

GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED
ABN: 90 738 525 905

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2019

GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED
ABN: 90 738 525 905

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GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED
ABN: 90 738 525 905

DIRECTORS' REPORT

Your directors present their report on Georges River 16ft Sailing Club Co-operative Limited (the co-operative) for the financial year ended 30 June 2019.

Directors

The following directors have been in office for the entire financial year unless otherwise stated below and attended the recorded board meetings:

Name of Director	Club Position	Total number of Directors meetings attended	Total number of Directors meetings whilst in office
James Newell-Courtney	Chairman	12	12
George Africa	Vice Chairman	12	12
Andrew McLachlan	Commodore	11	12
David Cradock	Vice Commodore	12	12
Allan Brassil (Appointed Nov 18)	Director	7	7
Mark Conway (Appointed Nov 18)	Director	7	7
Chris Nichol森 (Appointed Apr 19)	Director	2	2
Andrew Finney (Resigned Nov 18)	Treasurer	7	7
Brett Whalen (Resigned Nov 18)	Director	7	7
Terry Swift (Appointed Nov 18 / Resigned April 19)	Director	5	5

Number of Directors meetings

12

Information on Directors

Name of Director	Qualifications	Experience
James Newell-Courtney	Retired	- Director 23 years
George Africa	Executive Manager & Chief IT Architect	- Director 18 years
Andrew McLachlan	Warehouse Manager	- Director 9 years
David Cradock	Real Estate Proprietor	- Director 6 years
Allan Brassil	Retired CEO	- Director 1 year
Mark Conway	Retired LAB	- Director 1 year
Chris Nichol森	CEO Transport Company	- Director 1 year

Operating Results

The loss of the co-operative for the financial year amounted to \$26,600.

Objectives

The objectives of the co-operative are to:

- i) Promote junior sailing
- ii) Grow existing sailing
- ii) Encourage non-powered water activities
- iv) Enhance sailing facilities
- v) Host sailing regattas
- vi) Increase functions
- vii) Purchase new gaming machines and upgrades
- viii) Investment in club facilities and infrastructure

GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED
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DIRECTORS' REPORT

Strategies for achieving objectives

- Increase promotion of function facilities
- Increase membership numbers
- Promote community involvement

Principal Activities

The principal activities of the co-operative during the course of the financial year involved the promotion of sailing and intra club activities and the provision of the facilities of a licensed club to members of the club and their guests.

There was no significant change in the nature of the activities of the co-operative during the financial year.

Performance measurement and key performance indicators

The co-operative's financial performance is measured against the set budget and benchmark data from the club industry. Financial results are reviewed by Directors on a monthly basis. Board members have a wide range of business experience.

Members' limited liability

As the entity is a co-operative without share capital or member guarantee there is no member liability upon winding up.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 3.

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



Director:

James Newell-Courtney

Dated this 24th day of October 2019

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2019 there have been:

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

Maher Partners Assurance Pty Limited



Jason Maher

Taren Point

Dated this 24th day of October 2019

GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED
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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
Revenue	2	3,081,214	3,335,290
Cost of sales	3	(555,199)	(545,785)
Depreciation and amortisation expenses	3	(179,927)	(336,042)
Directors' fees and expenses		(1,253)	(5,421)
Employee benefits expenses		(1,224,240)	(1,215,211)
Finance costs	3	(26,017)	(19,987)
Other expenses		(1,121,178)	(1,360,795)
Loss for the year	3	(26,600)	(147,951)
Other comprehensive income			
Other comprehensive income for the year		-	-
Total comprehensive income (loss) for the year		<u><u>(26,600)</u></u>	<u><u>(147,951)</u></u>
Total comprehensive income (loss) attributable to members of the entity		(26,600)	(147,951)

The accompanying notes form part of these financial statements.

GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED
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STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	292,039	357,493
Trade and other receivables	5	160,123	64,375
Financial assets	6	6,458	3,030
Inventories	7	40,701	45,122
Other current assets	8	114,909	126,984
TOTAL CURRENT ASSETS		<u>614,230</u>	<u>597,004</u>
NON-CURRENT ASSETS			
Property, plant and equipment	9	2,793,321	2,781,668
TOTAL NON-CURRENT ASSETS		<u>2,793,321</u>	<u>2,781,668</u>
TOTAL ASSETS		<u>3,407,551</u>	<u>3,378,672</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	332,512	356,751
Borrowings	11	307,658	269,287
Provisions	12	57,308	65,457
Other current liabilities	13	29,185	37,134
TOTAL CURRENT LIABILITIES		<u>726,663</u>	<u>728,629</u>
NON-CURRENT LIABILITIES			
Borrowings	11	100,663	43,941
Provisions	12	18,546	14,095
Other non-current liabilities	13	18,028	21,756
TOTAL NON-CURRENT LIABILITIES		<u>137,237</u>	<u>79,792</u>
TOTAL LIABILITIES		<u>863,900</u>	<u>808,421</u>
NET ASSETS		<u>2,543,651</u>	<u>2,570,251</u>
EQUITY			
Retained earnings	14	2,543,651	2,570,251
TOTAL EQUITY		<u>2,543,651</u>	<u>2,570,251</u>

The accompanying notes form part of these financial statements.

GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

	Note	Retained earnings \$	Total \$
Balance at 1 July 2017		2,718,202	2,718,202
Profit attributable to members		(147,951)	(147,951)
Balance at 30 June 2018		<u>2,570,251</u>	<u>2,570,251</u>
Profit attributable to members		(26,600)	(26,600)
Balance at 30 June 2019		<u><u>2,543,651</u></u>	<u><u>2,543,651</u></u>

The accompanying notes form part of these financial statements.

GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	2,960,078	3,383,556
Payments to suppliers and employees	(2,916,740)	(3,560,927)
Dividends received	298	235
Interest received	5,733	5,597
Finance costs paid	(14,985)	(12,615)
Net cash provided by (used in) operating activities 18	34,384	(184,154)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	43,000	-
Proceeds from sale of intangibles	-	212,000
Payments for property, plant and equipment	(226,899)	(119,627)
Net cash provided by (used in) investing activities	(183,899)	92,373
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	234,662	86,389
Repayment of borrowings	(150,601)	(64,371)
Net cash provided by financing activities	84,061	22,018
Net decrease in cash held	(65,454)	(69,763)
Cash at beginning of financial year	357,493	427,256
Cash at end of financial year 4	292,039	357,493

The accompanying notes form part of these financial statements.

GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

1 Summary of Significant Accounting Policies

The financial statements cover Georges River 16ft Sailing Club Co-operative Limited (the co-operative) as an individual entity. Georges River 16ft Sailing Club Co-operative Limited is a co-operative, incorporated and domiciled in New South Wales.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board (AASB), Co-operatives National Law (NSW), Co-operatives National Regulations (NSW) and applicable sections of the Corporations Act 2001. The co-operative is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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

The financial statements are presented in Australian dollars, which is the co-operative's functional currency, and have been rounded to the nearest dollar.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements were authorised for issue on 24 October 2019 by the directors of the co-operative.

Accounting Policies

Cash and Cash Equivalents

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

Trade and Other Receivables

Trade receivables are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for doubtful debts. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

At the end of each reporting period, the carrying amount of trade and other receivables is reviewed and an allowance for doubtful debts is recognised when there is objective evidence that individual receivables are not recoverable.

GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a weighted-average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

Property, Plant and Equipment

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

Property

Buildings and leasehold improvements are measured at cost. The co-operative has a perpetual lease with the Crown in respect of land on which the club premises is located. Leasehold improvements have been amortised over a period of 40 years. Upon forfeiture, surrender, expiration or termination of the lease, all improvements on the land leased shall become the property of the Crown, and no compensation shall be payable therefor.

