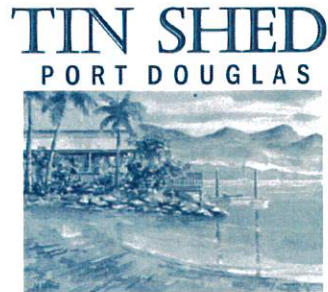


***Douglas Community &  
Sports Club Inc.***



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**43<sup>rd</sup> ANNUAL REPORT  
& BALANCE SHEET**

**To be presented at the  
ANNUAL GENERAL MEETING  
to be held on  
Sunday, 7<sup>th</sup> February 2021 at 9.00 am**

# **Douglas Community & Sports Club Inc.**

## **NOTICE OF ANNUAL GENERAL MEETING**

The Annual General Meeting of the Douglas Community & Sports Club Inc. will be held on  
**Sunday, 7<sup>th</sup> February 2021 commencing at 9.00 am.**

### **BUSINESS:**

1. President's opening remarks
2. Apologies
3. Minutes of 2019 Annual General Meeting
4. Matters arising from 2019 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 – Sidcor Mossman
12. Appointment of Patron
13. General Business – discussion and recommendations to the incoming Committee only
14. 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

Kym will be leaving us in July after over 10 years at the helm and we would like to thank him for his outstanding leadership and diligence in turning the tide of this club back into a viable and well-run organisation with a strong future, and even though there have been differing opinions the management and committee have always found the appropriate way forward. As his successor Kyle Livingstone will make the move to the general manager's role from February with full support of the committee.

As previously announced, we have moved the AGM from its usual timing during October, because of Covid uncertainties, to 7 February 2021. The request was approved by The Office of Fair Trading.

Our long running concern regarding the terms of our rent and lease is being addressed with council. We expect to enter into discussions with them in the new year.

All four committee members who are at the end of their tenure have agreed to stand again with the specific aim of facilitating a smooth transition between Kym and Kyle especially with such retrained trading conditions that we will face.

It looks like most of us will be able to experience a "normal" Christmas this year as we move away from border closures – may it long continue.

Anthony Dickinson  
President

## TREASURERS REPORT

It goes without saying that this has been a year like no other and one that most of us would prefer to forget.

Let's start with the Golf Club as this has taken a huge amount of your committee's time. The period of 3 months from Jan to March was, as a result of some changes to the operations, a much-improved bottom line in fact a 300% improvement in bar profit alone and we were feeling that we had turned the corner when Covid 19 stopped us in our tracks and a total rethink of operations took place.

Kym our manager negotiated a stop payment on our bank loans, rent and equipment payments and we called upon our newly elected council to take the Golf Course into community ownership, which they agreed to do and with the funds from this we were able to pay off all debt on the equipment we had purchased for the club, we don't believe that this would have been possible with the previous council and we thank our Mayor and those councillors who supported us.

The result of these actions led to a WIN-WIN situation for the community, the golfers who now have control of their club without the heavy financial burdens they once had, and the newly named Douglas Community Sports Club being freed up from debt.

Now we turned our attention to the DCSC and its survival, thankfully we had not proceeded with the takeover of Choo Choo and the railway. The Federal Government's Job Keeper program had enabled us to keep most of our staff, both permanent and casual in work, although as most of you are aware the club was non-productive for almost 4 months, so we were still heavily in debt. Kym applied for the State Governments offer of a \$250000 loan being available to medium size businesses, and this was given to us with no repayments for 12 months and interest only at a very cheap rate for the next 12 months before we are requested to pay back the loan over a reasonable time. With this under our belt most of the immediate pressure was taken off us.

At this point I must mention that our own Bank have been most helpful, and we have restructured our loan to cover the accumulated interest that has occurred during these weird times.

We had advised you that the plans for our extensions were approved but as this approval has a 6-year life span we have shelved any desire to proceed in the near future.

