

**59TH
ANNUAL REPORT**

SUNDAY 29TH March, 2020.

BOARD OF DIRECTORS

President: J.D. EWERS

Messrs. J.D. EWERS, K. POOLE, J. HOLDER,
P. FINCH
I.MCLELLAN, A STRACHAN, P.WESTAWAY
General Manager: N.K. HENDRY

CLUB INFORMATION

Registered Office and Club Rooms:
5/7 NORTHUMBERLAND ROAD, AUBURN
Phone: 9646 3511

AUDITOR:

W.S. HARDY-SMITH B.BUS. C.A.

AUBURN SOCCER SPORTS CLUB LIMITED
ACN - 001 391 346

2019

INDEX	FINANCIAL REPORT
3	NOTICE OF ANNUAL GENERAL MEETING
4 - 5	RESOLUTIONS TO BE PUT TO MEETING
6	EXPLANATORY NOTES ON RESOLUTIONS
7	PRESIDENTS REPORT
8	GENERAL MANAGERS REPORT
9 - 12	REPORT OF THE DIRECTORS
13-15	AUDITORS INDEPENDENCE DECLARATION AND AUDITOR'S REPORT
16	DIRECTORS DECLARATION
17	STATEMENT OF COMPREHENSIVE INCOME
18	STATEMENT OF FINANCIAL POSITION
19 - 20	STATEMENT OF CASHFLOWS
21 - 36	NOTES TO THE ACCOUNTS
37 - 41	ADDITIONAL FINANCIAL INFORMATION
42 - 43	REGISTERED CLUBS ACT SECTION 41H DISCLOSURES

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Auburn Soccer Sports Club Limited will be held at 5/7 Northumberland Road, Auburn on Sunday 29th March, 2020 at 10:30a.m.

BUSINESS

The business of the Annual General Meeting will be as follows:

To confirm the Minutes of the Fifty Third Annual General Meeting.

To receive and Adopt the Report of the Board of Directors.

To Receive and Adopt the report of the General Manger.

To Receive and Adopt the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and the Auditors Report for the year ended 31st December, 2019.

Please note that these are available on the Club's website, or you may arrange to collect a copy from reception

To consider and thought fit, pass each of the Ordinary Resolutions which are enclosed with this notice and labelled "Notice of Ordinary Resolutions".

Any other business which may be dealt with at the Annual General Meeting.

To elect seven Directors, nominations for election of Directors shall be made individually in writing and signed by two members of the Club, and also by the nominee who shall also signify his consent to the nomination. Forms of nomination may be obtained from the Secretary. Completed forms must be in the hands of the Secretary at least seven days before the General Meeting.

Dated 28th February 2020



NEILL HENDRY
GENERAL MANAGER
(By Order of the Board)

**NOTICE OF RESOLUTIONS TO BE CONSIDERED AT
THE ANNUAL GENERAL MEETING**

NOTICE is hereby given that at the Annual General Meeting of **AUBURN SOCCER SPORTS CLUB LIMITED** to be held on 29th March, 2020 commencing at 10:30am at the premises at 5/7 Northumberland Road, Auburn New South Wales. The Members will be asked to consider and if thought fit pass the following resolutions.

FIRST ORDINARY RESOLUTION

That pursuant to the Registered Clubs Act:

a) The members hereby approve and agree to expenditure by the Club in a sum not exceeding \$15,000 until the next Annual General Meeting of the Club for the following activities of Directors:

i) The reasonable cost of a meal and beverage for each director immediately before or immediately after a Board or Committee meeting on the day of that meeting.

ii) Reasonable expenses incurred by directors in travelling to and from directors meetings or other duly constituted committee meetings as approved by the Board from time to time on production of invoices, receipts, or other proper documentary evidence of such expenditure;

iii) Reasonable expenses incurred by directors in relation to such other duties including entertainment of special guests to the Club and other promotional activities performed by directors which activities and the expenses there from are approved by the Board before payment is made on production of receipts, invoices or other proper documentary evidence of such expenditure.

b) The Members acknowledge that the benefits in paragraph (a) above are not available to Members generally but only for those who are directors of the Club.

SECOND ORDINARY RESOLUTION

That pursuant to the Registered Clubs Act:

a) The Members hereby approve and agree to expenditure by the Club in a sum not exceeding \$20,000 for the professional development and education of directors until the next Annual General Meeting and being:

i) The reasonable cost of Directors attending at the Registered Clubs Association Annual General meeting.

ii) The reasonable cost of Directors attending meetings of other Associations of which the Club is a member.

