

# *Port Douglas District Combined Clubs Inc.*

TIN SHED  
PORT DOUGLAS



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## **42<sup>nd</sup> ANNUAL REPORT & BALANCE SHEET**



**To be presented at the  
ANNUAL GENERAL MEETING  
to be held on  
Sunday, 20<sup>th</sup> October 2019 at 9.00 am**

# Port Douglas District Combined Clubs Inc.

## NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of the Port Douglas District Combined Clubs Inc. will be held on  
**Sunday, 20<sup>th</sup> October 2019 commencing at 9.00 am.**

### **BUSINESS:**

1. President's opening remarks
2. Apologies
3. Minutes of 2018 Annual General Meeting
4. Matters arising from 2018 Minutes
5. To receive the President's Report
6. To receive the Treasurer's Report
7. To receive the General Manager's Report
8. Submission of Audited Financial Statement
9. Questions to Accounts \*
10. Management Committee Election
11. Appointment of Auditor – MGI Mossman
12. Appointment of Patron
13. Special Resolution – Funding Approval

#### **Special Resolution 1**

“Subject to Building Application being granted the Committee seeks approval to spend up to \$1,700,000 for the purpose of carrying out the Clubs Extensions as per plans and be able to negotiate a loan for this purpose.”

**Footnote:** Further information will be tabled at the AGM.

14. Special Resolution – Proposed Name Change

#### **Special Resolution 2**

‘That the members hereby approve the change of name of the Port Douglas District Combined Clubs Inc. ABN 35 996 717 905 to the Douglas Community & Sports Club Inc. ABN 35 996 717 905’.

#### **Special Resolution 3**

‘That in accordance with Article 43 the members hereby approve the amendments to the Club's Constitution as tabled.’

15. General Business – discussion and recommendations to the incoming Committee only
16. Close

By Order of the Management Committee  
Kym Rowley  
General Manager

\*To ensure that detailed answers can be given on the day in regards to financial matters members are requested to submit their questions in writing to the office at least seven days prior to the Annual General Meeting.

## PRESIDENT'S REPORT

As president of this club it has always been my focus to bring to our shire the best possible facilities for all its members. I am very proud of the committee's total commitment to ensure we were able to do the club extensions that have provided a renewed energy within the club. I can assure you all that we have faced an uphill battle with council in regard to several issues:

1. Our status as a not for profit organisation.
2. A stubborn and pedantic stance regarding our DA application.
3. A lease that is devoid of any community spirit; only a desire for money.

It was only after the appointment of Mark Stoermer as the council's new CEO that items 1 and 2 could be resolved.

The take-over of Mossman Golf Club has put additional financial pressure on our cash flow particularly after the huge increase in rent demanded by our council. As our Treasurer will report the financial position at the golf club has been stabilised.

As a committee we cannot be complacent as our competition are also improving their facilities; our upper deck extension is not just a desire it is a must. Our target to complete the upper deck extension, as soon as possible, has not waived but we must ensure that we provide a sound financial base before we commit.

Anthony Dickinson  
President

## TREASURERS REPORT

It was pleasing to see an improvement in the bottom line as we have gone from a trading loss last year of \$46 000 to an operating profit of \$64 520 and that has been achieved after having to pay a tax burden of \$149 000 for the previous 3 years, and a substantial ground rent increase to the Douglas Shire Council after a prolonged disputed method of assessing the valuation. We do not have a tax liability this year as a result of losses carried forward

I am still not totally satisfied that our income stream is quite strong enough, as future wage rises, cost of provisions and possible rent increases currently being sought by this rogue council do have to be factored into our considerations going forward.

On the positive side we have paid off our tax burden and the outstanding rent increase. The solar panels on our roof have reduced the electricity bill by \$20 000 and Kym our manager is closely monitoring all our costs and is very diligent at his task.

The Golf Club is showing a slight improvement considering the 7 months leading to June were unusually wet and much of the time the course was unplayable and we had some member defections to other clubs so come along and make use of the best golf venue in far north Queensland, we have great facilities and have just been given a Government grant of over \$130 000 to upgrade our locker rooms and ablutions, the work should be commencing shortly.

Don't forget our social club plays every 1<sup>st</sup> Sunday of the month, so come and have some fun.

Many members have requested that we improve the seating facilities both upstairs and downstairs and we expect to achieve this in the near future.

You are probably aware that we eventually had our proposed extensions approved and when the committee feel the time is right, we will provide all the members with the full details of the proposal and seek your support to proceed.