Kym will be leaving us in July after over 10 years at the helm and I would like to thank him for his outstanding leadership and diligence in turning the tide of this club back into a viable and well-run organisation with a strong future, and even though we have clashed many times I will miss the debates and his good humour.

The audited report for the year ending in June 2020 shows an operating loss for the year before tax of \$34664 after allowing depreciation of \$137006.

As your treasurer I present my report and ask all our wonderful members to take advantage of our fabulous facilities and location for your outdoor dining experiences and bring your friends along. Your committee has had a hard year and I can tell you we don't always agree, but then again something would not be right if we always did, but every decision we make is for the benefit of this club and our members.

Mal Phillips  
TREASURER

## GENERAL MANAGER'S REPORT

It is with trepidation I write my final Report after making the decision to retire in the coming months and hand over the reins to my Operations Manager, Kyle Livingston. I have known Kyle for many years way back when he was a Junior at Campbelltown Golf Club where I was the Manager. I believe Kyle will serve you well as he takes on his first role as a Manager and I wish him all the best in the task ahead of him.

Well, we have experienced unprecedented times during the last nine months with Covid-19, which impacted on us all and I hope that everyone has come through it so far unscathed. Having had forced closures followed by trading restrictions it has been a very difficult year and hopefully things will get better soon. Thanks to the Federal Governments JobKeeper program, most of our staff were able to be retained, which also has helped to get the Club through a very difficult time.

You would have noticed the downturn in revenues up to 30 June, which continues to be approximately 30% and expected to remain down.

I take this opportunity to thank the Management Committee for their tireless commitment to our Club and its members. I would also like to thank them for their support over the last nine of so years, which has made my job not only enjoyable but easier. I would like to add that the elections at the upcoming AGM are very important and I encourage you all to support the current Committee to ensure that there is stability in the next 12 months or so Kyle will need this as he takes over his new role.

I can not finish my last report without thanking my Team for their efforts over the years and their dedication to me and the Club. I wish them all the best for the future.

Finally, I would like to thank you the members. It has been a great honour having the opportunity to manage your Club and get to know many of you. I look forward to seeing you around the Club in the future as I will be staying in the Shire and becoming a frequent visitor to the Club.

Kym Rowley  
General Manager

**DOUGLAS COMMUNITY & SPORTS CLUB INC.**

**MANAGEMENT COMMITTEE MEETINGS**

ATTENDANCE REGISTER as at 14<sup>th</sup> December 2020

Name	Meetings Held	Meetings Attended
Tony Dickinson	16	16
Ian Ottaway	16	13
John Carney	16	14
Mal Phillips	16	14
Stephen Warden	16	15
Peter Lewis	16	15
Rick Herschel	16	15

**DOUGLAS COMMUNITY & SPORTS CLUB INC.**

**MEMEBERSHIP LIST**

**AS AT 30<sup>th</sup> JUNE 2020**

<b>Category</b>	<b>Local Members</b>	<b>Others</b>
<b>Social Members – 1 Year</b>	444	271
<b>Social Member – 3 Year</b>	3146	1692
<b>Country Golfing</b>	0	45
<b>Full Golfing</b>	87	0
<b>Intermediate Golfing</b>	4	0
<b>Junior Golfing</b>	7	0
<b>Junior</b>	9	0
<b>Senior Golfing</b>	44	0
<b>Life</b>	6	1
<b>TOTAL - 5836</b>	<b>3747</b>	<b>2008</b>

**Total number of Members reflect those who were Financial as at 30 June 2020.**

**DOUGLAS COMMUNITY & SPORTS CLUB 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:

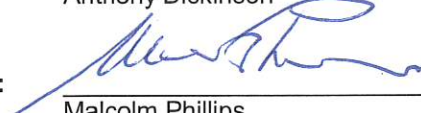
- 1 Present fairly the financial position of DOUGLAS COMMUNITY & SPORTS CLUB INC as at 30 June 2020 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.
- 2 At the date of this statement, there are reasonable grounds to believe that DOUGLAS COMMUNITY & SPORTS CLUB 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:**

3 November 2020



**DOUGLAS COMMUNITY & SPORTS CLUB 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 2020 were submitted to the members of the association at its annual general meeting.

