

C·L·U·B M·A·R·I·O·N

# Marion Sports and Community Club Inc

Annual Report

2015 - 2016

# MARION SPORTS AND COMMUNITY CLUB INCORPORATED

## ANNUAL REPORT 2015 – 2016

### Management Committee

<b>Chairman</b>	Mr. Darryl Gray
<b>Deputy Chairman</b>	
<b>Secretary</b>	Mr. Brian Johnston
<b>Treasurer</b>	Mr. Ian Hassam
<b>Committee</b>	Mr. Graeme Yates Ms. Lindy Rattigan Mr. Arthur Patten Mr. Peter Castle
<b>General Manager</b>	Mr. Craig Virgo

### Committee Meetings

The number of meetings of the Club's Committee held during the year ended 30 June 2016, and the number of meetings attended by each Committee Member were:

	<b>Meetings Eligible to Attend</b>	<b>Meetings Attended</b>
Darryl Gray	12	11
John Maziakowski	4	4
Brian Johnston	12	11
Ian Hassam	12	11
Arthur Patten	12	6
Lindy Rattigan	12	10
Graeme Yates	12	11
Peter Castle	7	7

### Life Members

1966	Mr. Robert Pritchard	(Deceased)
1966	Mr. William Pethick	(Deceased)
1975	Mr. P (Tom) Hurley	(Deceased)
1975	Mr. Roscoe Morrison	
1979	Mr. Colin Boots	(Deceased)
1979	Mr. Kevin Hodgson	
1985	Mr. Alan Rae	(Deceased)
1985	Mr. David Woodhouse	
1993	Mr. Terry Zajer	
1993	Mr. David Manning	
2002	Mr. John Allen	
2004	Mr. John Maziakowski	
2006	Mr. Lawrie Camilleri	
2012	Mr. Bill Virgo	

### Affiliated Clubs

Marion Football Club  
Marion Cricket Club  
South Adelaide Basketball Club  
Sturt Marion Thunder Soccer Club  
Arista Marion Korfbal Club  
Atlantis Masters Swimming Club  
Marion Tennis Club  
Marion Women's Bowling Club  
Marion Men's Bowling Club  
Marion Croquet Club  
South City Chiefs (American Football) Club  
Gleneig Rebels Softball Club  
Marion Swimming Club  
Sturt Marion Women's Soccer Club  
Hawthorn Supporters Club  
Over 60's Cricket Association  
Marion Marlin Masters Swimming Club  
Diving South Australia

### In Recognition of Meritorious Committee Service

H. Walker	1915 – 1957
G.H. Parsons	1908 – 1937
W. Ormond	1931 – 1960
G. Palmer	1912 – 1935
S.D Duff	1908 – 1920 & 1931 – 1940
M. Parslow	1936 – 1957
J. Cracknel	1946 – 1965
F.H Edwards	1921 – 1940
G. Western	1908 – 1925
R. Millwood	1943 – 1959
J. Threadgold	1914 – 1927
W. Phelps	1921 – 1927 & 1938 – 1944
G. Parslow	1940 – 1952
R. Edwards	1943 – 1944, 1948 – 1949 & 1954 – 1963
C. Shepley	1936 – 1944 & 1952 – 1955
A.G Pitman	1921 – 1925 & 1928 – 1935
A. Parsons	1940 – 1952
R. Mellor	1961 – 1972
R. Duncan	1940 – 1951
S.Walker	1944 – 1953
C. Senior	1968 – 1977
F. Rayner	1935 – 1944
Mrs. W. Osmond	1931 - 1940

## Chairman's Report 2015 / 16

The last year, although financially successful, I found it very frustrating for several different reasons which I will highlight in this report.

For a club of our size we had a very poor attendance at last year's AGM and for the majority of the year we were unable to have all positions on our Management Committee filled. I don't believe this affected the quality and efficiency of our operations and decision making but it is not a good situation. We the Committee would like to see some new ideas and with the New Year coming hope that this situation is rectified.

The other major concern is that we were not able to negotiate a new lease with the City of Marion before the expiry date of 30/6/16. While negotiations continue, we will operate basically under the terms of the old lease and subleases. Draft plans for ground and building alterations and improvements, along with subleases and agreements with affiliated bodies are on hold. At the time of writing we await City of Marion's actions and responses to their authorised water and building audits, which includes the basketball stadium. We still await action and responses to improving the safety aspect of traffic management in and out of the leased area.

