

Belconnen Soccer Club Limited

ABN: 60 527 470 200

ACN: 099 413 733

Financial Statements

For the Year Ended 30 June 2017

Belconnen Soccer Club Limited

ABN: 60 527 470 200

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For the Year Ended 30 June 2017

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Belconnen Soccer Club Limited

ABN: 60 527 470 200

Directors' Report

30 June 2017

The directors present their report on the Belconnen Soccer Club Limited (the Club) for the financial year ended 30 June 2017.

Information on Directors

The names of each person who has been a director during the year and to the date of this report are:

Director	Occupation	Role
Mr J Dexter	Retired	President
Mrs K Clarke	Sports Administrator	Vice-President
Mr P Blanchard	Business Proprietor	Junior Vice President
Mr A Jackson	Chartered Accountant	Treasurer
Mr K Hancock (resigned 23/10/2016)	Business Proprietor	Board Member
Mr M Buchanan (resigned 23/10/2016)	Retired	Board Member
Mr J Hyland	Self Employed	Board Member
Ms S Griffin	Public Servant	Board Member
Mr J Turner (appointed 23/10/2016)	Retired	Board Member
Mr N Page (appointed 23/10/2016)	Public Servant	Board Member

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

The principal activities of the Club during the financial year were the operation of a licensed club.

The Club's short and long term objectives are focused on managing the Club's assets, in order that members are able to maximise their utilisation and enjoyment of Club facilities.

The Board prepares long and short term plans, which are regularly reviewed at Board meetings. The Club measures the performance of the business through both members' feedback and its ability to meet its annual budgets.

No significant changes in the nature of the activities occurred during the financial year.

Result

The Club's operating deficit after income tax for the financial year was \$159,393 (2016: deficit of \$196,434).

Company Limited by Guarantee

The liability of members is limited. Every member of the Club undertakes to contribute to the assets of the Club in the event of the same being wound up during the time that he or she is a member or within one year afterwards for the payment of the debts and liabilities of the Club contracted before the time at which he/she ceases to be a member and of the costs, charges and expenses of winding up the same and for the adjustment of the rights of the contributories amongst themselves such amount as may be required not exceeding two dollars. There are 16,869 members of the Club and are liable to contribute a total of \$33,738 if the Club is wound up.

Corporate Information

The Club is a public company limited by guarantee. The Club is registered in the Australian Capital Territory and the registered address is McKellar ACT 2617.

Belconnen Soccer Club Limited

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Directors' Report

30 June 2017

Directors' Benefits

The Directors received no benefits during the year. They were reimbursed for expenses incurred in relation to the management of the Club.

Meetings of Directors

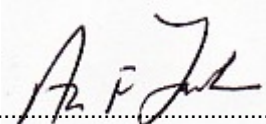
During the financial year, 9 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
J Dexter	9	8
K Clarke	9	8
P Blanchard	9	8
A Jackson	9	8
K Hancock	4	4
M Buchanan	4	4
J Hyland	9	4
S Griffin	9	8
J Turner	5	4
N Page	5	4

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 follows this Director's Report.

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

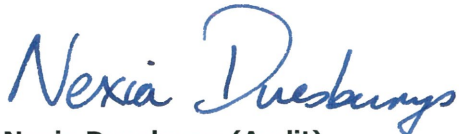
Director: 

Dated: 28 September 2017

Auditor's Independence Declaration Under Section 307C of the Corporations Act 2001 to the Directors of the Belconnen Soccer Club Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2017 there have been:

- i. no contraventions of the 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.



Nexia Duesburys (Audit)
Canberra, 28 September 2017



R C Scott
Partner

Canberra Office

Level 7, St George Centre
60 Marcus Clarke Street
Canberra ACT 2601
GPO Box 500
Canberra ACT 2601
p +61 2 6279 5400
f +61 2 6279 5444
e mail@nexiacanberra.com.au
w nexia.com.au

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Belconnen Soccer Club Limited

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Statement of Comprehensive Income For the Year Ended 30 June 2017

