

Cerberus Golf Club

ABN 96 135 800 757

Financial Statements and Reports for the year ended 30 June 2020



LBW Advisory Pty Ltd

Certified Practising Accountants

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Financial Statements 2020

Cerberus Golf Club
ABN 96 135 800 757
Committee's Report
For the year ended 30 June 2020

Your committee members submit the financial accounts of the Cerberus Golf Club for the financial year ended 30 June 2020.

Committee Members

The names of committee members at the date of this report are:

S. Wright - President
V. Rynaard - Ladies President
D. Hilet - Captain
S. Drummond - Vice-Captain
M. Smith - Ladies Captain
B. Klimeck - Treasurer
D. Rynaard - Secretary
R. Jennings - Handicapper
M. Thornell - Social Secretary

Principal Activities

The principal activities of the association during the financial year were: The provision of sporting and recreational activities to its members.

Significant Changes

No significant change in the nature of these activities occurred during the year.

Operating Result

The profit from ordinary activities after providing for income tax amounted to

Year ended	Year ended
30 June 2020	30 June 2019
\$	\$
35,069	55,164

Signed in accordance with a resolution of the Members of the Committee on: 7/08/2020

Cerberus Golf Club
ABN 96 135 800 757
Trading Account
For the year ended 30 June 2020

	2020	2019
	\$	\$
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Trading Income		
Bar sales	101,519	121,319
Shop sales	57,811	60,429
Food sales	18,592	19,832
Total Trading Income	<u>177,922</u>	<u>201,581</u>
 Cost of Sales		
Add:		
Opening finished goods (Bar)	6,352	6,192
Opening finished goods (Shop)	16,983	12,530
	<u>23,335</u>	<u>18,722</u>
 Bar purchases	47,972	60,860
Golf purchases	41,712	44,826
Food purchases	12,067	12,462
	<u>101,751</u>	<u>118,148</u>
 Less:		
Closing finished goods (Bar)	5,448	6,352
Closing finished goods (Shop)	15,585	16,983
	<u>21,033</u>	<u>23,335</u>
 Cost of Sales	<u>73,869</u>	<u>88,046</u>
 Surplus from trading (Bar)	52,643	60,619
Surplus from trading (Shop)	14,701	20,056
Surplus from trading (Food)	6,525	7,371
Gross Profit from Trading	<u>73,869</u>	<u>88,046</u>

Cerberus Golf Club
ABN 96 135 800 757
Income and Expenditure Statement
For the year ended 30 June 2020

	2020	2019
	\$	\$
Income		
Trading profit	65,174	88,046
Competitive income	39,484	42,181
Cerberus bowl	1,090	678
Donations	795	2,220
Fundraising income	1,375	3,657
Green fees	88,051	89,752
Hire income	36,940	37,403
Interest received	4,611	8,082
Ladies - Competition fees	6,706	7,877
Locker fees	690	3,090
Membership fees	96,594	97,106
Miscellaneous income	1,777	327
Raffle income	6,276	7,772
Season tickets	15,040	11,818
Sponsorship	3,816	4,653
Profit on sale of property, plant, equip	300	909
Fuel tax credits	2,332	2,151
Subsidies received	32,000	2,919
Total income	<u>403,058</u>	<u>410,641</u>
Expenses		
Advertising and promotion	1,430	2,277
Affiliation fees	12,395	12,624
Audit fees	2,509	2,635
Bank Fees And Charges	3,050	2,840
Cleaning/rubbish removal	4,300	5,100
Clubhouse administration	2,218	3,973
Clubhouse maintenance	11,225	7,232
Contractors and commissions	8,695	8,365
Coring expense	4,776	-
Depreciation - Plant & equipment	24,098	23,292
Depreciation - Office furniture	296	395
Depreciation - Other equipment	2,125	1,723
Depreciation - Motor Vehicles	7,076	8,047
Depreciation - Property improvements	4,667	4,836
Donations	795	3,620
Electricity	8,099	10,840
Fertilizer & sprays	13,448	12,220
Golf entries	1,017	899
Insurance	10,871	8,224
Members costs	3,145	1,798
M/V car - Fuel & oil	7,606	7,152

Cerberus Golf Club
ABN 96 135 800 757
Income and Expenditure Statement
For the year ended 30 June 2020