As promised we have made ourselves debt free and in position to take on moderate loans as required. However again, as we have no lease, in turn we have no lease period and so are unable to negotiate with the bank, which is willing to do business.

We have now been established for 108 years and continue to operate as a not for profit organisation, providing outstanding facilities to support sport and recreation in the Marion Community. Over that period of time this committee, as with previous, have learnt to be virtually self-sufficient and are not a financial risk to the community. The MS&CC have added several million dollars of assets in form of buildings and grounds to the City of Marion and now we boast a membership of over 4,600.

The number of sporting clubs that now directly use the leased area and facilities is 22. There are 25 senior teams and 25 junior teams that use the main area, with about 300 sub junior playing football and cricket. These figures do not include bowls, tennis, basketball and croquet. In addition we accommodate, mostly free of charge, approximately 29 charity / social groups like Novita, Probus, Sunrise Christian School etc....

The dollar figure to support directly, and in kind to these bodies is in excess of \$500k / year and needs to be guaranteed and continuous over long time periods. Fortunately areas of our entertainment income stream that were under threat during the year have passed and we have been allowed to continue our operations. Please remember all parts of the Club are controlled and overseen by volunteers with every dollar of profit going back to sports and the community.

A special mention about our very successful markets, thanks to the volunteers for your efforts and understanding. We have had to reduce the market back to once a month because of the increase in playing space required by the sporting clubs. Thanks also to the Friday night raffle volunteers and others who have helped over the year.

As in the past years the efforts of Craig and his staff are very much appreciated and in particular the kitchen staff in a very competitive market. We hope that we have provided a safe and enjoyable work place.

Finally thanks to the other members of the Management Committee, all of whom are volunteers giving time and expertise to assist in the successful running of the Marion Sports and Community Club.

Looking Forward to 2016 / 17.

Darryl Gray  
Chairman MS&CC

## General Managers Report 2015 / 16

I am pleased to report that in the last 12 months the Marion Sports and Community Club has met all of its financial commitments and along the way has become debt free, paying off our remaining loan from the renovations completed 6 years ago.

In saying that, we have faced many challenges over the past 12 months. No more so than the frustrations of being unable to negotiate a new Lease with the Marion Council before the current Lease expired on the 30<sup>th</sup> June 2016. These discussions are on-going.

The introduction of new legislation regarding the South Australian hospitality industry has put us in an unknown position going forward. No smoking in alfresco dining areas was introduced on the 1<sup>st</sup> July 2016 as well as the pending introduction of a \$5 maximum bet on gaming machines, which will commence from the 1<sup>st</sup> January 2017.

To all the staff employed at Club Marion, continual changes to the hospitality landscape are not always easy to adapt to. I would like to thank you for your professionalism, support and continued efforts to make this a smooth transition, as we all strive to offer Club Marion members and visitors alike an enjoyable experience.

Volunteers and fundraising go hand in hand in most sporting and community organisations and The Marion Sports and Community Club is no different. Each year I sit back and admire the work of the many tireless volunteers who run these sporting clubs. Due to these efforts we have seen a major growth in junior sports participation. Keep up the great work.

Due to this increase in junior sporting teams, earlier this year we had to make a decision to increase the availability of the ovals for these teams to play on. This meant we had to decrease the frequency of the ever popular Club Marion open air markets, from twice to once a month. This has not diminished the numbers who attend the market on the first Sunday of each month and therefore keeps our trusty band of volunteers, led by Jim Anderson and Brian Thomas, on their toes. A big thank you from all at The Club for the amazing work you do, your help is greatly appreciated.

We must also recognise the great work Brian 'BJ' Johnson, Roger Welsh and their band of merry helpers who run the Friday night raffles and 100 Club draws. The humble meat raffle is still a big winner, bringing much banter and community spirit between members.

In closing, I would personally like to take this opportunity to sincerely thank all involved with our great Club. To the ever growing number of members of the Marion Sports and Community Club I would like to thank you for your continuing support and patronage. The community spirit and comradery which comes with being involved in a Club environment should be embraced.

Finally I would like to thank our Chairman Darryl Gray and the Committee for the strong support they have provided me over the last 12 months. Their tireless efforts are the major factor in the positive direction the Club is taking.

The Staff and I look forward to the challenging year ahead and hope to see you soon at The Marion Sports and Community Club.