	2017	2016
	\$	\$
Income		
Poker machine revenue - Note 3	2,821,073	2,755,996
Bar revenue	1,447,871	1,420,675
Cost of sales	<u>(606,670)</u>	<u>(601,418)</u>
Gross surplus	3,662,274	3,575,253
ACTTAB commission	58,193	62,467
Interest income	21	4
Membership and raffles	303,975	248,699
Profit/(loss) from sale of assets	8,483	150,712
Other income	<u>81,157</u>	<u>100,604</u>
	4,114,103	4,137,739
Expenses		
ACTTAB expenses	92,096	96,024
Administration	652,894	632,316
Board expenses	12,475	6,025
Borrowing costs	45,283	59,955
Depreciation	735,720	782,242
Donations	9,367	8,663
General expenses	1,064,636	1,127,109
Members promotions	511,665	488,944
Overheads (bar, poker machines and catering)	1,059,442	1,049,868
Sports development	19,938	1,449
Soccer centre	<u>69,980</u>	<u>81,578</u>
	(4,273,496)	(4,334,173)
Profit/(loss) before income tax	<u>(159,393)</u>	<u>(196,434)</u>
Income tax expense	-	-
Profit/(loss) after income tax	<u>(159,393)</u>	<u>(196,434)</u>
Other comprehensive income	-	-
Total comprehensive income for the year	<u>(159,393)</u>	<u>(196,434)</u>

Belconnen Soccer Club Limited

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Statement of Financial Position**As At 30 June 2017**

	2017	2016
Note	\$	\$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	4 247,391	238,849
Trade and other receivables	5 -	30
Inventories	6 54,000	55,178
Other assets	7 29,706	37,842
TOTAL CURRENT ASSETS	<u>331,097</u>	331,899
NON-CURRENT ASSETS		
Property, plant and equipment	8 8,372,960	8,729,003
TOTAL NON-CURRENT ASSETS	<u>8,372,960</u>	8,729,003
TOTAL ASSETS	<u>8,704,057</u>	9,060,902
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	9 345,089	307,466
Lease liabilities	10 179,117	278,827
Provisions	11 427,033	411,686
Financial liabilities	12 672,569	739,967
TOTAL CURRENT LIABILITIES	<u>1,623,808</u>	1,737,946
NON-CURRENT LIABILITIES		
Lease liabilities	10 79,020	162,334
TOTAL NON-CURRENT LIABILITIES	<u>79,020</u>	162,334
TOTAL LIABILITIES	<u>1,702,828</u>	1,900,280
NET ASSETS	<u>7,001,229</u>	7,160,622
EQUITY		
Retained earnings	<u>7,001,229</u>	7,160,622
TOTAL EQUITY	<u>7,001,229</u>	7,160,622

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Statement of Changes in Equity For the Year Ended 30 June 2017

2017

	Retained earnings	Total
	\$	\$
Balance at the beginning of the year	<u>7,160,622</u>	<u>7,160,622</u>
Total comprehensive income	<u>(159,393)</u>	<u>(159,393)</u>
Balance at the end of the year	<u><u>7,001,229</u></u>	<u><u>7,001,229</u></u>

2016

	Retained earnings	Total
	\$	\$
Balance at the beginning of the year	<u>7,357,056</u>	<u>7,357,056</u>
Total comprehensive income	<u>(196,434)</u>	<u>(196,434)</u>
Balance at the end of the year	<u><u>7,160,622</u></u>	<u><u>7,160,622</u></u>

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Statement of Cash Flows For the Year Ended 30 June 2017

	2017	2016
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	5,217,894	5,073,959
Payments to suppliers and employees	(4,542,474)	(4,629,327)
Interest received	21	4
Interest paid	(45,283)	(59,955)
Net cash provided by/(used in) operating activities	<u>630,158</u>	<u>384,681</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property, plant and equipment	(296,746)	(234,067)
Proceeds from sale of property, plant and equipment	-	151,229
Net cash provided by/(used in) investing activities	<u>(296,746)</u>	<u>(82,838)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of borrowings	(67,398)	(111,727)
Repayment of lease liabilities	(257,472)	(172,843)
Net cash provided by/(used in) financing activities	<u>(324,870)</u>	<u>(284,570)</u>
Net increase/(decrease) in cash and cash equivalents held	8,542	17,273
Cash and cash equivalents at beginning of year	<u>238,849</u>	<u>221,576</u>
Cash and cash equivalents at end of financial year	<u>4</u> <u>247,391</u>	<u>238,849</u>

Belconnen Soccer Club Limited

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Notes to the Financial Statements For the Year Ended 30 June 2017

1 Summary of Significant Accounting Policies

Basis of Preparation

Belconnen Soccer Club Limited (the Club) is a not-for-profit company limited by guarantee, incorporated and domiciled in Australia. The financial statements cover the Club as an individual entity.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Act 2001.

A number of new or revised Australian Accounting Standards are effective for the first time in the current financial year. These standards have had no material impact on the Club.