	2020	2019
	\$	\$
M/V car - Rego/Insurance	850	680
Pennant costs	241	617
Postage	22	177
Printing & stationery	1,634	1,493
Prizes - Golf balls	3,545	2,706
Repairs & maintenance	12,579	11,745
Replacements (tools, etc)	5,938	11,286
Salaries - ordinary	169,820	151,847
Employee provisions	5,791	1,950
Sand & soil	1,304	2,166
Security	1,133	1,213
Staff amenities	1,967	1,095
Superannuation	16,340	14,613
Telephone	2,336	2,426
Trophies & awards	17,303	20,964
Watering & drainage	442	764
Workcover	1,584	1,633
Total expenses	<u>367,989</u>	<u>355,485</u>
Profit from ordinary activities before income tax	<u>35,069</u>	<u>55,164</u>
Net profit attributable to the association	<u>35,069</u>	<u>55,164</u>
Total changes in equity of the association	<u>35,069</u>	<u>55,164</u>
Opening retained profits	474,046	418,882
Net profit attributable to the association	<u>35,069</u>	<u>55,164</u>
Closing retained profits	<u>509,115</u>	<u>474,046</u>

Cerberus Golf Club
ABN 96 135 800 757
Detailed Statement of Financial Position
As at 30 June 2020

	2020	2019
	\$	\$
Current Assets		
Cash Assets		
Cash At Bank	100,530	162,989
Term deposits	221,590	217,500
Cash on hand	900	900
	<u>323,020</u>	<u>381,389</u>
Inventories		
Finished goods - at cost	21,033	23,335
	<u>21,033</u>	<u>23,335</u>
Other		
Prepayments	6,223	7,086
	<u>6,223</u>	<u>7,086</u>
Total Current Assets	<u>350,276</u>	<u>411,810</u>
Non-Current Assets		
Property, Plant and Equipment		
Buildings - at cost	88,781	62,578
Less: Accumulated depreciation	-20,621	-15,954
Leasehold equipment - At cost	7,632	7,633
Less: Accumulated depreciation	-6,743	-6,447
Plant & equipment - at cost	315,872	302,245
Less: Accumulated depreciation	-210,216	-186,119
Motor vehicles - at cost	54,054	54,055
Less: Accumulated depreciation	-32,833	-25,757
Other assets	57,278	30,996
Less: Accumulated depreciation	-23,507	-21,382
	<u>229,698</u>	<u>201,848</u>
Total Non-Current Assets	<u>229,698</u>	<u>201,848</u>
Total Assets	<u>579,975</u>	<u>613,658</u>
Current Liabilities		
Payables		
Unsecured:		
Accrued expenses	8,880	6,911
Membership fees received in advance	2,936	67,241
	<u>11,817</u>	<u>74,152</u>

Cerberus Golf Club
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Detailed Statement of Financial Position
As at 30 June 2020

	2020	2019
	\$	\$
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Current Tax Liabilities		
GST/PAYG payable	6,235	18,443
	<u>6,235</u>	<u>18,443</u>
Provisions		
Annual leave liability	17,835	18,780
Long service leave liability	34,972	28,236
	<u>52,807</u>	<u>47,016</u>
Total Current Liabilities	<u>70,860</u>	<u>139,612</u>
Total Liabilities	<u>70,860</u>	<u>139,612</u>
Net Assets	<u>509,115</u>	<u>474,046</u>
Members' Funds		
Reserves		
Accumulated surplus (deficit)	509,115	474,046
Total Members' Funds	<u>509,115</u>	<u>474,046</u>

Cerberus Golf Club
ABN 96 135 800 757
Statement of Cash Flows
For the year ended 30 June 2020

	2020	2019
	\$	\$
Cash Flow From Operating Activities		
Receipts from customers	513,338	515,191
Payments to Suppliers and employees	-510,205	-429,067
Interest received	4,611	8,083
Net cash provided by (used in) operating activities (note 2)	7,744	94,207
Cash flows from Investing activities		
Payments for plant and equipment	-66,113	-68,599
Receipts for sales of plant and equipment	-	1,818
Net cash generated by investing activities	-66,113	-66,781
Net increase (decrease) in cash held	-58,369	27,426
Cash at the beginning of the year	381,389	353,963
Cash at the end of the year (note 1)	323,020	381,389

Cerberus Golf Club
ABN 96 135 800 757
Statement of Cash Flows
For the year ended 30 June 2020