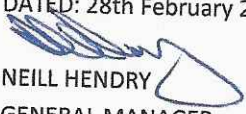
iii) The reasonable cost of Directors attending Seminars, Lectures, Trade Displays, Organised Study Tours, Fact - finding Tours and other similar events as may be determined by the Board from time to time.

iv) The reasonable cost of Directors attending other Clubs for the purpose of observing their facilities and methods of operation.

v) Attendance at functions with spouses where appropriate and required, to represent the Club.

The Members acknowledge that the benefits in paragraph (a) above are not available to members generally but only for those who are directors of the Club.

DATED: 28th February 2020


NEILL HENDRY
GENERAL MANAGER

(By order of the Board)

EXPLANATION NOTES

IMPORTANT NOTES TO ALL MEMBERS

The purpose of the First Ordinary Resolution is to meet the disclosure requirements of Corporations Law and Registered Clubs Act. It relates to expenditure shown in the Club's Annual Accounts under various headings in previous years and approved by the Members when the Annual Accounts have been adopted.

The adoption of this Resolution by Members will confirm and set an upper limit on the amount to be expended and will meet the disclosure requirements of the Corporations Law and the Registered Clubs Act.

The purpose of the Second Ordinary Resolution is again to meet the disclosure requirements of Corporations Law and the Registered Clubs Act. It relates to expenditure by the Club for the professional development and education of Directors as well as ensuring that Directors keep up-to-date with current Club Industry development and that the Club is represented by selected Directors at the various Meetings of Associations of which the Club is a member.

The adoption of this Resolution by Members will confirm and set an upper limit on the amount to be expended and will meet the disclosure requirements of the Corporations Law and the Registered Clubs Act.


Summary

Each Resolution must be passed as a whole and cannot be amended by motions from the floor of the Meeting or divided into two or more separate resolutions.

To be passed each resolution must receive votes in its favour from not less than a simple majority of the Members who, being entitled to do so, vote in person at the Meeting.

In order to provide an informed and properly researched response, members are urged to lodge questions in respect of the Financial Statements to the General Manager, in writing, 7 days prior to the Annual General Meeting.

Dated: 28th February, 2020.



NEILL HENDRY
GENERAL MANAGER
(By Order of the Board)

Privacy information for members

The Auburn Soccer Sports Club is subject to the provisions of the Privacy Act 1988.

The act contains 10 National Privacy Principles that set standards for the handling of personal information.

The club has a commitment to privacy and the safeguarding of member, visitor and staff personal information.

Any personal information provided by you (e.g. name, address, date of birth, and contact details), including information collected as a result of a membership card being placed in a gaming machine or other club machine that is linked to a player tracking system (not ATMs) that may provide a service to you, will be protected.

The Club will not disclose your personal information to any other organisation or person unless there is a legal requirement to do so. The Club may also disclose personal information to relevant authorities if it reasonably believes that there is a threat to an individual's life, or a threat to public health and safety. If the club has reason to suspect that unlawful activity has been, is being or may be engaged in, personal information may be used or disclosed as a necessary part of any investigation and reporting to relevant persons or authorities.

The club may disclose your information to third parties that provide services under contract to the Club.

These contracts require the third party to keep your personal information confidential and secure.

Your personal information, including information obtained about you as a result of you placing your membership card in a gaming or other Club machine may be used by the Club for marketing purposes to improve our services and to provide you with the latest information about those services, any new related services and promotions.

If you do not wish to receive information about services and promotions, the Club, on request will remove your name from mailing lists.

You have the right to access any personal information that the Club may hold about you, including a right of correction of your information. The Club will generally not charge a fee for you to access your personal information.

PRESIDENTS REPORT

Dear fellow members, on behalf of the Board of Directors, the year under review produced an operating profit of \$1,031,087 which reinforces collectively the Board and Management teams competence and professional direction relating to operation, development of the new club premises and our policies.

Stage one of the development was completed and now the club is receiving monthly rental from the Child Care Centre. Stage two, the new club premises is progressing at a remarkable rate. The builders have given us an expected occupation date in mid to late July this year. In advance, the Board apologies for any delay in commencing operations in the new premises as transferring resources from one building to the other could have some unexpected problems.

I thank Neill Hendry, his management team and our dedicated staff for their hard work throughout the year. Also I thank my fellow Directors and you our loyal members for supporting the club throughout the year.

Congratulations on another successful year and may 2020 be as successful.

Best Regards,

JOHN D. EWERS

PRESIDENT



CHIEF EXECUTIVE OFFICERS REPORT

It is a pleasure to present my report to you the members of our Club for the year ended 31 St December, 2019. Your club recorded an operating profit of \$1,031,087, which is down on last years profit of \$1,183,450. Although down on last year, historically the result is the fifth best in the 58 years we have been operating.