There has been more competition come into being in the form of sports bars and venues down on the Marina, however we believe that our meals and bar prices, not to mention the best location in town has kept the competition at bay and we are looking forward to a great year.

Our membership as at 30<sup>th</sup> June was 5836 a substantial increase on last year.

### Cash on hand at 30<sup>th</sup> June

cash in hand	\$340
cash floats	\$60 000
General Account	\$198 678
Gaming Account	\$41 147
My cash Account	-\$396
Visa Card Account	-\$1183
TOTAL	\$298 586

As your treasurer I would like to thank all our members and guests for your support during the last year, please continue to use and enjoy the wonderful facilities that our club has to offer.

Mal Phillips  
TREASURER

## GENERAL MANAGER'S REPORT

Well another year has passed, which again has been very interesting but rewarding. Looking back on the year and the wet weather we endured one would have thought that it would have affected our bottom line more. However, when it's wet for long periods people seem to eat and drink more hence it didn't affect us all that much at the Tin Shed. However, the Golf Club was another matter!

Having informed the Management Committee of my plans to retire early 2021 there is still a lot I want to achieve. It would be nice to see the final extension completed and operational. However, I would not recommend to the Committee to go ahead with it unless I believe the Club is in a strong financial position, even though we have managed to service our current debt on current trade over the last four years or so.

We recently had a Rent Review Valuation carried out by Taylor Byrne, which their Report will be assessed by Council to determine our Rent for the next five years. After the last hefty increase, the Management Committee and I are prepared to take this matter further if Council decides to land us with a further increase in our rent. When you consider that over the last 10 years or so this Club has invested over \$3 mil in the Club with no support from Council, yet they want to have more due to us increasing the value of their asset.

I like to mention that my job here is made a lot easier due to the support of not only the Management Committee but also my staff and I would like to thank them all. I look forward to working with them all in the year ahead.

In finishing some of you would already know by now that I intend to run for Council in next year's election. I have the full support of the Management Committee and let me assure you all that the Club will continue to get my full attention in the coming year.

Kym Rowley  
General Manager

**PORT DOUGLAS DISTRICT COMBINED CLUBS INC.**

**MANAGEMENT COMMITTEE MEETINGS**

ATTENDANCE REGISTER as at 10<sup>th</sup> September 2019

Name	Meetings Held	Meetings Attended
Tony Dickinson	11	10
Ian Ottaway	11	9
John Clifford	11	10
Mal Phillips	11	10
Stephen Warden	11	10
Peter Lewis	11	10
Gloria Bye	11	10

**PORT DOUGLAS DISTRICT COMBINED CLUBS INC.**

**MEMEBERSHIP LIST**

**AS AT 30<sup>th</sup> JUNE 2019**

<b>Category</b>	<b>Local Members</b>	<b>Others</b>
<b>Social Members – 1 Year</b>	137	256
<b>Social Member – 3 Year</b>	3403	1779
<b>Fishing Members</b>	10	0
<b>Country Golfing</b>	0	49
<b>Full Golfing</b>	116	0
<b>Intermediate Golfing</b>	2	0
<b>Junior Golfing</b>	7	0
<b>Junior</b>	13	0
<b>Senior Golfing</b>	58	0
<b>Life</b>	5	1
<b>TOTAL - 5836</b>	<b>3751</b>	<b>2085</b>

**Total number of Members reflect those who were Financial as at 30 June 2019.**

**PORT DOUGLAS & DISTRICT COMBINED CLUBS INC.**  
**ABN 35 996 717 905**

**STATEMENT BY MEMBERS OF THE COMMITTEE**

The committee has determined that the association is a reporting entity and that this general purpose financial statement should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the committee the financial statements as set out on pages 1 to 12:

- 1 Present fairly the financial position of Port Douglas & District Combined Clubs Inc. as at 30 June 2019 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.
- 2 At the date of this statement, there are reasonable grounds to believe that Port Douglas & District Combined Clubs Inc. will be able to pay its debts as and when they fall due.

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

**President:**

  
\_\_\_\_\_  
Anthony Dickinson

**Treasurer:**

  
\_\_\_\_\_  
Malcolm Phillips

**Dated**

10<sup>th</sup> this day of September, 2019.



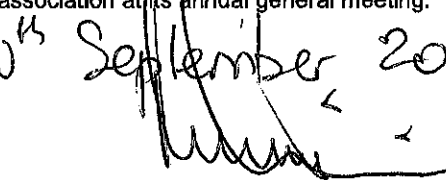
**PORT DOUGLAS & DISTRICT COMBINED CLUBS INC.**  
**ABN 35 996 717 905**

**CERTIFICATE BY MEMBERS OF THE COMMITTEE**

I, Anthony Dickinson of , certify that:

- (a) I attended the annual general meeting of the association held on .
- (b) The financial statements for the year ended 30 June 2019 were submitted to the members of the association at its annual general meeting.