**Committee Member:** \_\_\_\_\_  
Anthony Dickinson

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF DOUGLAS COMMUNITY & SPORTS CLUB INC.  
ABN 35 996 717 905**

**Scope**

We have audited the financial report of Douglas Community & Sports Club Inc. for the financial year ended 30 June 2020. 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 Douglas Community & Sports Club Inc. as at 30 June 2020, 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:**   
Mitchell K Williams

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

**Dated:** 26 October 2020

## DOUGLAS COMMUNITY &amp; SPORTS CLUB INC

PROFIT AND LOSS ACCOUNT  
FOR YEAR ENDED 30 JUNE 2020

	2020 \$	2019 \$
<b>Income</b>		
Bar Trading	479,468	672,104
Kitchen Trading	289,634	327,241
Gaming	201,233	347,717
Golf Club Operations	- 68,407	- 165,616
Membership Subscriptions	19,049	25,572
Club Merchandise & Other Activities	20,325	39,000
Donations	4,456	11,725
Interest Received	7	-
<b>Total Income</b>	<b>945,785</b>	<b>1,257,843</b>
<b>Expenses</b>		
Accountancy	13,400	10,500
Advertising	27,734	38,873
Promotions - Members	108,390	137,867
Promotions - Discounts	-	10,610
Amortisation	4,459	10,126
Audit Fees	6,000	8,000
Bad Debt	-	-
Bank Charges & Merchant Fees	30,749	31,901
Bank Interest	14,268	22,674
Bookkeeping	2,600	2,960
Borrowing Costs (Facility Fee)	38,853	44,608
Cleaning & Gardening	15,877	19,820
Computer Costs	12,382	13,864
Consultants	700	3,170
Depreciation	137,006	138,210
Donations	5,959	13,177
Electricity	61,288	80,692
Entertainment	38,165	54,896
Hire/Rental of Equipment	5,971	3,769
Insurance	43,986	47,356
Interest Other	4,216	7,037
Legal Costs	2,293	-
Licences, Registrations, Permits	8,458	6,104
Manager & Committee	2,019	5,673
Postage & Stationery and Office Expenses	11,271	14,928
Rates	22,059	21,324
Rent & Storage	74,585	98,063
Repairs & Maintenance	31,319	21,624
Security	1,172	1,379
Seminars & Training	11,660	9,922
Staff Amenities & Expenses	30,734	33,441
Subscriptions	5,894	3,836
Superannuation	29,517	26,637
Sundry Expenses	273	1,793
Telephone	9,354	12,437
Travelling Expenses	7,659	4,014
Uniforms	3,102	837
Waste Disposal	20,721	21,028
Wages & Salaries	341,765	268,291
Jobkeeper Subsidy	-45,440	-
Workover	3,046	3,685
Payroll Tax	4,239	8,170
<b>Total Expenses</b>	<b>1,145,684</b>	<b>1,263,286</b>
<b>OPERATING PROFIT</b>	<b>- 199,919</b>	<b>- 5,443</b>
<b>Non Operating Income</b>		
Covid Cash Boost	62,500	-
Grants Funds Current Year	72,856	69,963
Grants Funds from Prior Year Utilised	33,145	-
<b>Non Operating Expense/Extra Ordinary Item</b>		
Loss on Disposal of Assets	- 3,247	-
<b>OPERATING PROFIT/(LOSS) FOR YEAR Before income Tax</b>	<b>- 34,664</b>	<b>64,520</b>
<b>Income Tax (Expense)/Benefit</b>		
Current Year	29,782	544
Prior Years	-	-
<b>Net Profit/(loss) for Year After Income Tax</b>	<b>- 4,882</b>	<b>65,064</b>
<b>Less Current Year Grant Funds Unexpended</b>	<b>-</b>	<b>- 64,963</b>
	<b>- 4,882</b>	<b>101</b>