Overall, your club has continued to trade reasonably well, although with decreased revenues it has still managed to produce a stable result in a very competitive market.

Thanks to you our valued members and guests for your support during the year enabling us to achieve a satisfactory result.

Looking to the future, the new club is taking shape. Your new club will be on the ground and first floors, parking for members and guests will be underground and parking fees will be introduced for those not attending the club with endorsement being required at reception. The new club is expected to be operational by mid to late July this year. When operational there may be some unforeseen change over difficulties, the new facilities but we hope that all members and their quests enjoy the new and modern facilities.

A big thankyou must go to your club President Mr John Ewers And his Board of Directors who once again showed valuable leadership and support in a difficult and trying year.

As always a big thankyou must go to my management team for their fantastic contributions to the clubs ongoing success. It is with great sadness that I report the retirement of my assistant manager, Richard Rainer. He has been with the club for over 35 years. We wish him and wife Libby a happy retirement.

This is not an easy industry to work in, however it is a pleasure to have a group of committed employees who will go out of their way to ensure members and guests receive the best possible service on a daily basis.

As always, we look forward to welcoming you to your club in 2020, especially when the new premises are fully operational.



N.K. HENDRY
CHIEF EXECUTIVE OFFICER.

DIRECTORS' REPORT TO THE MEMBERS

The Directors present their report together with the financial report of Auburn Soccer Sports Club Limited for the year ended 31st December 2019 and the Auditors Report thereon.

- the operations of the entity;
- the results of those operations; or
- the state of affairs of the entity in subsequent years

1) Directors

The Directors in office at the date of this report are: -

J.D. Ewers

P.Finch

K. Poole

J. Holder

I. McLellan

A.Strachan

P.Westaway

2) PRINCIPAL ACTIVITIES

The principal activity of the entity in the course of the period continued to be the conduct of the Club at Northumberland Road, Auburn and the support of Soccer Football.

During the period there were no significant changes in the nature of these activities.

3) REVIEW OF OPERATIONS

-continued-

The Company's operating profit before tax for the financial year ended 31st December 2019 was \$1,031,187 (2018 \$1,183,450). Net revenue from Poker Machine operations for the 12 months trading to 31st December, 2019 was \$2,934,530. The Company contributed an aggregate amount of \$78,795. to community development and support as required under Part 4 of the Gaming Machine Tax Act 2001 for the 12 month period ended 31st December 2018.

4) DIVIDENDS

Being an entity limited by guarantee, there exists no share capital: consequently, no shares or options over unissued shares can be issued and no dividend can be paid.

5) STATE OF AFFAIRS

Matters or circumstances have not arisen since the end of the financial year that have significantly affected or may significantly affect: -

- the operations of the entity;
- the results of those operations; or
- the state of affairs of the entity in subsequent years

6) EVENTS SUBSEQUENT TO BALANCE DATE

At the date of this report it is not anticipated that there will be any likely developments, in the operations of the entity not otherwise disclosed in this report.

DIRECTORS' REPORT TO THE MEMBERS

7) INFORMATION ON DIRECTORS

The particulars of the qualifications, experience and special responsibilities of the Directors of the entity are as follows -

<u>Name</u>	<u>Qualifications and Experience</u>	<u>Experience Years as</u>
J.D. Ewers	Retired	42
J. Holder	Hospital Orderly	35
K. Poole	Driver	34
I. McLellan	Postal Worker	15
P. Finch	Postal Worker	17
A. Strachan	Retired	26
P. Westaway	Trainer	6

8) LIKELY AND FUTURE DEVELOPMENTS AND EXPECTED RESULTS

Likely developments in the operations of the company in future financial years and the expected results of those operations are as follows:

Government legislation regarding Poker Machine precommitment may affect the club's future profits

9) DIRECTORS BENEFITS

No Director since the end of the previous financial year has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the accounts or the fixed salary of a full-time employee of the entity) by reason of a contract made by the entity, or a related entity with the Director or with a firm of which he is a member, or with a entity in which he has a substantial financial interest.

10) OVERSEAS TRAVEL

Nil

11) DIRECTORS INDEMNITY

The company has provided an indemnification and insurance for its present and former officers of the company.

DIRECTORS' REPORT TO THE MEMBERS

-continued-

12) ENVIRONMENTAL LEGISLATION

The company's operations are subject to various significant environmental regulations under both Commonwealth and state legislation.

The Directors are not aware of any significant breaches during the period covered by this report.

13) DIRECTOR AND EMPLOYEE INTEREST IN HOTELS

No Director or any of the top 5 (by remuneration) club employees holds any financial interest in a hotel.