Dated this day of 10<sup>th</sup> September 2019

Committee Member:   
Anthony Dickinson

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF PORT DOUGLAS & DISTRICT COMBINED CLUBS INC.  
35 996 717 905**

**Scope**

We have audited the financial report of Port Douglas & District Combined Clubs Inc. for the financial year ended 30 June 2019. The Committee is responsible for the financial report. We have conducted an independent audit of this financial report in order to express an opinion on it to the members.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Australian Accounting Standards and other mandatory professional reporting requirements in Australia so as to present a view which is consistent with our understanding of the association's financial position, and performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

**Independent**

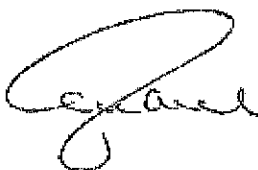
In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

**Audit Opinion**

In our opinion, the financial report presents fairly in accordance with applicable Australian Accounting Standards and other mandatory professional reporting requirements in Australia the financial position of Port Douglas & District Combined Clubs Inc. as at 30 June 2019, and the results of its operations and its cash flows for the year then ended.

**Name of Firm:**                   **SIDCOR Port Douglas Pty Ltd**  
Chartered Accountants & Business Advisors

**Name of Director:**



**Address:**                         10/32 Macrossan St, Port Douglas Qld 4877

**Dated this 10th day of September 2019**

Port Douglas & District Combined Clubs Inc

**PROFIT AND LOSS ACCOUNT  
FOR YEAR ENDED 30 JUNE 2019**

	2019 \$	2018 \$
<b>Income</b>		
Bar Trading	672,104	567,723
Kitchen Trading	327,241	363,997
Gaming	347,717	486,442
Golf Club Operations	-165,516	-156,630
Membership Subscriptions	25,572	17,654
Club Merchandise & Other Activities	39,000	30,181
Donations	11,725	17,135
Interest Received	0	0
<b>Total Income</b>	<b>1,257,843</b>	<b>1,324,502</b>
<b>Expenses</b>		
Accountancy	10,500	13,700
Advertising	38,873	31,184
Promotions - Members	137,867	137,793
Promotions - Discounts	10,610	0
Amortisation	10,126	10,126
Audit Fees	8,000	8,000
Bad Debt	0	0
Bank Charges & Merchant Fees	31,901	30,500
Bank Interest	22,674	37,135
Bookkeeping	2,960	3,791
Borrowing Costs (Facility Fee)	44,608	48,746
Cleaning & Gardening	19,820	86,025
Computer Costs	13,864	12,614
Consultants	3,170	10,629
Depreciation	138,210	142,921
Donations	13,177	23,749
Electricity	80,692	100,822
Entertainment	54,896	47,208
Hire/Rental of Equipment	3,759	1,857
Insurance	47,356	44,265
Interest Other	7,037	3,177
Legal Costs	0	10,946
Licences, Registrations, Permits Manager & Committee	6,104	10,980
Postage & Stationery and Office Expenses	5,673	2,632
Office Expenses	14,928	10,978
Rates	21,324	16,164
Rent & Storage	98,063	83,396
Repairs & Maintenance	21,624	19,168
Security	1,379	1,167
Seminars & Training	9,922	5,079
Staff Amenities & Expenses	33,441	30,221
Subscriptions	3,836	3,556
Superannuation	26,637	21,332
Sundry Expenses	1,793	1,380
Telephone	12,437	14,178
Travelling Expenses	4,014	47,080
Uniforms	837	2,184
Waste Disposal	21,026	33,057
Wages & Salaries	268,291	226,086
Workcover	3,685	3,645
Payroll Tax	8,170	5,364
<b>Total Expenses</b>	<b>1,263,286</b>	<b>1,342,635</b>
<b>OPERATING PROFIT</b>	<b>-5,443</b>	<b>-18,133</b>
<b>Non Operating Income</b>		
Grants Received	69,963	0
<b>Non Operating Expense/Extra Ordinary Item</b>		
Prior Year Rent Adjustment	0	-26,667
Loss on Disposal of Assets	0	0
<b>OPERATING PROFIT/(LOSS) FOR YEAR Before Income Tax</b>	<b>64,520</b>	<b>-46,800</b>
Income Tax (Expense)/Benefit		
Current Year	544	10,708
Prior Years	0	-149,523
<b>Net Profit/(loss) for Year After Income Tax</b>	<b>65,064</b>	<b>-185,617</b>
Less Grant Funds Unexpended Carry Forward	-64,963	0
	101	-185,617