**DOUGLAS COMMUNITY & SPORTS CLUB INC .**

**BAR TRADING ACCOUNT - TIN SHED  
FOR THE YEAR ENDED 30 JUNE 2020**

	2020 \$	2019 \$
<b>SALES</b>	1,451,932	1,757,455
	<hr/>	<hr/>
<b>Less COST OF SALES</b>		
Opening Stock	63,107	64,356
Purchases	501,756	661,012
Less Rebates	-31,134	-81,888
	<hr/>	<hr/>
	533,729	643,480
Closing Stock	<hr/>	<hr/>
	533,729	580,373
	<hr/>	<hr/>
Gross Profit	918,203	1,177,082
Gross Profit % of Sales	63%	67%
<b>Less Direct Expenses</b>		
Gas & Bar Requisites	389	3,178
Repairs & Replacements	15,260	12,873
Sundry Expenses	915	3,275
Superannuation	41,595	38,871
Wages	396,717	425,685
Jobkeeper Subsidy	-27,265	0
Workcover	5,390	8,842
Payroll Tax	5,735	12,254
	<hr/>	<hr/>
	438,735	504,978
	<hr/>	<hr/>
<b>TOTAL BAR TRADING PROFIT</b>	479,468	672,104
	<hr/>	<hr/>

**DOUGLAS COMMUNITY & SPORTS CLUB INC**

**KITCHEN TRADING ACCOUNT - TIN SHED  
FOR THE YEAR ENDED 30 JUNE 2020**

	<b>2020</b>	<b>2019</b>
	\$	\$
<b>SALES</b>	1,932,535	2,348,281
<b>Less COST OF SALES</b>		
Opening Stock	17,866	15,615
Purchases	802,549	978,437
Closing Stock	<u>-6,250</u>	<u>-17,866</u>
	814,165	976,186
	<u>1,118,371</u>	<u>1,372,095</u>
Gross Profit	1,118,371	1,372,095
Gross Profit % on Sales	58%	58%
<b>Less Direct Expenses</b>		
Cleaning	16,151	27,744
Gas	41,011	52,151
Repairs & Replacement	34,783	35,308
Sundry Expenses	20	235
Superannuation	59,272	77,093
Wages	700,975	815,173
Jobkeeper Subsidy	-45,440	0
Workcover	10,745	14,173
Payroll Tax	<u>11,220</u>	<u>22,977</u>
	828,737	1,044,854
	<u>289,634</u>	<u>327,241</u>
<b>TOTAL KITCHEN TRADING PROFIT</b>	<u>289,634</u>	<u>327,241</u>

**DOUGLAS COMMUNITY & SPORTS CLUB INC**

**GAMING TRADING ACCOUNT - TIN SHED  
FOR THE YEAR ENDED 30 JUNE 2020**

	<b>2020</b>	<b>2019</b>
	\$	\$
<b>Gross Proceeds</b>		
Poker Machines	2,013,469	2,548,532
Keno	10,225	15,211
	<u>2,023,694</u>	<u>2,563,743</u>
<b>LESS:</b>		
Return to Players	1,457,155	1,827,208
<b>Operating Expenses</b>		
Audit Fees	4,000	4,000
Depreciation	157,774	139,825
Interest on Finance	11,927	8,669
Levies & Monitoring Fees	78,390	90,931
Repairs/Replacements & Sundries	10,000	9,400
State Government Taxes	102,447	135,779
Sundry Expenses	768	214
	<u>365,306</u>	<u>388,818</u>
<b>PROFIT FROM GAMING</b>	<u>201,233</u>	<u>347,717</u>