Plant and equipment

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

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

The cost of fixed assets constructed within the co-operative includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

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 co-operative and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over the asset

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings & Leasehold Improvements	2.5%
Plant & Equipment	5.0 - 50.0%

The estimated useful life for each class of depreciable assets are:

Class of Fixed Asset	Useful Life
Buildings & Leasehold Improvements	40 Years
Plant & Equipment	2-20 Years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of the 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 recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of profit or loss and other comprehensive income.

Financial Assets

Financial assets are initially recognised on the cost basis, including acquisition charges associated with the financial asset. The carrying amounts of financial assets are reviewed annually by the directors. The recoverable amounts are assessed from the quoted market value for shares in listed companies or the underlying net assets for other non listed corporations. The expected net cash flows from investments have not been discounted to their present value in determining the recoverable amounts, unless otherwise stated.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or the arrangement conveys a right to use the asset.

A lease is classified at the inception date as either a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the co-operative is classified as a finance lease.

Finance leases are capitalised by recording an asset and a liability at the fair value of the leased property or, if lower, 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 that period.

Leased assets are depreciated over their estimated useful lives where it is likely that the co-operative will obtain ownership of the asset, or otherwise over the shorter of the estimated useful life and the term of the lease.

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are recognised as operating expenses in the statement of profit or loss and other comprehensive income on a straight line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised over the lease term.

Trade and Other Payables

Trade and other payables represent the liabilities at the end of the reporting period for goods and services received by the co-operative that remain unpaid.

Trade payables are recognised at their transaction price. The carrying values are considered to be a reasonable approximation of the fair values. Trade payables are obligations on the basis of normal credit terms.

Employee Benefits

Provision is made for the co-operative's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

Contributions are made by the co-operative to an employee superannuation fund and are charged as expenses when incurred.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Revenue and Other Income

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

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

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

Sale of goods

Revenue from the sale of goods comprises revenue earned from the provision of food, beverage and other goods to members and other patrons and is recognised at the point the goods are provided as this corresponds to the transfer of significant risks and rewards of ownership of the goods.

Rendering of services

Revenue from rendering of services comprises revenue from gaming facilities together with other services to members and other patrons and is recognised when the services are provided.

Interest revenue

Interest revenue is recognised using the effective interest rate method.

Dividend revenue

Dividends are recognised when the right to receive payment is established.

Membership subscriptions

Membership subscriptions paid in advance are initially recognised as a liability. Revenue is recognised on a straight line basis over the membership period, based on the membership category for which subscriptions have been received.

Sale of property, plant and equipment

The gain or loss on disposal of property, plant and equipment is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal (including incidental costs) and is recognised as other income or other expenses at the date control of the asset passes to the buyer.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Other income

Other income is recognised on an accruals basis when the co-operative is entitled to it.

Borrowing Costs

All borrowing costs are recognised as an expense in the period in which they are incurred.

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 part of an item of the expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

Income Tax

The co-operative is considered to be exempt from income tax under Section 50-45 of the Income Tax Assessment Act, being a non-profit organisation, not carried on for the purpose of profit or gain to its individual members and which was established for the encouragement of a game or sport. Accordingly, no account for income tax has been taken in these financial statements.

Going Concern

The financial statements have been prepared on a going concern basis which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The co-operative incurred a net loss of \$26,600 during the year ended 30 June 2019 and, as of that date, the co-operative's current liabilities exceeded its current assets by \$112,433. The co-operative did generate positive cash flows from operating activities of \$34,384 compared to a prior year cash flow deficit from operations of \$191,526, and the net loss has reduced substantially from a prior year net loss of \$147,951. The directors acknowledge that uncertainty remains over the ability of the co-operative to continue as a going concern and meet its obligations as and when they fall due. However, as described above, the directors have a reasonable expectation of the co-operative's ability to derive sufficient cash surpluses from core trading activities and return to profitability to continue in operational existence for the foreseeable future. If the co-operative is unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities at amounts different from those currently stated in the financial statements.