Craig Virgo  
General Manager

MARION SPORTS AND COMMUNITY CLUB INCORPORATED

FINANCIAL REPORT

FOR THE FINANCIAL YEAR ENDED  
30 JUNE 2016

**MARION SPORTS AND COMMUNITY CLUB INCORPORATED**  
**FINANCIAL REPORT**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016**

**CONTENTS**

	Page
Declaration by Officers of the Association	3
Statement of Comprehensive Income	4
Statement of Financial Position	7
Statement of Change in Equity	8
Statement of Cash Flows	9
Notes to the Financial Report	10
Auditor's Report	14

**MARION SPORTS AND COMMUNITY CLUB INCORPORATED**

**DECLARATION BY OFFICERS OF THE ASSOCIATION**

The Board reports that:

- (a) During the financial year ended 30 June 2016, no officer of the Association, firm of which the officer is a member, or body corporate in which the officer has a substantial financial interest, has received or become entitled to receive a benefit as a result of a contract between the officer, firm or body corporate and the Association; and
- (b) no officer of the Association has received directly or indirectly from the Association any payment or other benefit of a pecuniary value, except for the reimbursement of expenses incurred on behalf of the Association.


**STATEMENT BY OFFICERS OF THE ASSOCIATION**

The Officers of the Association have determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial report.

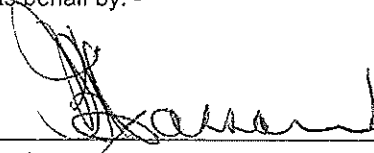
In the opinion of the Officers of the Association:

- (a) The accompanying financial report has been drawn up so as to present fairly the results of operations of Marion Sports and Community Club Incorporated for the financial year ended 30 June 2016 and the state of affairs as at that date;
- (b) As at the date of this statement there are reasonable grounds to believe that Marion Sports and Community Club Incorporated will be able to pay its debts as and when they fall due.

Signed in accordance with a resolution of the Board for and on its behalf by: -

  
\_\_\_\_\_  
Signature

DARRYL ASHLEY GRAY  
Name

  
\_\_\_\_\_  
Signature

Ian Brenton Hassam  
Name

Dated this 12<sup>th</sup> day of September 2016



**MARION SPORTS AND COMMUNITY CLUB INCORPORATED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016**

	30 June 2016 \$	30 June 2015 \$
Revenue	5,019,326	4,970,049
Expenses excluding Finance Costs	(4,678,735)	(4,640,093)
Finance Costs	(14,063)	(29,708)
<b>Surplus/(Deficit)</b>	<u><u>326,528</u></u>	<u><u>300,248</u></u>

*The accompanying notes form part of this financial report*

**MARION SPORTS AND COMMUNITY CLUB INCORPORATED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016**

	Note	30 June 2016 \$	30 June 2015 \$
<b>INCOME</b>			
Net Operating & Gaming Income			
Bar Trading		178,397	207,227
Gaming Trading		1,041,443	985,684
Market Trading		33,576	46,974
TAB Trading		(7,970)	(1,184)
Lotteries Trading		33,829	28,394
Function Trading		31,840	35,627
Fundraising		18,992	18,170
Kitchen & Bistro Trading		<u>(32,882)</u>	<u>(35,115)</u>
		1,297,225	1,285,777
Other Income			
Grounds & Facilities		58,924	60,911
Commissions & Subscriptions		41,396	39,463
		100,320	100,374
<b>TOTAL INCOME</b>		<u>1,397,545</u>	<u>1,386,151</u>
<b>EXPENDITURE</b>			
Grounds & Facilities			
Club Donations		109,636	73,859
Depreciation		22,409	29,260
Light & Power		5,535	5,255
Pitch Preparation		20,387	20,963
SA Water		3,457	5,599
SA Athletic League Inc Sponsorship		4,350	4,300
Lifetime Member Dinner		1,546	-
Junior Sports Donation		3,277	-
Repairs & Maintenance		<u>59,346</u>	<u>55,074</u>
		229,943	194,310
General Expenses			
Accountancy & Auditing Fees		33,778	28,377
Sponsorship & Fees		13,732	6,121
Bank Charges		23,601	26,012
Bank Interest		14,063	29,708
Borrowing Costs		650	250
Chairman's Account		661	1,073
Cleaning		65,492	64,468
Consultancy Fees		12,000	12,808
Depreciation		141,634	150,613
Donations		944	-
Emergency Services Levy		<u>(5,977)</u>	<u>5,977</u>