## DOUGLAS COMMUNITY &amp; SPORTS CLUB INC

TRADING, PROFIT & LOSS ACCOUNT - MOSSMAN GOLF CLUB  
FOR THE YEAR ENDED 30 JUNE 2020

	2020			2019		
	Bar	Shop	\$ Total	Bar	Shop	\$ Total
<b>SALES - Bar &amp; Shop</b>	223,481	26,658	250,139	237,444	23,384	260,828
<b>Less COST OF SALES</b>						
Opening Stock	18,176	11,770	29,946	17,137	14,087	31,224
Purchases	88,343	16,045	104,388	104,288	15,302	119,590
Bar Requisites	2,861	-	2,861	737	-	737
	109,380	27,815	137,195	122,162	29,389	151,551
Closing Stock	- 6,664 -	- 9,872 -	- 16,336 -	- 18,176 -	- 11,770 -	- 29,946 -
<b>Cost of Sales</b>	102,716	18,143	120,859	103,986	17,619	121,605
<b>Gross Profit - Bar &amp; Shop</b>	120,765	8,515	129,280	133,458	5,765	139,223
<b>Gross Profit % of Sales</b>	54%	32%	52%	56%	25%	53%
<b>INCOME</b>						
Gross Profit Bar & Shop			129,280			139,223
Memberships			100,620			94,421
Green			122,410			132,951
Competition			64,813			46,523
Hire - Cart/Club/Buggy			73,063			61,863
Sponsorships			3,562			4,900
Raffles			2,357			
Sundry Income			1,324			313
			497,429			480,194
<b>Less Expenses</b>						
Advertising			-			2,466
Bank Interest			5,155			6,446
Borrowing Costs			-			750
Chemicals & Herbicides			26,367			43,043
Cleaning & Waste Removal			9,316			9,241
Depreciation			68,345			79,413
Electricity			16,260			16,533
Fuel & Oils			14,960			16,590
Insurance			18,843			20,253
Interest on Equipment			8,189			12,927
Licences & Fees			614			590
Printing & Stationery			2,641			576
Rental - Machinery			37,129			40,187
Rates			3,171			2,673
Repairs & Maintenance			21,889			18,275
Subscriptions			10,406			15,878
Sundry Expenses			387			-
Superannuation			24,544			25,332
Telephone			2,760			2,494
Trophies/Vouchers			34,180			30,486
Wages & Salaries			288,843			288,766
Less Jobkeeper Subsidy			- 36,355			-
Workcover			4,452			5,132
Payroll Tax			3,740			7,659
<b>Total Expenses</b>			565,835			645,710
<b>LOSS FROM GOLF OPERATIONS</b>			- 68,407			- 165,516

**DOUGLAS COMMUNITY & SPORTS CLUB INC**

**STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME FOR YEAR ENDED 30 JUNE 2020**

	Note	2020 \$	2019 \$
Revenue	2	6,367,866	7,424,880
Employee Benefits Expense		- 1,977,290	- 2,095,243
Depreciation and Amortisation Expense	3	- 363,125	- 367,574
Other Expenses		- 4,095,260	- 4,897,543
<b>Current year (deficit)/surplus before income tax</b>		- 67,809	64,520
<i>Extraordinary Items</i>			
Grant Funds Carry Forward Unexpended			- 64,963
Grant Funds From Prior Year Utilised		33,145	
<b>Net current year (deficit)/surplus after extraordinary items</b>		- 34,664	- 443
<i>Income Tax Expense</i>			
Current Year	4	29,782	544
Relating to Prior Years			-
		29,782	544
<b>Other Comprehensive Income After Income Tax:</b>			
Other comprehensive income for the year, net of tax		-	-
<b>Total comprehensive (deficit)/surplus for the year</b>		- 4,882	101
<b>Total comprehensive (deficit)/surplus attributable to members of the entity</b>		- 4,882	101

The accompanying notes form part of these financial statements.