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 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 functional and presentation currency of the Club is Australian dollars. The amounts presented in the financial statements have been rounded to the nearest dollar.

Going Concern

The directors have prepared the financial statements of the Club on a going concern basis which contemplates continuity of normal business activities and that the realisation of assets and settlement of liabilities will occur in the normal course of business. The Club has a deficiency in net current assets of \$1,292,711 at 30 June 2017 (2016: \$1,406,047) and incurred a net loss after tax of \$159,393 for the year ended 30 June 2017 (2016: net loss after tax of \$196,434).

The Directors consider the going concern basis to be appropriate on the following basis:

- The business market loan facility was renewed with NAB during the year. The facility expires on 31 October 2017.
- The Club has met all contractual repayment and interest obligations during the year ended 30 June 2017 and up to the date of these financial statements.
- The Club expects to be able to manage its cash balances and cash flows and pay its debts as and when they fall due.

The ability of the Club to continue as a going concern is dependent on the Club's ability to meet its debts as and when they become due and payable.

Accounting Policies

(a) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs include direct costs and appropriate overheads, if any. Costs are on the basis of weighted average costs.

(b) Comparative Amounts

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

Notes to the Financial Statements

For the Year Ended 30 June 2017

1 Summary of Significant Accounting Policies (continued)

(c) Income Tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the reporting date. Under the concept of mutuality, the Club is only assessed for income tax on the portion of income derived from non-members and other external sources.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the profit or loss except where it relates to items that may be credited directly to equity, in which case the deferred tax is recognised in other comprehensive income and adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Club will derive sufficient assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

(d) 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.

Where a revaluation has been performed, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

The carrying amount of property, plant and equipment is reviewed at the end of the reporting period to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of 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.

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.

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 entity and the cost of the item can be measured reliably. All other costs (e.g. repairs and maintenance) are charged to the statement of comprehensive income during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation reserve and recognised in other comprehensive income. Decreases that offset previous increases of the same asset are charged against fair value reserves and recognised in other comprehensive income. All other decreases are charged to the profit or loss.

Notes to the Financial Statements For the Year Ended 30 June 2017

1 Summary of Significant Accounting Policies (continued)

(d) Property, Plant and Equipment (continued)

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the profit or loss. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Depreciation

The depreciable amount of all property, plant and equipment, except for freehold land is depreciated on a straight-line basis from the time the asset is available for use. Leasehold improvements are depreciated over the shorter of the term of the lease and the assets useful life.

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

Asset class	Depreciation rate
Buildings and improvements	10 - 66 years
Furniture, Fixtures and Fittings	2 - 17 years
Computer Equipment	5 years

(e) Financial Instruments

Initial recognition and measurement.

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Classification and subsequent measurement

Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short-term profit taking, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting year.

Notes to the Financial Statements For the Year Ended 30 June 2017

1 Summary of Significant Accounting Policies (continued)

(e) Financial Instruments (continued)

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Club's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. Available-for-sale assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investment revaluation reserve.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to be sold within 12 months after the end of the reporting period.

Financial liabilities

Non-derivative financial liabilities are subsequently measured at amortised cost, comprising original debt less principal payments and amortisation.

Borrowings are classified as current liabilities unless the Club has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Fair value

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

Impairment

At the end of the reporting period an assessment is made whether there is any objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instrument, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the profit or loss.

(f) Impairment of Assets

At the end of each reporting period, the Club reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Value in use is either the discounted cash flows relating to the asset or depreciated replacement cost if the criteria in AASB 136 'Impairment of Assets' are met. Any excess of the asset's carrying value over its recoverable amount is expensed to the profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount of the cash generating unit to which the asset belongs is estimated.

Notes to the Financial Statements For the Year Ended 30 June 2017

1 Summary of Significant Accounting Policies (continued)

(g) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less which are convertible to a known amount of cash and subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(h) Employee Benefits

Provision is made for the Club's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled plus related on-costs are disclosed as current liabilities. Employee benefits expected to be settled more than twelve months after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data.

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

(i) Provisions

Provisions are recognised when the Club has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(j) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the Club are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values.

Lease payments are allocated between the reduction of the lease liability and the lease interest expense for that period.

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

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(k) 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 entity and specific criteria relating to the type of revenue as noted below, has been satisfied.