**Port Douglas & District Combined Clubs Inc**

**BAR TRADING ACCOUNT - TIN SHED  
FOR THE YEAR ENDED 30 JUNE 2019**

	<b>2019</b>	<b>2018</b>
	\$	\$
<b>SALES</b>	1,757,455	1,702,864
	<hr/>	<hr/>
<b>Less COST OF SALES</b>		
Opening Stock	64,356	69,665
Purchases	661,012	687,292
Less Rebates	-81,888	-38,030
	<hr/>	<hr/>
	643,480	718,927
Closing Stock	-63,107	-64,356
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	580,373	654,571
	<hr/>	<hr/>
Gross Profit	1,177,082	1,048,293
Gross Profit % of Sales	67%	62%
<b>Less Direct Expenses</b>		
Gas & Bar Requisites	3,178	2,342
Repairs & Replacements	12,873	10,820
Sundry Expenses	3,275	953
Superannuation	38,871	37,395
Wages	425,685	408,058
Workcover	8,842	11,304
Payroll Tax	12,254	9,698
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	504,978	480,570
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<b>TOTAL BAR TRADING PROFIT</b>	672,104	567,723
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**Port Douglas & District Combined Clubs Inc**

**KITCHEN TRADING ACCOUNT - TIN SHED  
FOR THE YEAR ENDED 30 JUNE 2019**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b>SALES</b>	2,348,281	2,281,820
<b>Less COST OF SALES</b>		
Opening Stock	15,615	11,266
Purchases	978,437	928,014
Closing Stock	<u>-17,866</u>	<u>-15,615</u>
	976,186	923,665
	<u>1,372,095</u>	<u>1,358,155</u>
Gross Profit	1,372,095	1,358,155
Gross Profit % on Sales	58%	60%
<b>Less Direct Expenses</b>		
Cleaning	27,744	30,334
Gas	52,151	47,964
Repairs & Replacement	35,308	42,132
Sundry Expenses	235	66
Superannuation	77,093	69,983
Wages	815,173	776,588
Workcover	14,173	8,603
Payroll Tax	<u>22,977</u>	<u>18,488</u>
	1,044,854	994,158
	<u>327,241</u>	<u>363,997</u>
<b>TOTAL KITCHEN TRADING PROFIT</b>	<u>327,241</u>	<u>363,997</u>

**Port Douglas & District Combined Clubs Inc**

**GAMING TRADING ACCOUNT - TIN SHED  
FOR THE YEAR ENDED 30 JUNE 2019**

	<b>2019</b>	<b>2018</b>
	\$	\$
<b>Gross Proceeds</b>		
Poker Machines	2,548,532	2,449,813
Keno	15,211	12,319
	<u>2,563,743</u>	<u>2,462,132</u>
<b>LESS:</b>		
Return to Players	1,827,208	1,623,868
<b>Operating Expenses</b>		
Audit Fees	4,000	4,000
Depreciation	139,825	102,470
Interest on Finance	8,669	11,078
Levies & Monitoring Fees	90,931	86,624
Repairs/Replacements & Sundries	9,400	1,876
State Government Taxes	135,779	145,599
Sundry Expenses	214	175
	<u>388,818</u>	<u>351,822</u>
<b>PROFIT FROM GAMING</b>	<u>347,717</u>	<u>486,442</u>