## DOUGLAS COMMUNITY &amp; SPORTS CLUB INC

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	Note	2020 \$	2019 \$
<b>ASSETS</b>			
<i>Current Assets</i>			
Cash and Cash Equivalents	5	67,695	298,586
Accounts receivable and other debtors	6	84,730	70,192
Inventories on Hand	7	53,720	110,919
Other current assets	8	47,944	12,842
<b>Total Current Assets</b>		<b>254,089</b>	<b>492,539</b>
<i>Non-Current Assets</i>			
Property, Plant and Equipment	9	4,585,882	4,696,985
Intangible	10	178,928	178,928
<b>Total Non-Current Assets</b>		<b>4,764,810</b>	<b>4,877,913</b>
<b>TOTAL ASSETS</b>		<b>5,018,899</b>	<b>5,370,452</b>
<b>LIABILITIES</b>			
<i>Current Liabilities</i>			
Accounts payable and other payables	11	365,917	673,046
Borrowings	12	1,120,577	1,384,654
Employee provisions	13	126,765	118,529
Income tax liabilities		-	-
<b>Total Current Liabilities</b>		<b>1,613,259</b>	<b>2,176,229</b>
<i>Non-Current Liabilities</i>			
Borrowings	12	467,252	250,217
<b>Total Non-Current Liabilities</b>		<b>467,252</b>	<b>250,217</b>
<b>TOTAL LIABILITIES</b>		<b>2,080,511</b>	<b>2,426,446</b>
<b>NET ASSETS</b>		<b>2,938,388</b>	<b>2,944,006</b>
<b>EQUITY</b>			
Asset Revaluation Reserve	14	128,928	128,928
Retained Surplus	15	2,809,460	2,814,342
<b>TOTAL EQUITY</b>		<b>2,938,388</b>	<b>2,943,270</b>

The accompanying notes form part of these financial statements.

DOUGLAS COMMUNITY & SPORTS CLUB INC

STATEMENT IN CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2020

	Retained Earnings	Financial Assets Reserve	Total \$
Balance at 1 July 2018	2,814,241	128,928	2,943,169
<b>Comprehensive Income</b>			
Net surplus for year attributable to members	101	-	101
Other comprehensive income for the year	-	-	-
<b>Balance at 30 June 2019</b>	<b>2,814,342</b>	<b>128,928</b>	<b>2,943,270</b>
<b>Comprehensive Income</b>			
Net deficit (after tax) for year attributable to members	- 4,882	-	- 4,882
Other comprehensive income for the year	-	-	-
<b>Balance at 30 June 2020</b>	<b>2,809,460</b>	<b>128,928</b>	<b>2,938,388</b>

The accompanying notes form part of these financial statements.

**DOUGLAS COMMUNITY & SPORTS CLUB INC****STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2020**

		2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		6,186,969	7,429,955
Payments to Suppliers		- 6,069,344	- 7,051,595
Interest received		7	-
Interest paid		- 43,745	- 57,755
Income tax paid		-	# -
<b>Net Cash Provided By Operating Activities</b>	17	<u>73,877</u>	<u>320,605</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		- 268,723	- 224,972
Proceeds on sale of property, plant and equipment		<u>11,000</u>	<u>-</u>
<b>Net Cash Used in Investing Activities</b>		<u>- 257,723</u>	<u>- 224,972</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of borrowings		- 400,790	- 426,630
Proceeds from financings		<u>353,745</u>	<u>174,504</u>
<b>Net Cash Received(Used) in Financing Activities</b>		<u>- 47,045</u>	<u>- 252,126</u>
NET Increase/(Decrease) in cash held		- 230,891	- 156,493
Cash at the beginning of the financial year		<u>298,586</u>	<u>455,079</u>
<b>CASH AT END OF THE FINANCIAL YEAR</b>	5	<u><u>67,695</u></u>	<u><u>298,586</u></u>

The accompanying notes form part of these financial statements.