Notes to the Financial Statements For the Year Ended 30 June 2017

1 Summary of Significant Accounting Policies (continued)

(k) Revenue and Other Income (continued)

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from poker machine clearances is the amount of monies collected from the poker machine, net of the amount paid out as winnings to customers.

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

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

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

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

(l) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation 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 statement of financial position are stated inclusive GST.

Cash flows in the statement of cash flows are included on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Critical accounting estimates and judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Club.

The directors do not believe that there were any key estimates or key judgments used in the development of the financial statements that give rise to a significant risk of material adjustment in the future.

Belconnen Soccer Club Limited

ABN: 60 527 470 200

Notes to the Financial Statements For the Year Ended 30 June 2017

2 Income Tax Expense

(a) The major components of tax expense (income) comprise:

	2017	2016
	\$	\$
Statement of Comprehensive Income		
Current tax expense		
Current income tax charge	(24,583)	(33,194)
Loss not recognised	24,583	33,194
Deferred tax expense		
Relating to the origination and reversal of temporary differences	5,988	(1,516)
Timing difference not recognised	(5,988)	1,516
	<u>-</u>	<u>-</u>

(b) Reconciliation of income tax to accounting profit:

	2017	2016
	\$	\$
Accounting net profit/(loss)	<u>(159,393)</u>	<u>(196,434)</u>
Prima facie tax payable on profit from ordinary activities before income tax at 30% (2016: 30%)	(47,818)	(58,930)
Tax effect of:		
- deductible expenses not claimed in profit or loss	(57,613)	(59,837)
- non-deductible expenses	66,411	60,919
- proportion of mutual expenses not deductible	1,141,257	1,146,701
- proportion of mutual expenses not assessable	(1,126,820)	(1,122,047)
- losses not brought to account	24,583	33,194
	<u>-</u>	<u>-</u>

(c) Tax Losses

The Club has accumulated tax losses for which no deferred tax asset has been recognised of \$1,318,471 (2016: \$1,207,826). The deferred tax asset associated with the loss will only be realised in the future in the event of sufficient taxable profits being available to utilise the losses, subject to meeting the required loss recoupment rules.

Belconnen Soccer Club Limited

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Notes to the Financial Statements For the Year Ended 30 June 2017

3 Poker Machine Revenue

	2017	2016
	\$	\$
Poker machine revenue - McKellar	2,151,954	1,982,267
Poker machine revenue - Hawker	1,352,639	1,435,806
Poker machine taxes	(683,520)	(662,077)
	<u>2,821,073</u>	<u>2,755,996</u>

4 Cash and Cash Equivalents

	2017	2016
	\$	\$
Cash at bank and on hand	<u>247,391</u>	<u>238,849</u>

5 Trade and Other Receivables

	2017	2016
	\$	\$
Trade and other receivables	<u>-</u>	<u>30</u>

6 Inventories

	2017	2016
	\$	\$
Stock on hand	<u>54,000</u>	<u>55,178</u>

7 Other Assets

	2017	2016
	\$	\$
Prepayments	<u>29,706</u>	<u>37,842</u>

Belconnen Soccer Club Limited

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Notes to the Financial Statements For the Year Ended 30 June 2017

8 Property, Plant and Equipment

	2017	2016
	\$	\$
Leasehold land		
At cost	<u>200,000</u>	200,000
Buildings on leasehold land		
At cost	11,001,716	11,001,716
Accumulated depreciation	<u>(4,152,520)</u>	(3,861,961)
	<u>6,849,196</u>	7,139,755
Equipment, furniture and fittings		
At cost	2,499,913	2,383,615
Accumulated depreciation	<u>(2,169,903)</u>	(2,048,812)
	<u>330,010</u>	334,803
Poker machines		
At cost	4,135,675	4,058,320
Accumulated depreciation	<u>(3,191,247)</u>	(3,027,345)
	<u>944,428</u>	1,030,975
Capital work in progress		
At cost	<u>49,326</u>	23,470
	<u>8,372,960</u>	8,729,003

Movements in carrying amounts of property, plant and equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Leasehold land	Buildings on leasehold land	Equipment, furniture and fittings	Poker machines	Capital work in progress	Total
	\$	\$	\$	\$	\$	\$
Balance at the beginning of the year	200,000	7,139,755	334,803	1,030,975	23,470	8,729,003
Additions	-	-	116,298	243,680	25,856	385,834
Disposals	-	-	-	(6,157)	-	(6,157)
Depreciation	-	(290,559)	(121,091)	(324,070)	-	(735,720)
Balance at the end of the year	<u>200,000</u>	<u>6,849,196</u>	<u>330,010</u>	<u>944,428</u>	<u>49,326</u>	<u>8,372,960</u>