14) EMPLOYEE REMUNERATION

The top 5 employees of the Company whose income from the Company or any related party is greater than \$100,000 falls within the following bands. Nil

15) PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is party for the purposes of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not party to any such proceedings during the year.

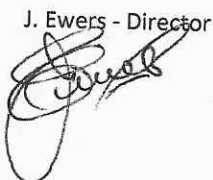
16) AUDITOR'S INDEPENDENCE DECLARATION

As required under Section 307C of the Corporations Act 2001 the Director's have received the Independence Declaration from the Auditor. The Declaration is attached.

Dated at Auburn this 28th day of February, 2020.

Signed in accordance with a resolution of Directors.

J. Ewers - Director



AUDITOR'S INDEPENDENCE DECLARATION

In relation to my audit of the financial report of Auburn Soccer Sports Club Limited for the financial year ended 31st December, 2019, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

Dated 27th February, 2020.

7 Gilbert Street
Elderslie NSW 2570


W.S. HARDY-SMITH - PRINCIPAL Elderslie NSW
REGISTERED COMPANY AUDITOR

AUDITOR'S REPORT TO THE MEMBERS OF AUBURN SOCCER SPORTS CLUB LIMITED

SCOPE

The Financial Report and Directors Responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements and the Directors declaration.

The company's directors are responsible for the preparation and true and fair presentation of the Financial report in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

I have conducted an independent audit in order to express an opinion on them to the members of the company.

My audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

I performed procedures to assess whether in the Corporations Act 2001 including in accordance with the Corporations Act 2001, Accounting Standards and other mandatory financial reporting requirements in Australia, a view w giving a true and fair view of the company's financial position

Company's financial position and of its performance as represented by the results of its operations and cash flows.

AUDITOR'S REPORT TO THE MEMBERS
OF AUBURN SOCCER SPORTS CLUB LIMITED - Continued

I formed my audit opinion on the basis of these procedures, which included:

Examining, on a test basis, information to provide evidence supporting the amounts and other disclosures in the financial report; and

Assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While I considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of my procedures, my audit was not designed to provide assurance on internal controls.


INDEPENDENCE

In conducting my audit I followed applicable independence requirements of Australian Professional Ethical pronouncements and the Corporations Act 2001.

AUDIT OPINION

In my opinion, the financial report of Auburn Soccer Sports Club Limited is in accordance with:

- a) the Corporations Act 2001 including
 - i) giving a true and fair view of the company's financial position at 31st December 2019 and its performance for the financial year ended on that date; and
 - ii) complying with Accounting Standards and the Corporations Regulations 2001; and
- b) other mandatory professional reporting requirements.


Dated 27th February, 2020.

W.S. HARDY-SMITH - PRINCIPAL
REGISTERED COMPANY AUDITOR

7 Gilbert Street
Elderslie NSW

AUBURN SOCCER SPORTS CLUB LIMITED

DIRECTORS DECLARATION

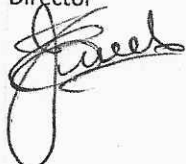
In the opinion of the Directors of Auburn Soccer Sports Club Limited the accompanying concise financial Report of the company for the year ended 31st December, 2019:

- a) the financial statements and notes, set out in the report are in accordance with the Corporations Act 2001, including;
- (i) giving a true and fair view of the financial position of the Company as at 31st December, 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
 - (ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and
 - (iii) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Dated at Auburn this 28th day of February, 2020.

Signed in accordance with a resolution of directors:

J. Ewers
Director



AUBURN SOCCER SPORTS CLUB LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER, 2019

	2018	2019
	\$	\$
Revenues from Sale of Goods	643,591	565,751
Revenue from Rendering Services	4,043,223	3,835,560
Other Revenue	19,764	14,739
Total Revenue	<u>4,706,578</u>	<u>4,416,050</u>
Cost of Goods Sold	362,393	214,986
Poker Machine Duty	673,902	624,148
Employee Expenses	1,119,759	1,206,953
Entertainment and Promotions	289,129	322,212
Repairs and Maintenance	139,410	182,963
Insurance	65,108	64,266
Light and Power	108,688	116,766
Cleaning	59,298	58,266
Security	47,127	46,417
Other Expenses	448,315	375,039
	<u>3,313,128</u>	<u>3,212,015</u>
Earnings before borrowing costs, tax And depreciation expenses	1,393,450	1,204,035
Depreciation	210,000	172,948
Borrowing costs	-	-
Profit/(Loss) from ordinary activities before related Income Tax Expense	<u>210,000</u>	<u>172,948</u>
Income Tax expense relating to ordinary activities	-	-
Net Profit /(Loss)	1,183,450	1,031,087
	<u><u>1,183,450</u></u>	<u><u>1,031,087</u></u>