	2020	2019
	\$	\$
Note 1. Reconciliation Of Cash		
For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.		
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:		
Cash At Bank	100,530	162,989
Term deposits	221,590	217,500
Cash on hand	900	900
	323,020	381,389

Note 2. Reconciliation Of Net Cash Provided By/Used In Operating Activities To Net Profit

Operating profit (loss) after tax	35,069	55,164
Depreciation	38,262	38,293
(Profit) / Loss on sale of property, plant and equipment		
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
(Increase) decrease in finished goods	2,301	-4,612
(Increase) decrease in prepayments	862	-1,535
Increase (decrease) in trade creditors and accruals	1,969	1,093
Increase (decrease) in other creditors	-64,304	1,709
Increase (decrease) in employee entitlements	5,791	1,950
Increase (decrease) in sundry provisions	-12,206	2,145
Net cash provided by operating activities	7,744	94,207

Cerberus Golf Club
ABN 96 135 800 757
Notes to the Financial Statements
For the year ended 30 June 2020

Note 1: Statement of Significant Accounting Policies

The financial report is a special purpose financial report that has been prepared in accordance with Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporation Reform Act 2012.

The financial report covers Cerberus Golf Club as an individual entity. Cerberus Golf Club is an association incorporated in Victoria under the Associations Act 2012.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

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

Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a first-in first-out basis.

Property, Plant and Equipment

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

a) Property

Freehold land and buildings are measured on the fair value basis, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. It is a policy of Cerberus Golf Club to have an independent valuation every three years, with annual appraisals being made by the directors.

The revaluation of freehold land and buildings has not taken account of the potential capital gains tax on assets acquired after the introduction of capital gains tax.

b) Plant and equipment

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

c) Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to Cerberus Golf Club commencing from the time the asset is held ready for use.

Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to Cerberus Golf Club are classified as finance leases. Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual value.

Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that ownership of the asset will be obtained or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

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

Lease incentives under operating leases are recognised as a liability. Lease payments received reduce the liability.

Cerberus Golf Club
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Notes to the Financial Statements
For the year ended 30 June 2020

Employee entitlements

Provision is made for the liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash out flows to be made for those entitlements.

Contributions are made by Cerberus Golf Club to an employee superannuation fund and are charged as expenses when incurred.

Cash

For the purpose of the statement of cash flows, cash includes cash on hand and in all call deposits with banks or financial institutions, investments in money market instruments maturing within less than two months, net of bank overdrafts.

Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

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

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

Cerberus Golf Club
ABN 96 135 800 757
Statement by Members of the Committee
For the year ended 30 June 2020

In the opinion of the Committee the Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flows and Notes to the Financial Statements:

1. Presents fairly the financial position of Cerberus Golf Club as at 30 June 2020 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that the association will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

President - S. Wright

Treasurer - B. Klimeck

Cerberus Golf Club
ABN 96 135 800 757
Independent Audit Report to the Members

Report on the Financial Report

We have audited the accompanying financial report of Cerberus Golf Club (the association), which comprises the Statement by Members of the Committee, the Statement of Comprehensive Income, the Statement of Financial Position, Statement of Cash Flows, a summary of significant accounting policies, other explanatory notes and the Certificate by Members of the Committee for the financial year ended 30 June 2020.

Committee's Responsibility for the Financial Report

The Committee of the association is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Associations Incorporation Reform Act 2012, and for such internal control as the committee determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Qualification

We are issuing a qualified audit report based on the following factors:

- During the year the association conducted a number of fundraising and cash taking activities. Our audit on the receipts and payments relating to these activities have been limited to confirming proceeds banked and disbursements paid from the bank accounts. Therefore, we are unable to satisfy ourselves that all income and expenses have been brought to account beyond the amounts disclosed in the records of the club.

Cerberus Golf Club
ABN 96 135 800 757
Independent Audit Report to the Members

Qualified Audit Opinion

In our opinion, apart from the qualification above, the financial report of Cerberus Golf Club is in accordance with the requirements of the Associations Incorporation Reform Act 2012, including:

- (i) giving a true and fair view of the association's financial position as at 30 June 2020 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards.

Signed on : 07/08/2020

A handwritten signature in blue ink that reads "L Wade". The signature is written in a cursive style with a large initial 'L'.

Luke Wade - Director
LBW Advisory Pty Ltd
Shop 3, 4 Eramosa Road East, Somerville, VIC 3912