Belconnen Soccer Club Limited

ABN: 60 527 470 200

Notes to the Financial Statements For the Year Ended 30 June 2017

9 Trade and Other Payables

	2017	2016
	\$	\$
Trade payables	180,832	144,045
Accruals	83,231	93,311
Other payables	81,026	70,110
	<u>345,089</u>	<u>307,466</u>

10 Lease Liabilities

	2017	2016
	\$	\$
<i>Current</i>		
Hire purchase liability	<u>179,117</u>	<u>278,827</u>
<i>Non-current</i>		
Hire purchase liability	<u>79,020</u>	<u>162,334</u>
	<u>258,137</u>	<u>441,161</u>

Lease liabilities are secured by the underlying leased assets.

11 Provisions

	2017	2016
	\$	\$
<i>Current</i>		
Provision for annual leave	285,968	281,987
Provision for long service leave	141,065	129,699
	<u>427,033</u>	<u>411,686</u>

Belconnen Soccer Club Limited

ABN: 60 527 470 200

Notes to the Financial Statements For the Year Ended 30 June 2017

12 Financial Liabilities

	2017	2016
	\$	\$
Business market loan	585,000	620,000
Bank overdraft	87,569	119,967
	<u>672,569</u>	<u>739,967</u>

The business market loan from the National Australia Bank is secured by a registered mortgage over the Club's land and buildings. The loan was renegotiated during the year and expires on 31 October 2017. The Club expects the loan to be extended for 12 months on expiry. The interest rate was 5.72% at 30 June 2017 (2016: 5.70%). The loan facility limit at year end was \$585,000.

The Club does not have a legal unconditional right to defer repayment of the loans for 12 months in the event the bank requests repayment, due to a clause in the loan agreement stating that the loan facility is subject to annual review. Accordingly, the bank loan is classified as a current liability, in accordance with the Australian Accounting Standards.

Despite the foregoing, the Directors do not believe that the Club is likely to be required to repay the loans during the next financial year.

At 30 June 2017, the Club had an overdraft limit of \$200,000 (2016: \$200,000) with the National Australia Bank of which \$113,902 was unused (2016: \$108,575). At year end, the overdraft account had unrepresented cheques totalling \$7,650 and outstanding deposits totalling \$6,178. The overdraft facility attracts an interest rate of 8.32% (2016: 8.87%).

The Club also holds indemnity guarantees totalling \$40,000 with the National Australia Bank.

13 Finance Leasing Commitments

	2017	2016
	\$	\$
Payable - minimum lease payments:		
- not later than one year	182,098	287,947
- later than 12 months but not later than five years	79,146	164,984
Minimum lease payments	261,244	452,931
Less future finance charges	(3,107)	(11,770)
Present value minimum lease payments	<u>258,137</u>	<u>441,161</u>

The finance leases are for poker machines and have a term of three years. The interest rates applicable on the leases range from 5.2% to 7.5%.

Belconnen Soccer Club Limited

ABN: 60 527 470 200

Notes to the Financial Statements For the Year Ended 30 June 2017

14 Financial Risk Management

The Club's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable and bank loans and overdraft.

The accounting policies and terms and conditions of each class of financial asset and financial liability at the balance date are consistent with those regularly adopted by businesses in Australia.

The totals 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	2017 \$	2016 \$
Financial Assets			
Cash and cash equivalents	4	247,391	238,849
Loans and receivables	5	-	30
Total financial assets		247,391	238,879
Financial Liabilities			
<i>Financial liabilities at amortised cost:</i>			
- Trade and other payables	9	345,089	307,466
- Lease liabilities	10	258,137	441,161
- Financial liabilities	12	672,569	739,967
Total financial liabilities		1,275,795	1,488,594

Net fair values

Financial assets and financial liabilities are carried at their net fair value at the end of the reporting period. The carrying value of financial assets and financial liabilities approximates their net fair value due to their short term maturity or market interest rate. No financial assets or financial liabilities are traded on organised markets in standardised form.

15 Key Management Personnel Disclosures

Key management personnel are defined by AASB 124 "Related Party Disclosures" as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director of the Club.