Port Douglas & District Combined Clubs Inc

TRADING, PROFIT & LOSS ACCOUNT - MOSSMAN GOLF CLUB  
FOR THE YEAR ENDED 30 JUNE 2019

	2019			2018		
	Bar	Shop	\$ Total	\$ Bar	Shop	Total
<b>SALES - Bar &amp; Shop</b>	237,444	23,384	260,828	274,347	30581	304,928
<b>Less COST OF SALES</b>						
Opening Stock	17,137	14,087	31,224	16,294	19367	35,660
Purchases	104,288	15,302	119,590	124,231	24697	148,928
Bar Requisites	737	0	737	1,002	0	1,002
Closing Stock	122,162	29,389	151,551	141,527	44,064	185,590
	-18,176	-11,770	-29,946	-17,137	-14087	-31,223
<b>Cost of Sales</b>	103,986	17,619	121,605	124,390	29,977	154,367
<b>Gross Profit - Bar &amp; Shop</b>	133,458	5,765	139,223	149,957	604	150,561
<b>Gross Profit % of Sales</b>	56%	25%	53%	55%	2%	49%
<b>INCOME</b>						
Gross Profit Bar & Shop			139,223			150,561
Memberships			94,421			99209
Green			132,951			147234
Competition			46,523			48173
Hire - Cart/Club/Buggy			61,863			78109
Sponsorships			4,900			2930
Sundry Income			313			7311
			480,194			533,527
<b>Less Expenses</b>						
Advertising			2,466			1878
Bank Interest			6,446			7634
Borrowing Costs			750			750
Chemicals & Herbicides			43,043			32749
Cleaning & Waste Removal			9,241			10146
Depreciation			79,413			64083
Electricity			16,533			26842
Fuel & Oils			16,590			14338
Insurance			20,253			18970
Interest on Equipment			12,927			7965
Licences & Fees			590			1541
Printing & Stationery			576			1633
Rental - Machinery			40,187			46731
Rates			2,673			4413
Repairs & Maintenance			18,275			42958
Subscriptions			15,878			14646
Sundry Expenses			0			0
Superannuation			25,332			27980
Telephone			2,494			1938
Trophies/Vouchers			30,486			26878
Wages & Salaries			288,766			325545
Workcover			5,132			4822
Payroll Tax			7,659			7717
<b>Total Expenses</b>			645,710			692,157
<b>LOSS FROM GOLF OPERATIONS</b>			-165,516			-158,630

**PORT DOUGLAS & DISTRICT COMBINED CLUBS INC**

**STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME FOR YEAR ENDED 30 JUNE 2019**

	Note	2019 \$	2018 \$
Revenue	2	7,424,880	7,208,440
Employee Benefits Expense		-2,095,243	-2,000,092
Depreciation and Amortisation Expense	3	-367,574	-319,600
Other Expenses		<u>-4,897,543</u>	<u>-4,906,881</u>
<b>Current year (deficit)/surplus before income tax</b>		<b>64,520</b>	<b>-18,133</b>
<i>Extraordinary Items</i>			
Grant Funds Carry Forward Unexpended		-64,963	
Prior year rental adjustment		<u>0</u>	<u>-28,667</u>
<b>Net current year (deficit)/surplus after extraordinary items</b>		<b>-443</b>	<b>-46,800</b>
<i>Income Tax Expense</i>			
Current Year	4	544	10,706
Relating to Prior Years		<u>0</u>	<u>-149,523</u>
		<u>544</u>	<u>-138,817</u>
<b>Other Comprehensive Income After Income Tax:</b>			
Other comprehensive income for the year, net of tax		<u>0</u>	<u>0</u>
<b>Total comprehensive (deficit)/surplus for the year</b>		<b>101</b>	<b>-185,617</b>
<b>Total comprehensive (deficit)/surplus attributable to members of the entity</b>		<b>101</b>	<b>-185,617</b>

The accompanying notes form part of these financial statements.



PORT DOUGLAS & DISTRICT COMBINED CLUBS INC

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

	Note	2019 \$	2018 \$
<b>ASSETS</b>			
<i>Current Assets</i>			
Cash and Cash Equivalents	5	298,586	455,079
Accounts receivable and other debtors	6	70,192	105,110
Inventories on Hand	7	110,919	111,197
Other current assets	8	12,842	18,881
<b>Total Current Assets</b>		<b>492,539</b>	<b>690,267</b>
<i>Non-Current Assets</i>			
Property, Plant and Equipment	9	4,698,985	4,841,587
Intangible	10	178,928	178,928
<b>Total Non-Current Assets</b>		<b>4,877,913</b>	<b>5,020,515</b>
<b>TOTAL ASSETS</b>		<b>5,370,452</b>	<b>5,710,782</b>
<b>LIABILITIES</b>			
<i>Current Liabilities</i>			
Accounts payable and other payables	11	673,046	642,885
Borrowings	12	1,384,654	1,542,676
Employee provisions	13	118,529	125,636
Income tax liabilities		0	111,357
<b>Total Current Liabilities</b>		<b>2,176,229</b>	<b>2,422,554</b>
<i>Non-Current Liabilities</i>			
Borrowings	12	250,217	344,323
<b>Total Non-Current Liabilities</b>		<b>250,217</b>	<b>344,323</b>
<b>TOTAL LIABILITIES</b>		<b>2,426,446</b>	<b>2,766,877</b>
<b>NET ASSETS</b>		<b>2,944,006</b>	<b>2,943,905</b>
<b>EQUITY</b>			
Asset Revaluation Reserve	14	128,928	128,928
Retained Surplus	15	2,815,078	2,814,977
<b>TOTAL EQUITY</b>		<b>2,944,006</b>	<b>2,943,905</b>

The accompanying notes form part of these financial statements.