Comparatives

Comparative figures have been adjusted to conform to changes in presentation for the current financial year.

GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
2 Revenue		
Operating activities		
Trading Revenue	2,416,929	2,628,622
Dividends Received	298	235
Interest Received	5,733	5,597
Other Revenue	647,146	493,883
	653,177	499,715
	3,070,106	3,128,337
Non-operating activities		
Profit/Loss on Sale of Non-current Assets	7,681	(5,047)
Profit/Loss on Sale of PM Entitlements	-	212,000
Unrealised Gain/Loss on Investments	3,427	-
	11,108	206,953
	3,081,214	3,335,290
Other Revenue from:		
Commission Received	65,162	63,868
Raffles and Promotions	57,515	53,788
Insurance Recoveries	108,322	-
Membership Subscriptions	40,662	47,640
Entertainment Income	10,537	22,232
Sponsorship Income	10,000	-
Rent Received	344,022	292,840
Sundry Income	10,926	13,515
	647,146	493,883
3 Loss		
Expenses		
Cost of sales	555,199	545,785
Interest - Poker Machine Finance	1,955	-
Interest - General	24,062	19,987
Total finance costs	26,017	19,987
Depreciation - Sailing Boats	7,282	6,500
Depreciation	172,645	329,542
Depreciation of property, plant and equipment	179,927	336,042

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

		2019	2018
		\$	\$
4	Cash and Cash Equivalents		
	Current		
	Cash on Hand	65,000	65,000
	Cash at Bank	227,039	292,493
		<u>292,039</u>	<u>357,493</u>
5	Trade and Other Receivables		
	Current		
	Trade Debtors	75,832	36,584
	GST Receivable	9,774	-
	Other Debtors	74,517	27,791
		<u>160,123</u>	<u>64,375</u>
6	Other Financial Assets		
	Current		
	Shares	6,458	3,030
7	Inventories		
	Current		
	At cost:		
	Stock on Hand - Bar	40,701	43,936
	Stock on Hand - Other	-	1,186
		<u>40,701</u>	<u>45,122</u>
8	Other Assets		
	Current		
	Prepayments	114,909	126,984

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
<hr/>		
9 Property, Plant and Equipment		
Land and Buildings		
Capital Works in Progress	-	35,000
Leasehold Improvements - at Cost	4,718,289	4,717,089
Less: Accumulated Depreciation	(2,570,436)	(2,511,977)
	2,147,853	2,240,112
Total Land and Buildings	2,147,853	2,240,112
Plant & Equipment - at Cost	801,066	679,866
Less: Accumulated Depreciation	(440,653)	(379,667)
	360,413	300,199
Sailing Equipment - at Cost	107,702	97,777
Less: Accumulated Depreciation	(48,197)	(40,915)
	59,505	56,862
Motor Vehicles - at Cost	28,234	28,234
Less: Accumulated Depreciation	(18,634)	(16,940)
	9,600	11,294
Poker Machines - at Cost	804,743	710,669
Less: Accumulated Depreciation	(588,793)	(537,468)
	215,950	173,201
Total Plant and Equipment	645,468	541,556
Total Property, Plant and Equipment	2,793,321	2,781,668

GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018	
	\$	\$	
Movements in Carrying Amounts			
Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.			
	Buildings & Improvements	Plant & Equipment	Poker Machines
	\$	\$	\$
Balance at 1 July 2017	2,315,444	394,481	293,205
Additions	11,750	56,777	16,100
Capital works in progress	35,000	-	-
Disposals	-	-	(5,047)
Depreciation expense	(122,082)	(82,903)	(131,057)
Balance at 30 June 2018	2,240,112	368,355	173,201
Additions	1,200	131,125	94,574
Capital works in progress	(35,000)	-	-
Disposals	-	-	(319)
Depreciation expense	(58,459)	(69,962)	(51,506)
Carrying amount at 30 June 2019	<u>2,147,853</u>	<u>429,518</u>	<u>215,950</u>
			<u>2,793,321</u>