**DOUGLAS COMMUNITY & SPORTS CLUB INC**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

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

The financial statements covers DOUGLAS COMMUNITY & SPORTS CLUB INC as an individual entity. DOUGLAS COMMUNITY & SPORTS CLUB 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.

**DOUGLAS COMMUNITY & SPORTS CLUB INC**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

***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:

<b><i>Class of Fixed Asset</i></b>	<b><i>Depreciation Rate</i></b>
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.

**DOUGLAS COMMUNITY & SPORTS CLUB INC**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

***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.

**DOUGLAS COMMUNITY & SPORTS CLUB INC**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

	2020	2019
	\$	\$
<b>NOTE 2 - REVENUE</b>		
<i>Sales Revenue</i>		
Sale of Goods	3,635,003	4,363,772
Rendering of Service	2,318,882	2,659,427
<i>Other Income</i>		
Contributions Members	119,669	119,993
Grants Received	72,856	69,963
Subsidies Re Covid	217,000	-
Donations Received	4,456	11,725
	<u>6,367,866</u>	<u>7,224,880</u>
<b>NOTE 3 - SURPLUS FOR THE YEAR</b>		
Profit from ordinary activities before income tax expense has been determined after:		
<i>Expenses</i>		
Cost of Sales	1,468,753	1,678,164
Depreciation Non Current Assets	363,125	357,448
Loss on Disposal of Assets	3,247	-
<i>Amortisation of Non-Current Assets</i>		
Assets Under Lease	4,459	10,126
<i>Remuneration of Auditor</i>		
Audit of Poker Machines	4,000	4,000
Accountancy & Audit Fees	14,400	14,000
Taxation Services	5,000	4,500
<b>NOTE 4 - INCOME TAX EXPENSE</b>		
a) The components of tax expense comprise:		
Current Year	- 29,782	- 544
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%	- 9,532	17,743
Less:		
Tax effect of:		
- difference between accounting and taxable surplus	- 15,793	- 9,909
- non-taxable member income arising from principle of mutuality	- 4,457	- 8,378
Income tax attributable to the association current year	<u>- 29,782</u>	<u>- 544</u>
<b>NOTE 5 - CASH ON HAND</b>		
Cash in Hand	1,003	340
Cash Floats - Pokies, Keno & ATM	5,788	60,000
General Account - ANZ	116,448	198,678
Gaming Account - ANZ	6,843	41,147
Business Overdraft Facility	- 62,241	-
MyCash Account	-	- 396
Visacard Account	- 146	- 1,183
	<u>67,695</u>	<u>298,586</u>

The accompanying notes form part of these financial statements.

