

C·L·U·B M·A·R·I·O·N

Marion Sports and Community Club Inc

Annual Report
2020 - 2021

MARION SPORTS AND COMMUNITY CLUB INCORPORATED
ANNUAL REPORT 2020 – 2021

Management Committee

Chairperson	Mr. Darryl Gray
Deputy Chairperson	Ms. Lindy Rattigan
Secretary	Mr. Brian Johnston
Treasurer	Mr. Ian Hassam
Committee	Mr. Arthur Patten
	Mr. Peter Castle
	Mr. Jonathon Grant
	Mr. Min Adams
General Manager	Mr. Craig Virgo

Committee Meetings

The number of meetings of the Club's Committee held during the year ended 30 June 2021, and the number of meetings attended by each Committee Member were:

	Meetings Eligible to Attend	Meetings Attended
Darryl Gray	13	13
Lindy Rattigan	13	9
Brian Johnston	13	11
Ian Hassam	13	12
Arthur Patten	13	10
Peter Castle	13	12
Jonathon Grant	13	10
Min Adams	13	12

Life Members

1966	Mr. Robert Pritchard †
1966	Mr. William Pethick †
1975	Mr. P.(Tom) Hurley †
1975	Mr. Roscoe Morrison †
1979	Mr. Colin Boots †
1979	Mr. Kevin Hodgson OAM †
1985	Mr. Alan Rae †
1985	Mr. David Woodhouse †
1993	Mr. Terry Zajer †
1993	Mr. David Manning
2002	Mr. Darryl Gray
2002	Mr. John Allen
2004	Mr. John Maziakowski
2006	Mr. Lawrie Camilleri
2012	Mr. Bill Virgo
2017	Mr. Brian Johnston
2017	Mr. Jim Anderson

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 Bowling Club
Marion Croquet Club
South City Chiefs (American Football) Club
Glenelg Rebels Softball Club
Marion Swimming Club
Cove Marion Women's Soccer Club
Hawthorn Supporters Club
Seniors 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 2020-21

The year again has been heavily influenced and controlled by COVID rules and restrictions. As we have all no doubt heard the hospitality industry has been one of the most heavily effected, with considerable restrictions on layouts and cliental numbers per area. The result of these reduced numbers per area obviously means reduced numbers in all of our entertainment areas and in turn a reduction in our overall profitability. We also experienced a couple of lock downs which resulted in losses of food stock, along with disruption to staff and our suppliers. The committee thank both for their understanding and efforts.

Thank you to members who have continued their support and well done to those that accepted the extended membership offer.

We recognise the City of Marion for their support and I am sure they are extremely grateful for what we have continued to do for the community, plus providing a more than substantial asset at virtually no cost to the community.

It has been a very testing time, with planning of future functions, and our normal day to day operations being almost impossible. We cannot be complacent as we could be closed down inside 24 hours. Treasurer Ian Hassam and General Manager Craig Virgo are continually monitoring the MSCC situation and then financially making the calls. A special thanks to Deputy Chair Lindy Rattigan, her endless hours of ensuring we conform to regulations making us an Industry leader.

Our latest building upgrade (of the dining area and kitchen), was completed in the last year but we have not been allowed the numbers to test our capacity.

I, along with the committee and members thank our staff, under the strong leadership of Craig Virgo, for their efforts during these uncertain times. The committee's decisions are being made in the best interest of the MSCC members, and the community, while maintaining the requirements of a not-for-profit organisation.

The reduction in our income has affected the MSCC's assistance and support of our affiliated clubs. All have survived and, in some instances, they have increased their membership and team numbers.

On a sad note, the passing of David Woodhouse during the last year. He was an outstanding member of the community as well as Chairman and a Life Member of the MSCC. I wish to remember him for all the help and advice he provided over the years.

Thank you to the staff, club and committee members for your support, not only this year but during the many in the past, and we look forward to brighter days in the future.