The total of remuneration paid to the key management personnel of the Club during the year is:

	2017 \$	2016 \$
Total key management personnel compensation	442,847	422,753

Belconnen Soccer Club Limited

ABN: 60 527 470 200

Notes to the Financial Statements For the Year Ended 30 June 2017

16 Related Party Transactions

Key management personnel transact with the Club from time to time on normal terms and conditions that are no more favourable than those available to other members of the Club. The types of transactions involved include the purchase of food, beverages and membership. The transactions are settled at the time of the transaction, and no amounts are owing to the Club at year end in respect of these transactions. The total value of these transactions is low and is considered by the Club to be immaterial.

With the exception of compensation of key management personnel, which is separately disclosed in these statements, the following related party transactions took place with director related entities during the year:

- payments totalling \$14,906 to Pat's Plumbing First Choice Pty Ltd, owned by Pat Blanchard (director), for plumbing services.
- payments totalling \$18,772 to Pacific Facilities Maintenance Pty Ltd, owned by Justin Hyland (director), for electrical and air conditioning services.

These services were provided to the Club at normal arm's length rates.

The directors of the Club did not receive any compensation for their services. During the year the Club paid \$5,500 (2016: \$5,621) to insure the directors and officers of the Club.

17 Members' Guarantee

The Club is incorporated under the Corporations Act 2001 as a company limited by guarantee. In the event the Club is wound up, the constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstandings and obligations of the Club. At 30 June 2017 the number of members was 16,869 (2016: 13,226).

18 Contingent Liabilities and Assets

In the opinion of the Directors, the Club did not have any contingent liabilities or assets at 30 June 2017 (30 June 2016: None).

19 Events After the Reporting Period

The financial statements were authorised for issue by the Board of Directors, on the date of signing the attached Directors' Declaration. The directors have the right to amend the financial statement after they are issued.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Club, the results of those operations or the state of affairs of the Club in future financial years.

20 Information to be Provided under the Gaming Machine Act 2004 (ACT) for the Year Ended 30 June 2017

a) Arrangements with influential persons

The Club has written employment contracts, on normal commercial terms, with the executive management. There are no contracts or arrangements with Directors.

b) Contracts over \$99,999

The Club has one contract with the following supplier for amounts over \$99,999:

- Encore Cleaning Services for cleaning services

c) Staff benefits

Two employees of the Club received remuneration in excess of \$150,000 for the financial year ended 30 June 2017 (2016: 2).

Belconnen Soccer Club Limited

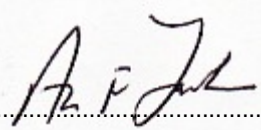
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Directors' Declaration

The directors of the Belconnen Soccer Club Limited (the Club) declare that:

1. The financial statements and notes, as set out on pages 4 to 20, are in accordance with the Corporations Act 2001 and:
 - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements and Corporations Regulations 2001; and
 - b. give a true and fair view of the financial position as at 30 June 2017 and of the performance for the year ended on that date of the Club.
2. In the directors' opinion, there are reasonable grounds to believe that the Club 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: 

Dated: 28 September 2017

Independent Auditor's Report to the Members of Belconnen Soccer Club Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Belconnen Soccer Club Limited (the Company), which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial statements of Belconnen Soccer Club Limited are in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2017 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Regulations 2001.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's responsibility for the audit of the financial statements section of our report. We are independent of the Company in accordance with the auditor independence requirements of 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 statements 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.

Material uncertainty related to going concern

We draw attention to Note 1 in the financial statements, which indicates that the Company incurred a net loss of \$159,393 during the year ended 30 June 2017 and, as of that date, the Company's current liabilities exceeded its total assets by \$1,292,711. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the information in the Company's directors' report for the year ended 30 June 2017, but does not include the financial statements and the auditor's report thereon.

Canberra Office

Level 7, St George Centre
60 Marcus Clarke Street
Canberra ACT 2601
GPO Box 500
Canberra ACT 2601
p +61 2 6279 5400
f +61 2 6279 5444
e mail@nexiacanberra.com.au
w nexia.com.au

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Our opinion on the financial statements 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 statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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 the other information we are required to report that fact. We have nothing to report in this regard.

Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation of the financial statements that give a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

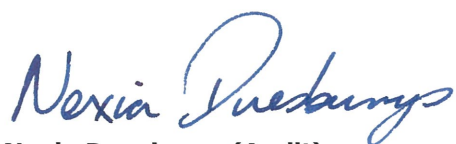
In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company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

Auditor's responsibility for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A further description of our responsibilities for the audit of the financial statements is located at The Australian Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Nexia Duesburys (Audit)
Canberra, 28 September 2017



R C Scott
Partner