	2019	2018
	\$	\$
<u>CURRENT ASSETS</u>		
Cash	6,344,889	5,657,208
Receivables	153,159	18,656
Inventories	43,256	28,412
	<u>6,541,304</u>	<u>5,704,276</u>
<u>TOTAL CURRENT ASSETS</u>		
<u>NON-CURRENT ASSETS</u>		
Property, Plant & Equipment	19,895,878	196,904,122
<u>INTANGIBLE ASSETS</u>		
Future Income Tax Benefit	19,112	19,112
	<u>19,112</u>	<u>19,112</u>
<u>TOTAL ASSETS</u>	<u>26,456,294</u>	<u>202,627,510</u>
<u>CURRENT LIABILITIES</u>		
Creditors & Borrowings	962,833	967,038
Provisions	502,780	400,879
	<u>1,465,613</u>	<u>1,367,917</u>
<u>TOTAL CURRENT LIABILITIES</u>	<u>1,465,613</u>	<u>1,367,917</u>
<u>TOTAL LIABILITIES</u>	<u>1,465,613</u>	<u>1,367,917</u>
<u>NET ASSETS</u>	<u>24,990,681</u>	<u>201,259,593</u>
<u>ACCUMULATED FUNDS</u>		
Retained Profits	13,108,356	13,108,356
Asset Revaluation Reserve	10,851,238	10,199,940
	<u>24,990,681</u>	<u>23,308,296</u>

	2018		2019
	\$		
	Inflows		Inflows
	(Outflows)		
Cash Flows - Operating			
Receipts from outside activities	5,227,537		4,706,835
Payments	-	3,968,270	-
Interest & other costs of Finance paid	-		-
Interest Received	19,764		14,739
Net Cash Flows from Operating	<u>1,279,031</u>		<u>2,122,803</u>
Cash Flows from Investing			
Payment for Property and Plant	-	551,407	-
Net Cash used in Investing	-	551,407	-
Activities	-	551,407	-
Cash from Financing			
Borrowings	-		-
Net Cash Flows - Financing	-		-
Activities	-	551,407	-
Net Increase/(Decrease) in	-	551,407	-
cash held	727,624		1,585,204
Cash at the beginning of the year	4,032,062		4,759,686
<u>CASH AT THE END OF THE YEAR</u>	<u>4,759,686</u>		<u>6,344,890</u>

AUBURN SOCCER SPORTS CLUB LIMITED

NOTES TO THE STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31ST DECEMBER, 2019

Note 1

Reconciliation of Cash

Cash at the end of the year as shown in the Statement of Cash flows is reconciled to the related items in the Balance Sheet as follows :

	2018	2019
	\$	\$
Cash on Hand	97,300	77,300
Cash at Bank	4,017,343	6,247,589
	<u>4,114,643</u>	<u>6,324,889</u>

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The significant policies which have been adopted in the preparation of this financial report are:

BASIS OF PREPARATION

The financial report is a general purpose financial report which has been prepared in accordance with Accounting standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards board and the Corporations Act 2001.

It has been prepared on an accrual basis and is based on historical costs does not take into account changing values or, except where stated, current valuations of non-current assets.

The accounting policies adopted are consistent with those of the previous year.

REVENUE RECOGNITION

Revenues are recognised at fair value of the consideration received net of the amount of Goods and Services Tax (GST) payable to the taxation authority. Exchanges of goods or services of the same nature and value without any cash consideration are not recognised as revenues.

Sales of Goods

Revenue from sales of goods comprises revenue earned from the provision of food beverage and other goods is recognised (net of rebates, returns, discounts and other allowances) when control of

the goods passes to the customer.

Rendering of services revenue

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

Interest Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets

Sale of Property, Plant and Equipment

The gross proceeds of non-current asset sales are included as revenue at the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed. The gain or loss on disposal 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).

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GOODS AND SERVICES TAX

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of item of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as a current asset or current liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the taxation authority are classified as operating cash flows.

BORROWING COSTS

Borrowing costs include interest, amortisation of discounts or premiums related to borrowings, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and lease finance charges. Ancillary costs incurred in connection with the arrangement of borrowings are capitalised and amortised over the life of the borrowings.

Borrowing costs are expensed as incurred unless they relate to a qualifying asset. Qualifying assets are assets which take more than twelve months to get ready for their intended use or sale.

In these circumstances, borrowing costs are capitalised to the costs of the assets.