**PORT DOUGLAS & DISTRICT COMBINED CLUBS INC**

**STATEMENT IN CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2019**

	Note	Retained Earnings	Financial Assets Reserve	Total \$
<b>Balance at 1 July 2017</b>		3,000,594	128,928	3,129,522
<b>Comprehensive Income</b>				
Net surplus for year attributable to members		-185,617	0	-185,617
Other comprehensive income for the year		0	0	0
<b>Balance at 30 June 2019</b>		<u>2,814,977</u>	<u>128,928</u>	<u>2,943,905</u>
<b>Comprehensive Income</b>				
Net deficit (after tax) for year attributable to members		101	0	101
Other comprehensive income for the year		0	0	0
<b>Balance at 30 June 2019</b>		<u>2,815,078</u>	<u>128,928</u>	<u>2,944,006</u>

The accompanying notes form part of these financial statements.

**PORT DOUGLAS & DISTRICT COMBINED CLUBS INC**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2019**

		<b>2019</b>	<b>2018</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		7,429,955	7,203,654
Payments to Suppliers		-7,051,595	-6,682,575
Interest received		0	0
Interest paid		-57,755	-66,989
Income tax paid		<u>                    </u>	<u>-28,756</u>
<b>Net Cash Provided By Operating Activities</b>	17	<u>320,605</u>	<u>425,334</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		-224,972	-557,244
Proceeds on sale of property, plant and equipment		<u>0</u>	<u>41,092</u>
<b>Net Cash Used in Investing Activities</b>		<u>-224,972</u>	<u>-516,152</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of borrowings		-426,630	-289,385
Proceeds from financings		<u>174,504</u>	<u>476,000</u>
<b>Net Cash Received(Used) In Financing Activities</b>		<u>-252,126</u>	<u>186,615</u>
NET Increase/(Decrease) in cash held		-156,493	95,797
Cash at the beginning of the financial year		<u>455,079</u>	<u>359,282</u>
<b>CASH AT END OF THE FINANCIAL YEAR</b>	5	<u>298,586</u>	<u>455,079</u>

The accompanying notes form part of these financial statements.

**PORT DOUGLAS & DISTRICT COMBINED CLUBS INC**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019**

**NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements covers Port Douglas & District Combined Clubs Inc as an individual entity. Port Douglas & District Combined Clubs Inc as an association incorporated in Queensland under the Associations Incorporations Act 1981.

**Basis of Preparation**

These general purpose financial statements have been prepared in accordance with the Associations Incorporations Act 1981 and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement of fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

**Accounting Policies**

**Income Tax**

At the date of preparation of the accounts the Income Tax Assessment Act grants exemption from income tax the income of a Club established for the encouragement or promotion of sport and which is not carried on for the purpose of profit or gain for its individual members. The accounts for the year have been prepared on the basis that the club does *not* comply with these requirements and income tax expense (income) has been estimated based on the provision of the *Mutuality Principle* as provided in the Income Tax Assessment Act and Regulations.

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

**Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year, and any adjustment to tax payable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

**Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which temporary differences can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the club expects, at the reporting period date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

**Inventories on Hand**

Inventories held for sale are measured at the lower of cost or net realisable value.

**PORT DOUGLAS & DISTRICT COMBINED CLUBS INC**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019**

***Property, Plant and Equipment***

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

***Property***

Freehold land and buildings are measured on the fair value basis, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

***Plant and equipment***

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the association to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which 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.

The cost of fixed assets constructed within the association includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

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 association and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

***Depreciation***

The depreciable amount of all fixed assets including building and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the Association commencing from the time the asset is held ready for use. Properties held for investment purposes are not subject to depreciation. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates for each class of depreciable assets are:

<i>Class of Fixed Asset</i>	<i>Depreciation Rate</i>
Leasehold & Freehold Improvements	2.5-10%
General Plant & Equipment	5-50%
Leased Plant & Equipment	4-30%

***Financial Instruments***

***Employee Provisions***

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

***Cash on Hand***

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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

**PORT DOUGLAS & DISTRICT COMBINED CLUBS INC**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019**

***Accounts Receivable and Other Debtors***

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

***Revenue***

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

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

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

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

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

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 Statement of Financial Position are shown inclusive of GST.

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

***Comparative Figures***

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

***Accounts Payable and Other Payables***

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of the recognition of the liability.