Darryl Ashley Gray
MSCC Chair

MARION SPORTS AND COMMUNITY CLUB INCORPORATED

FINANCIAL REPORT

FOR THE FINANCIAL YEAR ENDED
30 JUNE 2021

MARION SPORTS AND COMMUNITY CLUB INCORPORATED

**FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021**

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MARION SPORTS AND COMMUNITY CLUB INCORPORATED

DECLARATION BY OFFICERS OF THE ASSOCIATION

The Board reports that:

- (a) During the financial year ended 30 June 2021, 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 2021 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



Name

DARRELL ASHLEY GRAY

Signature



Name

Ian Hassam

Dated this

5th

day of

October

2021

MARION SPORTS AND COMMUNITY CLUB INCORPORATED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021**

	Note	30 June 2021 \$	30 June 2020 \$
INCOME			
Operating Income		3,902,339	3,080,802
Other Income			
Grounds & Facilities		27,944	35,103
Commissions & Subscriptions		53,693	38,394
Lotteries & TAB		49,104	41,895
Fundraising		39,788	37,097
Sundry Income		52,635	58,609
Function Income		30,484	45,785
City Of Marion COVID Reimbursement		77,363	-
Govt COVID19 Funding		273,000	234,000
Bar, Kitchen & Bistro Stock Purchases		(890,777)	(701,302)
Clubs, Members & Promotional Discounts		(158,142)	(105,834)
		<u>(444,908)</u>	<u>(316,252)</u>
GROSS PROFIT		3,457,431	2,764,550
EXPENDITURE			
100 Club		26,819	25,297
Accountancy & Auditing Fees		27,085	25,460
Bank Charges		22,314	16,161
Bank Interest		2,406	-
Cleaning		78,626	69,012
Depreciation	1. c)	399,493	346,727
Electricity		142,753	73,109
Functions		12,742	26,795
Garbage and Sanitation		35,682	23,420
Gas		13,519	35,894
Insurance		44,512	45,489
Legal Fees		480	-
Lotteries		5,999	4,491
Licence & Consultancy Fees		60,287	81,187
Management Account		901	6,182
Marketing & Promotions		80,021	95,370
Memberships		1,549	3,044
Minor Equipment & Assets		102,610	26,712
Printing, Postage & Stationery		18,008	20,984
Rent		16,576	23,136
Repairs & Maintenance		214,412	139,295
Security		9,388	59,345

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 2020**

	Note	30 June 2021 \$	30 June 2020 \$
EXPENDITURE (cont.)			
SA Water		8,259	8,927
Sundry Expenses		6,686	13,638
TAB		545	3,210
Telecommuniations		10,919	12,506
TV Subscriptions		40,365	32,615
Travel & Motor Vehicle Expenses		6,141	6,493
Sponsorships		49,506	75,219
Staff Leave Provision Expense		57,626	109,178
Staff Wages & On Costs		1,719,101	1,415,242
TOTAL EXPENDITURE		3,215,330	2,824,137
OPERATING SURPLUS/(DEFICIT)		<u>242,102</u>	<u>(59,587)</u>

The accompanying notes form part of this financial report

MARION SPORTS AND COMMUNITY CLUB INCORPORATED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

		30 June 2021	30 June 2020
	Note	\$	\$
CURRENT ASSETS			
Cash & Cash Equivalents	2	951,664	184,953
Trade Debtors & Other Receivables	3	18,591	106,427
Stock on Hand		41,086	27,773
TOTAL CURRENT ASSETS		<u>1,011,341</u>	<u>319,153</u>
NON CURRENT ASSETS			
Property, Plant & Equipment	4	5,004,292	5,259,383
Gaming Machine Entitlements		389,915	455,000
TOTAL NON CURRENT ASSETS		<u>5,394,207</u>	<u>5,714,383</u>
TOTAL ASSETS		<u>6,405,548</u>	<u>6,033,536</u>
CURRENT LIABILITIES			
Trade Creditors & Other Accruals	5	319,172	326,786
Provisions	6	151,599	156,809
Loan		83,333	-
TOTAL CURRENT LIABILITIES		<u>554,104</u>	<u>483,595</u>
NON CURRENT LIABILITIES			
Provisions	6	4,914	5,428
Loan		125,000	-
TOTAL NON CURRENT LIABILITIES		<u>129,914</u>	<u>5,428</u>
TOTAL LIABILITIES		<u>684,018</u>	<u>489,023</u>
NET ASSETS		<u>5,721,530</u>	<u>5,544,513</u>
ACCUMULATED FUNDS			
Reserves		(671)	(671)
Opening Retained Earnings		5,090,184	5,149,771
Gaming Machine Revaluation Reserve		389,915	455,000
Surplus/(Deficit) for the year		242,102	(59,587)
TOTAL ACCUMULATED FUNDS		<u>5,721,530</u>	<u>5,544,513</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 2021