Where funds are borrowed specifically for the acquisition, construction or production of a qualifying asset, the amount of the borrowing costs capitalised are those incurred in relation to that borrowing, net of any interest earned on those borrowings. Where funds are borrowed generally, borrowings costs are capitalised using a weighted average capitalisation rate.

TAXATION

Income Tax

The Company adopts the income statement liability method of tax effect accounting.

Future income tax benefits are not brought to account unless realisation of the asset is assured beyond reasonable doubt. Future income tax benefits relating to tax losses are only brought to account when their realisation is virtually certain.

ACQUISITION OF ASSETS

All assets acquired including property, plant and equipment are initially recorded at their cost of acquisition at the date of acquisition, being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition.

Expenditure is only recognised as an asset when the entity controls future economic benefits as a result of the costs incurred, it is probable that those future economic benefits will eventuate, and the costs can be measured reliably.

Costs attributable to feasibility and alternative approach assessments are expensed as incurred.

Subsequent additional costs

Costs incurred on assets subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the company in future years. Costs that do not meet the criteria for capitalisation are expensed as incurred.

REVISIONS OF ACCOUNTING ESTIMATES

Revisions to accounting estimates are recognised prospectively in current and future periods only.

RECEIVABLES

Debtors are generally settled within 60 days and are carried at amounts due. The collectability of debts is assessed at the year end and specific provision is made for any doubtful accounts.

INVENTORIES

Inventories are carried at the lower of cost and net realisable value.

LEASED ASSETS

Leases under which the company assumes substantially all the risks and benefits of ownership are classified as finance leases. Other leases are classified as operating leases

Finance Leases

Finance leases are capitalised. A lease asset and lease liability equal to the present value of the minimum lease payments are recorded at the inception of the lease.

Lease liabilities are reduced by payments of principal. The interest components of the lease payments are expensed.

Operating Leases

Payments made under operating leases are expenses on a straight line basis over the term of the lease, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property.

RECOVERABLE AMOUNT OF NON-CURRENT ASSETS VALUED ON A COST BASIS

The carrying amounts of non-current assets valued on the cost basis are reviewed to determine whether they are in excess of their recoverable amount at the reporting date. If the carrying amount of a non-current asset exceeds the recoverable amount, the asset is written down to the lower amount. The write-down is expensed in the reporting period in which it occurs.

Current valuations of land and buildings valued on the cost basis are carried out at least once every three years.

NOTES TO AND FORMING PART OF THE 2019 ACCOUNTS

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Where a group of assets working together supports the generation of cash flows, recoverable amount is assessed in relation to that group of assets.

In assessing recoverable amounts of non-current assets the relevant cash flows have not been

DEPRECIATION AND AMORTISATION

Complex Assets

The components of major assets that have materially different useful lives, are effectively accounted for as separate assets, and are separately depreciated.

Useful Lives

All non-current assets, including intangibles, have limited useful lives and are depreciated/amortised

using the straight line and diminishing value methods over their estimated useful lives, taking into account estimated residual values, with the exception of freehold land.

Depreciation and amortisation rates and methods are reviewed annually for appropriateness. When changes are made, adjustments are reflected in current and future periods only.

PAYABLES

Liabilities are recognised for amounts to be paid in the future for goods or services received. Trade accounts payable are normally settled within 30 days.

INTEREST BEARING LIABILITIES

Bank loans are recognised at their principal amount. Interest expense is prepaid at the contracted rate and included in "prepayments".

EMPLOYEE ENTITLEMENTS

Wages, salaries, annual and sick leave

Liabilities for employee entitlements to wages, salaries, annual and sick leave represent present obligations resulting from employee's services provided up to the reporting date, calculated at undiscounted amounts based on current wage and salary rates including related on-costs.

LONG SERVICE LEAVE

The provision for employee entitlements to long service leave represents the present value of the estimated future cash flows to be made resulting from employees' services provided up to the reporting date.

In determining the liability for employee entitlements, consideration has been given to future increases wage and salary rates and the Company's experience with staff departures. Related on-costs have also been included in the liability.

SUPERANNUATION PLAN

The Company contributes to a defined contribution superannuation plans. Contributions are charges against income as they are made. Further information is set out below.

