report (**GPFR**), Operating Report and Committee of Management Statement will require amendments. The amended reports will need to be audited by a registered auditor, provided to members and presented to a Committee of Management meeting and lodged with the ROC. I understand Mr Dummett, the reporting unit's auditor, has already indicated to you that the original GPFR contained some errors that would have to be corrected.

The matters identified should be read in conjunction with the RO Act, *Fair Work (Registered Organisations) Regulations 2009*, the 4th edition of the Reporting Guidelines made under section 255 of the RO Act and the Australian Accounting Standards.

Preparation of a full report

Under subsection 265(1)(a) of the RO Act a reporting unit must provide free of charge to its members a full report. A full report consists of:

- (i) a copy of the report of the auditor in relation to the inspection and audit of the financial records of the reporting unit in relation to a financial year; and
- (ii) a copy of the general purpose financial report to which the report relates; and
- (iii) a copy of the operating report to which the report relates.

Subsection 253(2) states that the general purpose financial report must consist of:

- (a) financial statements containing
 - (i) a profit and loss statement, or other operating statement; and
 - (ii) a balance sheet; and
 - (iii) a statement of cash flows; and
 - (iv) any other statements required by the Australian Accounting Standards; and

- (b) notes to the financial statements containing:
 - (i) notes required by the Australian Accounting Standards; and
 - (ii) information required by the reporting guidelines (see section 255); and
- (c) any other reports or statements required by the reporting guidelines (see section 255) (including a Committee of Management Statement).

Under subsection 265(5)(b) of the RO Act, where the full report is presented to a General Meeting of members, the full report must be provided to members at least 21 days before the General Meeting. The Designated Officer's Certificate attached states that the full report was provided to members on 15 November 2017, and presented to a General Meeting of members on 28 November 2017. The date the report was provided to members was only 13 days before the General Meeting of members.

The Auditor's Report was not included in the report provided to members, therefore it would appear that members were not provided with a copy of the full report and the full report was therefore not presented to a General Meeting of members in accordance with the RO Act. Also the Auditor's Report was not lodged with the ROC on 30 December 2017.

Please note that subsections 265(1), 265(5) and 266(1) are civil penalty provisions.

Operating Report

Significant changes in nature of activities or in financial affairs

Section 254(2)(a) of the RO Act requires an Operating Report include a review of any significant changes in the nature of the reporting unit's principal activities. Section 254(2)(b) requires an Operating Report to give details of any significant changes in the reporting unit's financial affairs during the year. The Operating Report simply includes a statement that "there have been no other significant changes". It is not clear to which disclosure this statement refers.

The Operating Report should be amended to include:

- (a) a clear statement about any significant changes in the nature of the reporting unit's principal activities, and
- (b) a clear statement about any significant changes in the reporting unit's financial affairs.

In relation to (b) above, I note that no membership subscriptions were received in 2017 whereas in previous years up to 2015 the reporting unit received membership subscriptions. If this represents a significant change in the reporting unit's financial affairs, the statement should reflect this.

General Purpose Financial Report

Activities under Reporting Guidelines (RGs) not disclosed

Item(s) 13, 15, 17, 19, 21, 23 and 25 of the RGs state that if any activities identified in item(s) 10, 11, 12, 14, 16, 18, 20, 22 and 24 respectively have not occurred/did not apply in the reporting period, a statement to this effect must be included in the notes to the GPFR. I note that for the following RG items no such disclosure has been made:

- 14(a) - periodic or membership subscriptions
- 16(f) – employee benefits to office-holders expense
- 16(g) – employee benefits to other employees expense
- 20(c) – employee benefits provisions for office-holders (liabilities)
- 20(d) – employee benefits provisions for other employees (liabilities)
- 22(a) - name and balance of any fund operated for compulsory levies or voluntary contributions
- 22(c) – name and balance of any fund or account required to be kept under the rules
- 22(d) - details of any transfer or withdrawal to any fund, account or controlled entity kept for a special purpose

Disclosure requirements - measured at fair value

Australian Accounting Standard *AASB 13 Fair Value Measurement* paragraph 93 identifies the disclosure requirements for when assets and liabilities are measured at fair value.

Note 9(b) did not disclose the hierarchy level for the fair value categories required by paragraph 93(b).

Disclosure of audit fees

Australian Accounting Standard *AASB 1054 Australian Additional Disclosures* paragraph 10 requires the financial statements to separately disclose amounts paid to the auditor for the audit or review of the financial statements and for all other services performed.

Note 3 discloses audit fees but does not break down this expenditure as described above. It should be noted that if any of the audit fee relates to other services performed, then a description of the nature of the other services must be provided (refer to *AASB 1054* paragraph 11).

If you have any questions about the above, please do not hesitate to contact me on (02) 6746 3283 or by email at stephen.kellett@roc.gov.au

Yours faithfully

A handwritten signature in black ink that reads "Stephen Kellett". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Stephen Kellett
Financial Reporting
Registered Organisations Commission