Note	Accumulated Funds	Capital Redemption Reserve	Asset Revaluation Reserve	Asset Reserve - Gaming Machine Entitlements	Total
	\$			\$	\$
Balance as at 1 July 2020	5,090,184	3,450	(4,121)	455,000	5,544,513
Transfers (to) and from reserves	-	-	-	(65,085)	(65,085)
Surplus / (Deficit) for the year	242,102	-	-	-	242,102
Prior period adjustment	-	-	-	-	-
Balance as at 30 June 2021	5,332,286	3,450	(4,121)	389,915	5,721,530

Note	Accumulated Funds	Capital Redemption Reserve	Asset Revaluation Reserve	Asset Reserve - Gaming Machine Entitlements	Total
	\$			\$	\$
Balance as at 1 July 2019	5,149,771	3,450	(4,121)	455,000	5,604,100
Transfers (to) and from reserves	-	-	-	-	-
Surplus / (Deficit) for the year	(59,587)	-	-	-	(59,587)
Prior period adjustment	-	-	-	-	-
Balance as at 30 June 2020	5,090,184	3,450	(4,121)	455,000	5,544,513

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 2020

		30 June 2021 \$	30 June 2020 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating Receipts		4,977,375	4,018,303
Grounds & Facilities		27,944	35,103
Donation Receipts		-	-
Payments to Suppliers & Employees		(4,306,215)	(3,993,402)
NET CASH FLOWS FROM OPERATING ACTIVITIES	7	<u>699,103</u>	<u>60,004</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received		47	7,206
Payment for Property, Plant & Equipment		(144,402)	(1,262,530)
Proceeds from Sale of Property, Plant & Equipment		3,630	7,250
NET CASH FLOWS FROM INVESTING ACTIVITIES		<u>(140,724)</u>	<u>(1,248,074)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in finance commitments		250,000	-
Repayment of finance liabilities		(41,667)	-
NET CASH FLOWS FROM FINANCING ACTIVITIES		<u>208,333</u>	<u>-</u>
NET INCREASE/(DECREASE) IN CASH HELD		<u>766,712</u>	<u>(1,188,070)</u>
CASH AT THE BEGINNING OF THE FINANCIAL YEAR		184,953	1,373,023
CASH AT THE END OF THE FINANCIAL YEAR	2	<u><u>951,664</u></u>	<u><u>184,953</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 2021

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

In the opinion of the Officers of the Association, the Association is not a reporting entity. Accordingly, the report is a "Special Purpose Financial Report" that has been prepared solely to meet the requirements of the Associations Incorporations Act (SA) and the Australian Charities and Not-for-profits Commission Act 2012 and the Australian Charities and Not-for-profits Commission Regulation 2013.

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:

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

Prior to 1 July 2016 Property, Plant and Equipment over \$1,000 were capitalised and recorded as fixed asset at cost. From 1 July 2016 the capitalisation of an asset(s) is dependent on the value of the purchase. Where the total purchase of the asset(s) is over \$5,000 the asset is capitalised and recorded as a fixed asset 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:

Class of Asset	Depreciation Rate
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 2021

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 2018, 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.

2. CASH & CASH EQUIVALENTS

	30 June 2020	30 June 2019
	\$	\$
Cash on hand	75,985	58,303
Cash at Bank	875,680	126,650
	<u>951,664</u>	<u>184,953</u>

3. TRADE DEBTORS & OTHER RECEIVABLES

Trade Debtors & Other Receivables	4,870	101,342
Prepayments	13,721	5,085
	<u>18,591</u>	<u>106,428</u>