***Critical Accounting Estimates and Judgements***

The committee members evaluate estimates and judgements incorporated into the financial report 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 association.

**PORT DOUGLAS & DISTRICT COMBINED CLUBS INC**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>NOTE 2 - REVENUE</b>		
<i>Sales Revenue</i>		
Sale of Goods	4,363,772	4,289,812
Rendering of Service	2,659,427	2,784,830
<i>Other Income</i>		
Contributions Members	119,993	116,863
Grants Received	69,963	0
Donations Received	11,725	17,135
	<u>7,224,880</u>	<u>7,208,440</u>

**NOTE 3 - SURPLUS FOR THE YEAR**

Profit from ordinary activities before  
income tax expense has been determined after:

<i>Expenses</i>		
Cost of Sales	1,678,164	1,763,832
<i>Depreciation Non Current Assets</i>		
Loss on Disposal of Assets	357,448	309,474
Amortisation of Non-Current Assets	0	0
Assets Under Lease	10,126	10,126
<i>Remuneration of Auditor</i>		
Audit of Poker Machines	4,000	4,000
Accountancy & Audit Fees	14,000	17,500
Taxation Services	4,500	4,200

**NOTE 4 - INCOME TAX EXPENSE**

a) The components of tax expense comprise:  
Current Year

-544	-10,706
------	---------

b) The prima facie tax on current year surplus before income tax is  
reconciled to the income tax as follows:

Prima facie tax payable on current year surplus/(deficit) before income tax at 27.5%	17,743	-12,870
Less:		
Tax effect of:		
- difference between accounting and taxable surplus	-9,909	-8,396
- non-taxable member income arising from principle of mutuality	-8,378	10,560
Income tax attributable to the association current year	<u>-544</u>	<u>-10,706</u>

**NOTE 5 - CASH ON HAND**

Cash in Hand	340	42,878
Cash Floats - Pokies, Keno & ATM	60,000	50,000
General Account - ANZ	198,878	220,846
Gamling Account - ANZ	41,147	141,138
Online Saver Account	0	0
MyCash Account	-396	456
Visacard Account	-1,183	-239
	<u>298,586</u>	<u>455,079</u>

The accompanying notes form part of these financial statements.

PORT DOUGLAS & DISTRICT COMBINED CLUBS INC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
<b>NOTE 6 - ACCOUNTS RECEIVABLE AND OTHER DEBTORS</b>		
Accounts Receivable	513	17,184
Other Debtors	352	1,115
Income Accrued	7,179	14,750
Income Tax Refundable	4,846	0
GST on acquisitions	57,302	72,061
	<u>70,192</u>	<u>105,110</u>
 <b>NOTE 7 - INVENTORIES ON HAND</b>		
Stock on Hand - at Cost	110,919	111,197
	<u>110,919</u>	<u>111,197</u>
 <b>NOTE 8 - OTHER ASSETS</b>		
<i>Current</i>		
Prepayments	1,592	8,175
Deferred tax asset	11,250	10,706
	<u>12,842</u>	<u>18,881</u>
 <b>NOTE 9 - PROPERTY, PLANT AND EQUIPMENT</b>		
<b>Combines Club</b>		
Clubhouse Building & Improvements	4,392,477	4,341,745
Less accumulated depreciation	-995,342	-887,131
Kitchen Equipment, Furniture & Fittings	988,345	988,345
Less accumulated depreciation	-893,358	-869,491
Gaming Machines - at cost	876,242	1,170,211
Less accumulated depreciation	-482,998	-793,682
Office & Point of Sale Equipment	144,884	137,877
Less accumulated depreciation	-130,713	-124,581
Leased Assets	72,452	72,452
Less accumulated amortisation	-35,182	-25,056
	<u>3,938,807</u>	<u>4,010,689</u>
 <b>Golf Club</b>		
Land & Golf Course	290,697	290,697
Buildings & Improvements	297,959	297,959
Less accumulated depreciation	-127,455	-120,006
Bar Equipment, Fixtures & Fittings	209,382	198,689
Less accumulated depreciation	-140,527	-130,343
Course Machinery	745,602	745,602
Less accumulated depreciation	-519,454	-460,176
Office & Other Equipment	27,055	27,055
Less accumulated depreciation	-21,081	-18,579
	<u>762,178</u>	<u>830,898</u>
<b>Total Property, Plant and Equipment</b>	<u>4,698,985</u>	<u>4,841,587</u>
 <b>NOTE 10 - INTANGIBLE ASSETS</b>		
Entitlements - Poker Machine Licences	178,928	178,928
	<u>178,928</u>	<u>178,928</u>

The accompanying notes form part of these financial statements.