**MARION SPORTS AND COMMUNITY CLUB INCORPORATED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016**

	Note	30 June 2016 \$	30 June 2015 \$
<b>EXPENDITURE (cont.)</b>			
Finance Lease Rental		2,736	2,736
Foxtel		21,224	20,607
Hire of Plant & Equipment		2,142	2,094
IT Costs & Consumables		2,632	2,353
Insurance		11,931	28,107
Light & Power		18,063	22,061
Legal Fees		1,025	-
Manager & Committee Expenses		2,881	4,773
Payroll Tax		9,794	9,622
Permits, Licences & Fees		1,995	3,151
Printing & Stationery		5,977	8,035
Marketing & Promotions		58,938	58,172
Provision for Annual Leave Expense		23,145	10,826
Provision for Long Service Leave Expense		11,854	6,196
SA Water		6,972	9,068
Repairs & Maintenance		27,837	23,385
Security Costs		2,031	2,330
Staff Expenses		7,619	10,924
Staff Training & Welfare		4,608	3,211
Sundry Expenses		4,929	6,224
Superannuation Contributions		23,616	27,121
Telephone		13,301	11,264
Travel & Motor Vehicle Expenses		1,654	2,416
Uniforms		1,088	1,049
Wages		245,337	267,892
Waste & Disposal		19,382	15,225
Workcover Expenses		7,784	7,344
<b>TOTAL EXPENDITURE</b>		<b>1,071,017</b>	<b>1,085,904</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>326,528</b>	<b>300,248</b>

*The accompanying notes form part of this financial report*

**MARION SPORTS AND COMMUNITY CLUB INCORPORATED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2016**

	Note	30 June 2016 \$	30 June 2015 \$
<b>CURRENT ASSETS</b>			
Cash & Cash Equivalents	2	702,075	568,306
Trade Debtors & Other Receivables	3	27,523	30,123
Stock on Hand		30,905	35,075
<b>TOTAL CURRENT ASSETS</b>		<u>760,503</u>	<u>633,504</u>
<b>NON CURRENT ASSETS</b>			
Property, Plant & Equipment	4	4,179,103	4,291,230
Gaming Machine Entitlements		1,047,500	1,200,000
<b>TOTAL NON CURRENT ASSETS</b>		<u>5,226,603</u>	<u>5,491,230</u>
<b>TOTAL ASSETS</b>		<u>5,987,106</u>	<u>6,124,733</u>
<b>CURRENT LIABILITIES</b>			
Trade Creditors & Other Accruals	5	260,931	288,467
Provisions	6	102,990	87,231
<b>TOTAL CURRENT LIABILITIES</b>		<u>363,921</u>	<u>375,698</u>
<b>NON CURRENT LIABILITIES</b>			
Long Term Loans	7	-	305,000
Provisions	6	12,849	7,728
<b>TOTAL NON CURRENT LIABILITIES</b>		<u>12,849</u>	<u>312,728</u>
<b>TOTAL LIABILITIES</b>		<u>376,770</u>	<u>688,426</u>
<b>NET ASSETS</b>		<u>5,610,336</u>	<u>5,436,307</u>
<b>ACCUMULATED FUNDS</b>			
Reserves		1,046,829	1,199,329
Opening Retained Earnings		4,236,979	3,935,665
Prior Period Adjustment		-	1,066
Surplus/(Deficit) for the year		326,528	300,248
<b>TOTAL ACCUMULATED FUNDS</b>		<u>5,610,336</u>	<u>5,436,307</u>

*The accompanying notes form part of this financial report*

MARION SPORTS AND COMMUNITY CLUB INCORPORATED

STATEMENT OF CHANGES IN EQUITY

AS AT 30 JUNE 2016

Note	Accumulated Funds	Capital Redemption Reserve	Asset Revaluation Reserve	Asset Reserve - Gaming Machine Entitlements	Total
<b>Balance as at 1 July 2015</b>	\$ 4,236,979	3,450	(4,121)	\$ 1,200,000	\$ 5,436,308
Transfers (to) and from reserves	-	-	-	(152,500)	(152,500)
Surplus / (Deficit) for the year	326,528	-	-	-	326,528
Prior period adjustment	-	-	-	-	-
<b>Balance as at 30 June 2016</b>	4,563,507	3,450	(4,121)	1,047,500	5,610,336