MARION SPORTS AND COMMUNITY CLUB INCORPORATED

**NOTES TO THE FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021**

	30 June 2021	30 June 2020
	\$	\$
4. PROPERTY, PLANT & EQUIPMENT		
Building Improvements	5,511,393	5,511,393
Less: Accumulated Depreciation	<u>(1,425,497)</u>	<u>(1,252,629)</u>
	4,085,896	4,258,764
Bar Lounge & Function Rooms	187,493	187,493
Less: Accumulated Depreciation	<u>(167,030)</u>	<u>(162,305)</u>
	20,463	25,188
Main & Function Bars	130,459	130,459
Less: Accumulated Depreciation	<u>(123,796)</u>	<u>(114,177)</u>
	6,663	16,282
Downstairs & Grounds	708,842	708,842
Less: Accumulated Depreciation	<u>(479,087)</u>	<u>(456,645)</u>
	229,755	252,197
Furniture	169,092	169,092
Less: Accumulated Depreciation	<u>(97,709)</u>	<u>(75,015)</u>
	71,383	94,077
Gaming Machines	1,223,513	1,194,568
Less: Accumulated Depreciation	<u>(1,021,859)</u>	<u>(912,900)</u>
	201,654	281,668
Gaming Office	5,713	5,713
Less: Accumulated Depreciation	<u>(5,713)</u>	<u>(5,713)</u>
	-	-
Gaming Room	183,865	131,165
Less: Accumulated Depreciation	<u>(138,340)</u>	<u>(124,102)</u>
	45,525	7,063
Kitchen Appliances	495,424	438,738
Less: Accumulated Depreciation	<u>(213,115)</u>	<u>(178,196)</u>
	282,309	260,542
Manager's Office	10,869	4,798
Less: Accumulated Depreciation	<u>(5,092)</u>	<u>(4,798)</u>
	5,777	-
Reception Office	22,266	22,266
Less: Accumulated Depreciation	<u>(15,115)</u>	<u>(12,591)</u>
	7,151	9,675
Security	170,951	170,951
Less: Accumulated Depreciation	<u>(123,235)</u>	<u>(117,024)</u>
	47,716	53,927
TAB Room	9,766	9,766
Less: Accumulated Depreciation	<u>(9,766)</u>	<u>(9,766)</u>
	-	-
	<u>5,004,292</u>	<u>5,259,383</u>

MARION SPORTS AND COMMUNITY CLUB INCORPORATED

**NOTES TO THE FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021**

	30 June 2021 \$	30 June 2020 \$
5. TRADE CREDITORS & OTHER ACCRUALS		
Trade Creditors	140,254	234,478
Accruals & Payroll Liabilities	141,901	83,551
Net GST Liability	37,016	8,756
	<u>319,172</u>	<u>326,786</u>
6. PROVISIONS		
CURRENT		
Annual Leave	42,943	52,470
Long Service Leave	108,656	104,339
	<u>151,599</u>	<u>156,809</u>
NON CURRENT		
Long Service Leave	4,914	5,428

7. CASH FLOW INFORMATION

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

	30 June 2021 \$	30 June 2020 \$
Operating Result	242,102	(59,587)
Non-cash flows in operating result:		
Depreciation & Amortisation	399,493	346,727
Net (gain)/loss on disposal of assets	(3,630)	(7,250)
Interest Received	(47)	(7,206)
Changes in assets and liabilities:		
(Increase)/Decrease in Stock on Hand	(13,313)	6,732
(Increase)/Decrease in trade and other receivables	87,836	(86,642)
Increase/(Decrease) in trade creditors & accruals	(7,614)	(160,031)
Increase/(Decrease) in Employee Provisions	(5,724)	27,260
	<u>699,103</u>	<u>60,004</u>

At 30 June 2021 the following overdraft facilities are available which are not being utilised:

Overdraft \$30,000

9. LEASE COMMITMENTS

Lease commitments not capitalised in the financial report.

21 year lease entered into with the City of Marion effective from 12 September 2018. Lease term provides a discount 93% of market rates provided lease criteria is met by Marion Sports and Community Club Inc.

Payable - Minimum Lease Payments

- not later than 1 year	15,187	15,187
- later than 1 year but not later than 5 years	60,748	60,748
- later than 5 years	199,224	214,411
	<u>275,159</u>	<u>290,346</u>

INDEPENDENT AUDITOR'S REPORT

To the members of the Marion Sports and Community Club Incorporated

Report on the Audit of the Financial Report

We have audited the financial report of the Marion Sports and Community Club Incorporated, which comprises the statement of financial position as at 30 June 2021, 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 Committee of Managements' declaration.

In our opinion the financial report has been prepared in accordance with the *Associations Incorporations Act (SA) 1985*, including:

- (a) giving a true and fair view of the Marion Sports and Community Club Incorporated's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards to the extent described in Note <#> to the financial report.

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 Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.


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

Emphasis of Matter - Basis of Accounting

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 opinion is not modified in respect of this matter.

Responsibility of the Committee of Management for the Financial Report

The Committee of Management of the 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 Incorporations Act (SA) 1985* and the needs of the members. The Committee of Managements' responsibility also includes such internal control as the 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.



In preparing the financial report, the Committee of Management are responsible for assessing the Marion Sports and Community Club Incorporated's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Committee of Management either intend to liquidate the Marion Sports and Community Club Incorporated or to cease operations, or have no realistic alternative but to do so.

The Committee of Management are responsible for the Marion Sports and Community Club Incorporated's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by responsible entities.
- Conclude on the appropriateness of responsible entities' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory

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.



Debra Arnold CPA
Director
Registered Company Auditor # 45005

Date: 5 October 2021