NOTE 3 – PROFIT FROM ORDINARY ACTIVITIES BEFORE INCOME TAX

Profit from Ordinary activities before Income Tax	2019	2018
Profit from ordinary activities before income tax has been	19,770	268,816
Arrived at after charging	110,583	157,671
Crediting the following	130,353	426,487

Depreciation	-	130,353	-	447,428
		-	-	20,941

Note 4

Auditors Remuneration

Audit Services		17,000		17,000
Other Services		34,285		30,683
		51,285		47,683

Sale of Goods Revenue		643,591		565,751
Rendering of Services Revenue		4,043,223		3,835,560
Other revenues				
Interest other parties		19,764		14,739

Total revenue from ordinary activities		4,706,578		4,416,050
-----------------------------------------------	--	------------------	--	------------------

KEY PERFORMANCE INDICATORS

Bar Gross Profit Percentage				
Wages to Sales - Percentage		55.40%		49.63%
		25.68%		29.63%

Note 6 - Cash

Cash on Hand		97,300		77,300
Cash at Bank		4,017,343		6,247,589
		4,114,643		6,324,889

2018

2019

Note 5

Income Tax Expense

Income Tax Expense

17,641	19,112
--------	--------

The Income Tax Assessment Act, 1997 (amended) provided that under the concept of mutuality clubs are only liable to tax on income derived from non-members and from outside entities.

The amount set aside for income tax in the statement of Financial Performance has been calculated as follows:

Net taxable income attributable to non-members
Add other taxable income

The entity operates primarily in one industry. The principal activity of the entity is the promotion and provision of facilities for the recreation and social benefits of members in conjunction with support of the game of soccer.

The entity operates in one geographical area, being Auburn, NSW, Australia.

NOTE 18 – DIRECTORS REMUNERATION

Directors income

The number of Directors of the Company whose income
From the Company falls within the following bands:

\$0 - \$9,999

The total income paid or payable, or otherwise made

Available, to all directors of the Company or any
Related party

NOTE 18 – PRINCIPLE OF MUTUALITY

The company calculates its income in accordance with the mutuality principle which excludes from income, any amounts of subscriptions and contributions from members, and payments received from members for particular services provided by the club (eg poker machines, bar and social club's). The Commissioner of Taxation accepts this method of calculating income as appropriate for recognised clubs and associations.

Following the recent Full Federal Court decision in *Coleambally Irrigation Co-Operative Limited V FCT* (2004) FCAFC, Tax Laws Amendment (2005 Measures No 6) Bi 12005 was tabled in Parliament on 7th December, 2005 to amend the Income Tax Assessment Act 1997 to restore the long standing benefits of the mutuality principle to those non-profit organisations affected by the Coleambally decision.

These amendments will ensure social clubs continue not to be taxed on receipts and contributions and payments received from members.

NOTE 19 – IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO IFRS

Australian equivalents to IFRs have been adopted in the financial report for the year ended 31st December, 2019 and in the comparative information presented in the report for the year ended 31st December, 2018.

Impairment of assets have been determined on a discounted cash basis and freehold land and buildings

IMPORTANT INFORMATION FOR CLUB MEMBERS

This club is by law required to keep a register containing information that relates to the management and financial administration of the club including:

1. A list of disclosures, declarations and returns made by the governing body and employees of the club.
2. The salary bands of the club's top executives.
3. Details of the overseas travel made by the governing body and employees of the club.
4. Details of loans given by the club to employees.
5. Details of certain contracts executed by the club.
6. Salary details of club employees who are close relatives of a member of the club's governing body or a top executive.
7. Details of the payments made by the club for consultant services.
8. Details of legal settlements made by the club with a member of the governing body or an employee of the club.

9. Details of legal fees paid by the club for a member of the governing body or an employee of the club.
10. The club's annual gaming machine profit.
11. The amount applied by the club to community development and support.

AND

The club must prepare quarterly financial statements for the governing body that incorporate:

1. The club's profit and loss accounts and trading accounts for the quarter, and
2. A balance sheet as at the end of the quarter.

Members may view the register or the financial statements or receive a copy of the financial statements by written request to the club.

Printing, Stationery & Postage
Rates
Repairs & Maintenance
Security
Staff Training
Superannuation
Superstation Fees
Telephone
Wages
Total Expenses

IMPORTANT INFORMATION FOR CLUB MEMBERS

This club is by law required to keep a register containing information that relates to the management and financial administration of the club including:

1. A list of disclosures, declarations and returns made by the governing body and employees of the club.
2. The salary bands of the club's top executives.
3. Details of the overseas travel made by the governing body and employees of the club.
4. Details of loans given by the club to employees.
5. Details of certain contracts executed by the club.
6. Salary details of club employees who are close relatives of a member of the club's governing body or a top executive.
7. Details of the payments made by the club for consultant services.
8. Details of legal settlements made by the club with a member of the governing body or an employee of the club.

9. Details of legal fees paid by the club for a member of the governing body or an employee of the club.
10. The club's annual gaming machine profit.
11. The amount applied by the club to community development and support.