Note	Accumulated Funds	Capital Redemption Reserve	Asset Revaluation Reserve	Asset Reserve - Gaming Machine Entitlements	Total
<b>Balance as at 1 July 2014</b>	\$ 3,935,665	3,450	(4,121)	\$ 1,500,000	\$ 5,434,994
Transfers (to) and from reserves	-	-	-	(300,000)	(300,000)
Surplus / (Deficit) for the year	300,248	-	-	-	300,248
Prior period adjustment	1,066	-	-	-	1,066
<b>Balance as at 30 June 2015</b>	4,236,979	3,450	(4,121)	1,200,000	5,436,308

The accompanying notes form part of this financial report

**MARION SPORTS AND COMMUNITY CLUB INCORPORATED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016**

	Note	30 June 2016 \$	30 June 2015 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating Receipts		4,932,210	4,894,000
Grounds & Facilities		58,924	60,911
Donation Receipts		1,170	2,494
Payments to Suppliers & Employees		<u>(4,385,654)</u>	<u>(4,284,365)</u>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	8	<u>606,650</u>	<u>673,041</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest Received		7,024	7,294
Payment for Property, Plant & Equipment		(194,905)	(249,193)
Proceeds from Sale of Property, Plant & Equipment		20,000	13,364
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>		<u>(167,881)</u>	<u>(228,535)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Loans repaid		<u>(305,000)</u>	<u>(200,000)</u>
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>		<u>(305,000)</u>	<u>(200,000)</u>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<u>133,769</u>	<u>244,506</u>
<b>CASH AT THE BEGINNING OF THE FINANCIAL YEAR</b>		568,306	323,800
<b>CASH AT THE END OF THE FINANCIAL YEAR</b>	2	<u><u>702,076</u></u>	<u><u>568,306</u></u>

*The accompanying notes form part of this financial report*

**MARION SPORTS AND COMMUNITY CLUB INCORPORATED**  
**NOTES TO THE FINANCIAL REPORT**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

In the opinion of the Officers of the Association, the Association is not a reporting entity as there are unlikely to exist users who are unable to command the preparation of reports tailored so as to satisfy all of their information needs. Accordingly, the report is a "Special Purpose Financial Report" that has been prepared solely to meet the requirements of the members and the Associations Incorporations Act (SA) 1985, the Committee and the members of the Association.

The financial report covers Marion Sports and Community Club Incorporated as an individual entity. Marion Sports and Community Club Incorporated is a community organisation that provides financial support to the associated sporting organisations and social facilities to the members of the Association. The principal place of business is 262 Sturt Road, Marion SA 5046.

The financial statement has been prepared in accordance with the requirements of the Associations Incorporation Act (SA) 1985 and the following Australian Accounting Standards:

<i>AASB 101</i>	<i>Presentation of Financial Statements</i>
<i>AASB 107</i>	<i>Statement of Cash Flows</i>
<i>AASB 108</i>	<i>Accounting Policies, Changes in Accounting Estimates and Errors</i>
<i>AASB 110</i>	<i>Events after the Reporting Period</i>
<i>AASB 1031</i>	<i>Materiality</i>
<i>AASB 1048</i>	<i>Interpretation of Standards</i>
<i>AASB 1054</i>	<i>Australian Additional Disclosures</i>

No other applicable Accounting Standards, Urgent Issues Group Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

**a) Income Tax**

The Association is exempt from income tax pursuant to the Income Tax Assessment Act.

**b) Revenue Recognition**

Income has been brought to account on an accruals basis.

**c) Property, Plant and Equipment**

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation other than some plant and equipment which is carried at the Committees' valuation.

Property, Plant and Equipment over \$1,000 are capitalised and are recorded as fixed assets at cost.

**Impairment**

The carrying amount of plant and equipment is reviewed annually by the Committee to ensure it is not in excess of the recoverable amount of these assets.

**Depreciation**

The depreciable amount of all fixed assets are depreciated over their useful lives commencing from the time the asset is held ready for use. Assets are depreciated on a straight line basis.

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

<b>Class of Asset</b>	<b>Depreciation Rate</b>
Building Improvements	2.5%
Gaming Machines	20%
All Other	5% - 20%

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount. These gains or losses are included in the Statement of Comprehensive Income.