10 Trade and Other Payables

Current

Trade Creditors	235,593	204,956
Other Creditors	96,919	150,461
GST Payable	-	1,334
	<u>332,512</u>	<u>356,751</u>

Financial liabilities at amortised cost classified as trade and other payables

Trade and other payables:		
- Total current	332,512	356,751
- Total non-current	-	-
	<u>332,512</u>	<u>356,751</u>
Less Other Payables	(96,919)	(151,795)
Financial liabilities as trade and other payables	<u>235,593</u>	<u>204,956</u>

GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
11 Borrowings		
Current		
Secured Loan - Equipment	147,658	109,287
Secured Loan - Bank	160,000	160,000
	<u>307,658</u>	<u>269,287</u>
Non-Current		
Secured Loan - Equipment	<u>100,663</u>	<u>43,941</u>
Security		
The security for the NAB business markets loan facility is a \$200,000 term deposit held with NAB.		
The security for the equipment finance contracts are the equipment to which they relate.		
12 Provisions		
Current		
Provision for Annual Leave	38,613	32,809
Provision for Long Service Leave	18,695	32,648
	<u>57,308</u>	<u>65,457</u>
Non-Current		
Provision for Long Service Leave	<u>18,546</u>	<u>14,095</u>
13 Other Liabilities		
Current		
Income In Advance	9,968	18,719
Subscriptions In Advance	19,217	18,415
	<u>29,185</u>	<u>37,134</u>
Non-Current		
Subscriptions In Advance	<u>18,028</u>	<u>21,756</u>

GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
14 Retained Earnings		
Retained earnings at the beginning of the financial year	2,570,251	2,718,202
Net loss attributable to members of the co-operative	<u>(26,600)</u>	<u>(147,951)</u>
Retained earnings at the end of the financial year	<u><u>2,543,651</u></u>	<u><u>2,570,251</u></u>
15 Contingent Liabilities		
Estimates of the potential financial effect of contingent liabilities that may become payable:		
Bank guarantee in favour of TAB Limited	<u>5,000</u>	<u>5,000</u>
16 Key Management Personnel		
Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity is considered key management personnel.		
The totals of remuneration paid to key management personnel (KMP) of the co-operative during the year are as follows:		
Key management personnel compensation	<u><u>125,551</u></u>	<u><u>366,650</u></u>
17 Related Party Transactions		
Transactions between related parties are on normal commercial terms and conditions. These terms and conditions are no more favourable than those available to other parties unless otherwise stated.		
There were no transactions with related parties during the year.		

GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED
ABN: 90 738 525 905

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
<hr/>		
18 Cash Flow Information		
a) Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
Cash on Hand	65,000	65,000
Cash at Bank	227,039	292,493
	292,039	357,493
	292,039	357,493
b) Reconciliation of Cashflow from Operations with profit after Income Tax		
Operating profit (loss) after income tax	(26,600)	(147,951)
Adjustments:		
Profit on sale of non-current assets	(7,681)	(212,000)
Loss on sale of non-current assets	-	5,047
Depreciation	179,927	336,042
Revaluation of investments	(3,428)	-
Financing flows in operating profits	11,032	7,372
(Increase) Decrease in inventories	4,421	(16)
(Increase) Decrease in receivables	(95,748)	10,921
(Increase) Decrease in prepayments	12,075	(118,795)
Increase (Decrease) in trade and other payables	(24,239)	19,672
Increase (Decrease) in provisions	(3,698)	(107,810)
Increase (Decrease) in income in advance	(11,677)	23,364
	34,384	(184,154)
	34,384	(184,154)

GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED
ABN: 90 738 525 905

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

		2019	2018
		\$	\$
19 Financial Risk Management			
The co-operative's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable.			
The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements are as follows:			
	Note	2019	2018
		\$	\$
Financial Assets			
Cash and cash equivalents	4	292,039	357,493
Loans and receivables	5	150,349	64,375
Investments	6	6,458	3,030
Total Financial Assets		<u>448,846</u>	<u>424,898</u>
Financial Liabilities			
Trade and other payables	10	235,593	204,956
Bank loan secured	11	160,000	160,000
HP / Lease liabilities	11	248,321	153,228
Total Financial Liabilities		<u>643,914</u>	<u>518,184</u>

The net fair value is equivalent to the carrying amount unless otherwise stated.

20 Co-operative Details

The registered office of the co-operative is:

Sanoni Avenue
Dolls Point NSW 2219

The principal place of business is:

Sanoni Avenue
Dolls Point NSW 2219

The principal activities of the co-operative are the provision of sailing activities and the operation of a licensed club.

GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED
ABN: 90 738 525 905

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$

21 Disclosure Requirements under Section 41E of the Registered Clubs Act

Core and Non-core Property

Section 41E of the Act defines core property as meaning any real property owned or occupied by a registered club that comprises:

- (a) the defined premises of the club; or
- (b) any facility provided by the club for use of its members and their guests; or
- (c) any other property declared, by resolution passed by a majority of the members present at a general meeting of the ordinary members of the club, to be core property of the club.

Non-core property is defined as meaning any real property owned or occupied by the club that is not core property.

The co-operatives's defined premises at Sanoni Avenue is considered to be core property.

The co-operative is not considered to have any non-core property.

GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED
ABN: 90 738 525 905

DIRECTORS' DECLARATION

The directors of the co-operative declare that:

1. The financial statements and notes, as set out on pages 4 to 22, are in accordance with the Corporations Act 2001 and the Co-operatives National Law (NSW) including:
 - (a) giving a true and fair view of the co-operative's financial position as at 30 June 2019 and of its performance as represented by the results of its operations and its cash flows for the year ended on that date; and
 - (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Regulations 2001 and Co-operatives National Regulations (NSW); and
2. In the directors' opinion there are reasonable grounds to believe that the co-operative will be able to pay its debts as and when they become due and payable.

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



Director:

James Newell-Courtney

Dated this 24th day of October 2019

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED
ABN: 90 738 525 905**

Auditor's Opinion

We have audited the accompanying financial report of Georges River 16ft Sailing Club Co-operative Limited (the co-operative), which comprises the statement of financial position as at 30 June 2019, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of the co-operative is in accordance with the Corporations Act 2001 and the Co-operatives National Law (NSW), including:

- (a) giving a true and fair view of the co-operative's financial position as at 30 June 2019 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Regulations 2001 and Co-operatives National Regulations (NSW).

Basis for Auditor's Opinion

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. Our responsibilities under those standards are further described in the Auditor's Responsibility section of our report.

We are independent of the co-operative in accordance with the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the code.

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

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED
ABN: 90 738 525 905**

Material Uncertainty related to Going Concern

We draw attention to Note 1 in the financial report, which indicates that the co-operative incurred a net loss of \$26,600 during the year ended 30 June 2019 and, as of that date, the co-operative's current liabilities exceeded its current assets by \$112,433. As stated in Note 1, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the co-operative's ability to continue as a going concern. If the co-operative is unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities at amounts different from those currently stated in the financial statements. Our opinion is not modified in respect of this matter.

Other Information

The directors of the co-operative are responsible for the other information. The other information comprises the information included in the directors' report, but does not include the financial report and our auditor's report thereon.

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

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

Directors' Responsibility for the Financial Report

The directors of the co-operative are responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Corporations Act 2001, the Co-operatives National Law (NSW) and Australian Accounting Standards - Reduced Disclosure Requirements and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

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

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED
ABN: 90 738 525 905**

Auditor's Responsibility

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

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

We identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

We 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 co-operative's internal control.