AND

The club must prepare quarterly financial statements for the governing body that incorporate:

1. The club's profit and loss accounts and trading accounts for the quarter, and
2. A balance sheet as at the end of the quarter.

Members may view the register or the financial statements or receive a copy of the financial statements by written request to the club.

GAMBLING POLICY

Responsible Conduct of Gambling Best Practise Guidelines

These Best Practise Guidelines represent an approach where the environment in which gambling is conducted minimises harm and meets community expectations. Registered Clubs aspire to achieve a harm minimisation objective in their gambling operations by;

1. Providing gambling services and practises that conform with applicable Acts and Regulations.
2. Promoting responsible gambling practises that conform to local community standards and expectations.
3. Establishing a patron complaint resolution process.
4. Implementing policies to encourage responsible practises in advertising and promotions related to gambling and ensure compliance with relevant legislation.
5. Developing a policy that ensures all legislative requirements related to cheque cashing, payment of winnings and financial transactions are implemented and encourage patrons to develop responsible practises in the use of finances for gambling purposes.
6. Establishing a pleasant and safe gambling environment.
7. Informing and training staff on legislative requirements. Harm minimisation issues, the risks of not complying with legislative requirements or not adopting and practising harm minimisation strategies and taking appropriate steps to promote patron and employee care.
8. Auburn Soccer Sports Club encourages patrons to take responsibility for their gambling activity. The Club has procedures in place for self exclusion that can be used to assist if you think that you have a problem with gambling. The scheme is voluntary and the staff would be pleased to discuss this issue with you. For further information about the self exclusion procedure please contact the Management of the Club.
9. Informing patrons and staff of the Club about responsible gambling policy and program, the nature of gambling products provided by the Club and the availability of support services for problem gamblers.
10. Developing links between the Club and relevant community organisations that will provide support and advice for problem gamblers and their families.

RESPONSIBLE SERVICE OF ALCOHOL POLICY

POLICY OBJECTIVES.

The Auburn Soccer Sports Club RSA policy has two clear objectives –

1. To maintain and strive for the highest standards of Responsible Service of Alcohol, ensuring patron welfare and safety are of paramount concern.
2. Operate within the guidelines and legislation imposed by various governing bodies, such as Department of Liquor & Gaming, NSW Police & the Registered Clubs Act.

POLICY STRATEGIES

The two objectives stated above are achieved by the implementation of the following strategies-

GENERAL-

- All staff have current RSA Certificates
- Free water is available at all bars
- Shooters & double nips are not served in the club
- The club encourages designated drivers & will serve free soft drinks to those drivers
- All staff are trained in identifying persons nearing intoxication and have been trained that when a person has been refused service they are to notify Management Or security to ensure that the refused person is monitored and that all care has been taken to ensure that the person leaves the Club in an appropriate and safe manner.
- A critical element of the Club's RSA policy is to ensure its continued participation in our local liquor accord and maintain regular consultation with the local community and police regarding the safety of the Club premises.

SECURITY

- Senior management attends regular Liquor Accord meetings and shares any relevant information with all management, security & bar staff.
- Our neighbours have been informed that if they have any issues relating to the Club at any hour of trading they can contact the Duty Manager and they will endeavour to resolve the issue.
- On busy nights (Fri and Sat) the club employs additional security staff to cater for increased patronage.
- The Clubs CCTV network covers all patron accessible areas & a majority of back of house areas
- The Club maintains an electronic reporting system that allows incidents, accident, etc, to be recorded, stored & retrieved.
- The Club follows a "One Punch = Expulsion" as a deterrent for violent behaviour within the Club. This sends a clear message of zero-tolerance policy as often no-one takes responsibility for whom took the first punch.

RIGHTS and RESPONSIBILITIES

- The Chief Executive Officer, managers, employees and security staff have a statutory responsibility to ensure that patrons do not become intoxicated on the Club premises and to prevent such patrons from entering or remaining on the Club premises
- The Chief Executive Officer, managers employees and security staff have the right to ask an intoxicated person to leave the Club premises; and also have the right to refuse service to any person suspected of being intoxicated or becoming intoxicated; and
- Have the right to deny entry into the Club's premises, to a person who is intoxicated or becoming intoxicated.
- If asked to leave the Club premises, patrons have a statutory responsibility (section 77 of the Liquor Act) to comply with such direction. Failure to leave may result in management contacting a Police Officer for assistance which will potentially lead to a court attendance and a \$550.00 fine.
- If a person has been refused admission or has been asked to leave the Club premises that person must not re-enter the Club premises within twenty four (24) hours of being refused admission or being asked to