**MARION SPORTS AND COMMUNITY CLUB INCORPORATED**

**NOTES TO THE FINANCIAL REPORT  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**d) Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with banks and other short-term high liquid investments with original maturities of three months or less.

**e) Goods and Services Tax (GST)**

The Association is registered for GST purposes, with a GST registration number 22 267 574 276.

For the Association all revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian 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 balance sheet are shown inclusive of GST.

**f) Employee Entitlements**

Liabilities for employee benefits for wages/salaries that are expected to be settled within 12 months of the reporting date, representing present obligations resulting from employees' services provided to reporting date, are calculated at undiscounted amounts based on remuneration rates the Association expects to pay as at reporting date including related on-costs.

Employee benefits expected to be settled later than 12 months after the reporting date have been measured at the present value of the estimated future cash flows to be made for those benefits

For the financial year ending 30th June 2016, the policy for the recognition of employee's long service leave entitlements reflects the current employment trends of the Association. Long Service Leave entitlements are now recognised as follows:

5 years	50%
6 years	75%
7 years	100%

**g) Accounting Estimates and Judgements**

The Committee evaluate estimates and judgements incorporated into the financial report based on historical knowledge and the best available current knowledge. Estimates assume a reasonable expectation of future events and are based on current economic trends and economic data, obtained both externally and within the entity.

There are no estimates or judgements which have a risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

<b>2. CASH &amp; CASH EQUIVALENTS</b>	<b>30 June 2016</b>	<b>30 June 2015</b>
	\$	\$
Cash on hand	66,561	70,776
Cash at Bank	635,514	497,530
	<u>702,075</u>	<u>568,306</u>
<b>3. TRADE DEBTORS &amp; OTHER RECEIVABLES</b>		
Trade Debtors	24,933	27,999
Prepayments	2,590	1,474
Borrowing Costs	3,250	3,250
Amortisation of Borrowing Costs	(3,250)	(2,600)
	<u>27,523</u>	<u>30,123</u>



**MARION SPORTS AND COMMUNITY CLUB INCORPORATED**  
**NOTES TO THE FINANCIAL REPORT**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016**

	30 June 2016 \$	30 June 2015 \$
<b>4. PROPERTY, PLANT &amp; EQUIPMENT</b>		
Building Improvements	4,395,675	4,388,499
Less: Accumulated Depreciation	<u>(799,932)</u>	<u>(685,971)</u>
	3,595,743	3,702,528
Bar Lounge & Function Rooms	213,771	205,842
Less: Accumulated Depreciation	<u>(160,892)</u>	<u>(145,201)</u>
	52,879	60,641
Main & Function Bars	153,729	108,262
Less: Accumulated Depreciation	<u>(97,362)</u>	<u>(92,595)</u>
	56,367	15,667
Downstairs & Grounds	489,686	484,989
Less: Accumulated Depreciation	<u>(412,017)</u>	<u>(389,608)</u>
	77,669	95,381
Furniture	163,238	163,238
Less: Accumulated Depreciation	<u>(159,349)</u>	<u>(154,150)</u>
	3,889	9,088
Gaming Machines	774,753	720,886
Less: Accumulated Depreciation	<u>(473,505)</u>	<u>(439,714)</u>
	301,248	281,172
Gaming Office	5,713	5,713
Less: Accumulated Depreciation	<u>(5,713)</u>	<u>(5,515)</u>
	-	198
Gaming Room	124,878	113,909
Less: Accumulated Depreciation	<u>(102,923)</u>	<u>(96,960)</u>
	21,955	16,949
Kitchen Appliances	206,028	206,028
Less: Accumulated Depreciation	<u>(181,588)</u>	<u>(159,766)</u>
	24,440	46,262
Manager's Office	5,866	5,866
Less: Accumulated Depreciation	<u>(5,541)</u>	<u>(5,124)</u>
	325	742
Reception Office	13,909	11,949
Less: Accumulated Depreciation	<u>(10,974)</u>	<u>(9,411)</u>
	2,935	2,538
Security	117,964	117,964
Less: Accumulated Depreciation	<u>(76,311)</u>	<u>(58,074)</u>
	41,653	59,890
TAB Room	9,766	9,766
Less: Accumulated Depreciation	<u>(9,766)</u>	<u>(9,594)</u>
	-	172
	<u>4,179,103</u>	<u>4,291,230</u>

**MARION SPORTS AND COMMUNITY CLUB INCORPORATED**  
**NOTES TO THE FINANCIAL REPORT**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016**