We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors.

We conclude on the appropriateness of the directors' 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 co-operative's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the co-operative to cease to continue as a going concern.

We 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.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED
ABN: 90 738 525 905

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

Maher Partners Assurance Pty Limited



Jason Maher

Taren Point

Dated this 24th day of October 2019

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED
ABN: 90 738 525 905**

**Auditor's Disclaimer to the Members
For the year ended 30 June 2019**

The additional data presented in the Profit & Loss Statement and Trading accounts is in accordance with the books and records of the Georges River 16ft Sailing Club Co-operative Limited (our client) which have been subjected to the auditing procedures applied in the statutory audit of the co-operative for the year ended 30 June 2019. It will be appreciated that the statutory audit did not cover all details of the financial data and no warranty of accuracy or reliability is given. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than our client) in respect of such data, including any errors or omissions therein however caused.

Name of Firm: Maher Partners Assurance Pty Limited
Chartered Accountants

Name of Principal: 
Jason Maher

Address: Taren Point

Dated this 24th day of October 2019

GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED
ABN: 90 738 525 905

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
INCOME		
Bar Trading Account	514,691	553,755
Cafe Trading Account	(4,610)	10,940
Poker Machines Trading Account	669,085	830,949
Keno Trading Account	(9,631)	(2,275)
Functions Trading Account	105,505	86,039
TAB Trading Account	31,446	(3,909)
Sailing Trading Account	(9,701)	(28,512)
	1,296,785	1,446,987
OTHER INCOME		
Commission Received	65,162	63,868
Dividends Received	298	235
Interest Received	5,733	5,597
Raffles and Promotions	57,515	53,788
Insurance Recoveries	108,322	-
Membership Subscriptions	40,662	47,640
Entertainment Income	10,537	22,232
Sponsorship Income	10,000	-
Rent Received	344,022	292,840
Sundry Income	10,926	13,515
Profit/Loss on Sale of Non-current Assets	7,681	(5,047)
Profit/Loss on Sale of PM Entitlements	-	212,000
Unrealised Gain/Loss on Investments	3,427	-
	664,285	706,668
	1,961,070	2,153,655

GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED
ABN: 90 738 525 905

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
EXPENSES		
Advertising	10,818	21,162
Audit Services	20,000	19,300
Bank Charges	8,854	7,507
Cash Shortages	12,328	8,876
Cleaning	67,218	60,709
Computer Expenses	42,427	34,071
Consultancy Fees	23,207	10,485
Depreciation	172,645	329,542
Directors Expenses	1,253	5,421
Electricity	123,530	123,854
Entertainment	76,125	122,780
Gas	32,947	23,222
General Expenses	47,298	57,593
Hire of Plant & Equipment	3,120	14,830
Insurance	69,782	65,798
Interest Paid	24,062	19,987
Legal Costs	-	52,639
Licensing Fees	17,538	14,120
Member Benefits	11,538	23,582
Motor Vehicle Expenses	13,686	13,258
Payroll Tax	19,253	23,494
Printing, Postage & Stationery	9,160	14,711
Provision - Sick & Holiday Leave	1,941	-
Provision - Long Service Leave	(9,501)	-
Raffles and Promotions	97,565	113,304
Rates & Taxes	28,893	34,344
Rent	64,641	57,674
Repairs & Maintenance	100,774	132,276
Salaries & Wages	668,148	654,441
Security Costs	16,431	21,029
Staff training & amenities	5,335	6,251
Subscriptions & Licenses	72,562	62,714
Superannuation	95,156	98,000
Telephone	9,633	15,891
Uniforms & Protective Clothing	764	2,586
Waste Disposal	4,635	13,493
Workers Compensation	23,904	22,662
	1,987,670	2,301,606
Loss from ordinary activities before income tax	(26,600)	(147,951)

GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED
ABN: 90 738 525 905

DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
BAR TRADING ACCOUNT		
Bar Sales	1,186,153	1,173,640
Bottleshop Sales	27,604	34,731
	1,213,757	1,208,371
Less: Cost of Goods Sold		
Opening Stock	43,936	43,920
Purchases	482,267	443,336
Closing Stock	(40,701)	(43,936)
	485,502	443,320
Gross Profit from Trading	728,255	765,051
Less: Direct Costs		
Bar Amenities	16,608	7,480
Bar Purchases	828	-
Complimentary/Staff Drinks	1,538	2,068
Bar Waste / Vouchers	12,272	20,019
Gas	869	1,218
Salaries & Wages	181,449	180,511
	213,564	211,296
Net Profit from Trading	514,691	553,755

GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED
ABN: 90 738 525 905

DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
CAFE TRADING ACCOUNT		
Cafe Sales	<u>69,735</u>	<u>77,887</u>
Less: Cost of Goods Sold		
Purchases	<u>38,055</u>	<u>30,845</u>
Gross Profit from Trading	<u>31,680</u>	<u>47,042</u>
Less: Direct Costs		
Salaries & Wages	<u>36,290</u>	<u>36,102</u>
Net Profit (Loss) from Trading	<u><u>(4,610)</u></u>	<u><u>10,940</u></u>

GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED
ABN: 90 738 525 905

DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
<hr/>		
POKER MACHINES TRADING ACCOUNT		
Poker Machine Revenue	753,917	1,007,856
GST Rebate	18,592	18,475
	772,509	1,026,331
Less: Direct Costs		
Interest - Poker Machine Finance	1,955	-
CMS Payment	23,903	28,405
Poker Machine Duty	-	67,494
Poker Machine Promotions	4,986	27,279
Salaries & Wages	72,580	72,204
	103,424	195,382
Net Profit from Trading	669,085	830,949

GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED
ABN: 90 738 525 905

DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
KENO TRADING ACCOUNT		
Keno Commission	<u>29,542</u>	<u>34,209</u>
Less: Direct Costs		
Other Keno Expenses	2,783	-
Promotions	100	382
Salaries & Wages	<u>36,290</u>	<u>36,102</u>
	39,173	36,484
Net Loss from Trading	<u><u>(9,631)</u></u>	<u><u>(2,275)</u></u>

GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED
ABN: 90 738 525 905

DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
<hr/>		
FUNCTIONS TRADING ACCOUNT		
Function Income	98,958	106,659
Function Room Hire	95,267	80,912
	194,225	187,571
Less: Cost of Goods Sold		
Purchases	31,642	71,620
Gross Profit from Trading	162,583	115,951
Less: Direct Costs		
Other Function Expenses	8,761	-
Salaries & Wages	48,317	29,912
	57,078	29,912
Net Profit from Trading	105,505	86,039

GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED
ABN: 90 738 525 905

DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
<hr/>		
TAB TRADING ACCOUNT		
TAB Commission	<u>71,665</u>	<u>34,379</u>
Less: Direct Costs		
Other TAB Expenses	3,929	2,186
Salaries & Wages	<u>36,290</u>	<u>36,102</u>
	<u>40,219</u>	<u>38,288</u>
Net Profit (Loss) from Trading	<u><u>31,446</u></u>	<u><u>(3,909)</u></u>

GEORGES RIVER 16FT SAILING CLUB CO-OPERATIVE LIMITED
ABN: 90 738 525 905

DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
<hr/>		
SAILING TRADING ACCOUNT		
Sailing Income	<u>65,496</u>	<u>59,874</u>
Less: Direct Costs		
Depreciation - Sailing Boats	7,282	6,500
Other Sailing Expenses	42,879	25,909
Repairs & Maintenance	10,913	30,296
Salaries & Wages	<u>14,123</u>	<u>25,681</u>
	75,197	88,386
Net Loss from Trading	<u><u>(9,701)</u></u>	<u><u>(28,512)</u></u>