**PORT DOUGLAS & DISTRICT COMBINED CLUBS INC**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>NOTE 11 - ACCOUNTS PAYABLE AND OTHER PAYABLES</b>		
<i>Current</i>		
Accounts Payable	253,700	330,246
Other Creditor	0	5,171
Accrued Expense	0	3,913
Payg Tax Instalment	0	9,410
Payg Withholding Payable	25,280	23,793
Superannuation Payable	42,958	38,351
Deposits Held	7,898	16,712
Funds in Advance	61,097	66,457
Grant Funds Unexpended	64,963	0
GST Owed	70,161	0
GST on Supplies	147,189	148,832
	<u>673,046</u>	<u>642,885</u>
 <b>NOTE 12 - BORROWINGS</b>		
<i>Current</i>		
Chattel Mortgages	216,758	210,975
Business Loan	13,675	15,098
Commercial Bill	1,150,400	1,311,543
Lease Liability	3,821	5,060
	<u>1,384,654</u>	<u>1,542,676</u>
 <i>Non-Current</i>		
Chattel Mortgages	178,262	262,096
Business Loan	71,955	78,406
Lease Liability	0	3,821
	<u>250,217</u>	<u>344,323</u>
<b>Total Borrowings</b>	<u>1,634,871</u>	<u>1,886,999</u>
 <b>Note 13 - EMPLOYEE PROVISIONS</b>		
<i>Current</i>		
Long Service Leave Entitlement	30,655	26,760
Annual Leave Entitlement	87,874	98,876
	<u>118,529</u>	<u>125,636</u>

*Employee Provisions - Long Service and Annual Leave Entitlements*

The provision for employee benefits represents amounts accrued for annual and long service leave.

Based on past experience, the association doesn't expect the full amount of long service and annual leave to be settled wholly within the next 12 months. However, the amount must be classified as a current liability because the association does not have an unconditional right to defer the settlement of the amount in the event employees wish to use their leave entitlements.

**PORT DOUGLAS & DISTRICT COMBINED CLUBS INC**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019**

	2019 \$	2018 \$
<b>NOTE 14 - ASSET REVALUATION RESERVE</b>		
Changes in the gaming and licencing regulations placed a value on poker machine entitlements. The club holds 24 entitlements which previously had no recorded value. These entitlements have been valued at \$178,928 based on the average current value for poker machine licences in the 2019 year.		
<b>NOTE 15 - RETAINED PROFITS</b>		
Retained Surplus (Accumulated Losses) at the Beginning of the Financial Year	2,814,977	3,000,594
Net Surplus/(Loss) Attributable to Members of the Association	101	-185,617
Retained Surplus (Accumulated Losses) at the End of the Financial Year	<u>2,815,078</u>	<u>2,814,977</u>

**NOTE 16 - EVENTS AFTER THE BALANCE SHEET DATE**

No events have occurred subsequent to balance date which require disclosure in the financial report.

**NOTE 17 - CASH FLOW INFORMATION**

a) Reconciliation of cash		
Cash at bank and on hand	<u>298,586</u>	<u>455,079</u>
	298,586	455,079
b) Cash at end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:		
Current year (deficit)/surplus after income tax	101	-185,617
Adjustments for non-cash flows:		
Depreciation	357,448	309,474
Loss on Disposal of Fixed Assets	0	0
Amortisation of Leased Assets	<u>10,126</u>	<u>10,126</u>
	367,675	133,983
decrease in accounts receivable and other debtors	25,012	-14,510
decrease in prepayments	6,583	-1,493
decrease/(increase) in inventories on hand	-275	5,398
decrease in GST refundable	14,759	-11,786
decrease in trade and other payables	-79,536	154,477
increase in funds held in advance	50,589	-5,339
decrease in employee benefits provisions	-7,107	54,231
increase in GST payable	68,518	-984
decrease in current tax liabilities	<u>-125,613</u>	<u>111,357</u>
Net Cash provided by operating activities	<u>320,605</u>	<u>425,334</u>

The accompanying notes form part of these financial statements.

**PORT DOUGLAS & DISTRICT COMBINED CLUBS INC**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019**

**NOTE 18 - ASSOCIATION DETAILS**

The principal places of business are:

*Tin Shed*  
7 Ashford Street  
Port Douglas Qld 4877, and

*Mossman Golf Club*  
Newell Beach Road  
Mossman Qld 4873

**NOTE 19 - Segment Reporting**

The association operates predominantly in one business and geographical segment, being the sporting sector providing social facilities to members of the association.