	30 June 2016 \$	30 June 2015 \$
<b>5. TRADE CREDITORS &amp; OTHER ACCRUALS</b>		
Trade Creditors	176,121	226,462
Accruals	84,809	61,375
Net GST Liability	1	630
Payroll Liabilities	-	-
	<u>260,931</u>	<u>288,467</u>
<b>6. PROVISIONS</b>		
<b>CURRENT</b>		
Annual Leave	50,192	50,698
Long Service Leave	52,798	36,533
	<u>102,990</u>	<u>87,230</u>
<b>NON CURRENT</b>		
Long Service Leave	12,849	7,728
	<u>12,849</u>	<u>7,728</u>
<b>7. LONG TERM LOANS</b>		
NAB Loan 1.3 Million	-	305,000
	<u>-</u>	<u>305,000</u>

**8. CASH FLOW INFORMATION**

(a) Reconciliation of net cash provided by operating activities to operating result.

	30 June 2016 \$	30 June 2015 \$
Operating Result	326,528	300,248
Non-cash flows in operating result:		
Depreciation & Amortisation	299,304	341,521
Net (gain)/loss on disposal of assets	(20,000)	(5,350)
Employee provision expense	28,608	15,660
Interest Received	(7,024)	(7,294)
Changes in assets and liabilities:		
(Increase)/Decrease in Stock on Hand	4,170	387
(Increase)/Decrease in trade and other receivables	2,600	(12,364)
Increase/(Decrease) in trade creditors & accruals	(27,535)	40,233
	<u>606,651</u>	<u>673,041</u>

At 30 June 2016 the following overdraft facilities are available which are not being utilised:

Asset Finance Leasing	\$250,000
Overdraft	\$30,000

# INDEPENDENT AUDITOR'S REPORT

To the members of Marion Sports and Community Club Incorporated

## Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report of the Marion Sports and Community Club Incorporated, which comprises the statement of financial position as at 30 June 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Committee of Managements' declaration.

## Committee of Management Responsibility for the Financial Report

The Committee of Management of Marion Sports and Community Club Incorporated are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Associations Incorporation Act (SA) 1985* and the needs of the members. The Committee of Managements' responsibility also includes such internal control as Committee of Management determine is necessary to enable the preparation of a financial report that gives a true and fair view and 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 have conducted the 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 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 responsible entities' preparation of the financial report that gives a true and fair view 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 registered entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the responsible entities, 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.

## Electronic publication of the audited financial report

It is our understanding that Marion Sports and Community Club Incorporated intends to electronically present the audited financial report and auditor's report on its internet website. Responsibility for the electronic presentation of the financial report on the Marion Sports and Community Club Incorporated website is that of the Committee of Management of Marion Sports and Community Club Incorporated.

Let us be your **Solution**



Third Sector Management Solutions Pty Ltd  
trading as Third Sector Management Solutions.  
Third Sector Management Solutions is a CPA Practice.

Liability limited by a scheme approved under Professional Standards Legislation.

The security and controls over information on the website should be addressed by Marion Sports and Community Club Incorporated to maintain the integrity of the data presented. The examination of the controls over the electronic presentation of audited financial report on the Marion Sports and Community Club Incorporated website is beyond the scope of the audit of the financial report.

#### Independence

In conducting the audit, we have complied with the independence requirement of the Australian professional accounting bodies.

#### Opinion

In our opinion the financial report of Marion Sports and Community Club Incorporated is prepared in accordance with the accounting policies described in Note 1 to the financial report, including:

- (a) giving a true and fair view of Marion Sports and Community Club Incorporated's financial position as at 30 June 2016 and of its financial performance and cash flows for the financial year ended on that date; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1, and the *Associations Incorporation Act (SA) 1985*.

#### Basis of Accounting and Restriction and Distribution of Use

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Marion Sports and Community Club Incorporated's financial reporting responsibilities under the *Associations Incorporations Act (SA) 1985*. As a result, the financial report may not be suitable for another purpose.

Our report is intended solely for Marion Sports and Community Club Incorporated and should not be distributed to or used by other parties other than Marion Sports and Community Club Incorporated.



---

Debra Arnold CPA

**Director**

Registered Company Auditor # 45005



ABN 58 608 942 221  
PO Box 28  
CHRISTIES BEACH SA 5165

Date: 12 September 2016