**DOUGLAS COMMUNITY & SPORTS CLUB INC**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

	2020	2019
	\$	\$
<b>NOTE 6 - ACCOUNTS RECEIVABLE AND OTHER DEBTORS</b>		
Accounts Receivable	3,888	513
Other Debtors	-	352
Income Accrued	69,271	7,179
Income Tax Refundable	-	4,846
GST on acquisitions	<u>11,571</u>	<u>57,302</u>
	84,730	70,192
<b>NOTE 7 - INVENTORIES ON HAND</b>		
Stock on Hand - at Cost	<u>53,720</u>	<u>110,919</u>
<b>NOTE 8 - OTHER ASSETS</b>		
<i>Current</i>		
Prepayments	6,912	1,592
Deferred tax asset	<u>41,032</u>	<u>11,250</u>
	47,944	12,842
<b>NOTE 9 - PROPERTY, PLANT AND EQUIPMENT</b>		
<b><i>Combines Club</i></b>		
Clubhouse Building & Improvements	4,418,560	4,392,477
Less accumulated depreciation	- 1,103,574	- 995,342
Kitchen Equipment, Furniture & Fittings	994,209	988,345
Less accumulated depreciation	- 915,446	- 893,358
Gaming Machines - at cost	895,992	876,242
Less accumulated depreciation	- 579,941	- 482,998
Office & Point of Sale Equipment	145,746	144,884
Less accumulated depreciation	- 131,527	- 130,713
Leased Assets	72,452	72,452
Less accumulated amortisation	- 39,641	- 35,182
	<u>3,756,830</u>	<u>3,936,807</u>
<b><i>Golf Club</i></b>		
Land & Golf Course	290,697	290,697
Buildings & Improvements	419,470	297,959
Less accumulated depreciation	- 128,390	- 127,455
Bar Equipment, Fixtures & Fittings	211,410	209,382
Less accumulated depreciation	- 150,731	- 140,527
Course Machinery	745,602	745,602
Less accumulated depreciation	- 566,218	- 519,454
Office & Other Equipment	30,805	27,055
Less accumulated depreciation	- 23,593	- 21,081
	<u>829,052</u>	<u>762,178</u>
<b>Total Property, Plant and Equipment</b>	<u>4,585,882</u>	<u>4,698,985</u>
<b>NOTE 10 - INTANGIBLE ASSETS</b>		
Entitlements - Poker Machine Licences	<u>178,928</u>	<u>178,928</u>



DOUGLAS COMMUNITY & SPORTS CLUB INC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
<b>NOTE 11 - ACCOUNTS PAYABLE AND OTHER PAYABLES</b>		
<i>Current</i>		
Accounts Payable	103,765	253,700
Other Creditor	25,236	-
Accrued Expense	1,550	-
Payg Tax Instalment	-	-
Payg Withholding Payable	18,469	25,280
Superannuation Payable	14,726	42,958
Deposits Held	3,200	7,698
Funds in Advance	-	61,097
Grant Funds Unexpended	38,751	64,963
GST Owed	140,748	70,161
GST on Supplies	19,472	147,189
	<u>365,917</u>	<u>673,046</u>
<b>NOTE 12 - BORROWINGS</b>		
<i>Current</i>		
Chattel Mortgages	168,902	216,758
Business Loans	13,675	13,675
Commercial Bill	938,000	1,150,400
Lease Liability	-	3,821
	<u>1,120,577</u>	<u>1,384,654</u>
<i>Non-Current</i>		
Chattel Mortgages	150,770	178,262
Business Loans	316,482	71,955
Lease Liability	-	-
	<u>467,252</u>	<u>250,217</u>
<b>Total Borrowings</b>	<u>1,587,829</u>	<u>1,634,871</u>
<b>Note 13 - EMPLOYEE PROVISIONS</b>		
<i>Current</i>		
Long Service Leave Entitlement	50,221	30,655
Annual Leave Entitlement	76,544	87,874
	<u>126,765</u>	<u>118,529</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.

**DOUGLAS COMMUNITY & SPORTS CLUB INC**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

	2020	2019
	\$	\$
<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 2020 year.		
<b>NOTE 15 - RETAINED PROFITS</b>		
Retained Surplus (Accumulated Losses) at the Beginning of the Financial Year	2,814,342	2,814,241
Net Surplus/(Loss) Attributable to Members of the Association	- 4,882	101
Retained Surplus (Accumulated Losses) at the End of the Financial Year	<u>2,809,460</u>	<u>2,814,342</u>
<b>NOTE 16 - EVENTS AFTER THE BALANCE SHEET DATE</b>		
Due to unprecedented circumstances the association has decided to relinquish the ownership of the Mossman Golf Club. Ownership of the club will be handed over to the Douglas Shire Council. Consideration to be received for the transfer of the assets will be by way of all debt relating to the Golf Club being paid out by Council.		
<b>NOTE 17 - CASH FLOW INFORMATION</b>		
a) Reconciliation of cash		
Cash at bank and on hand	<u>67,695</u>	<u>298,586</u>
	67,695	298,586
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	- 4,882	101
Adjustments for non-cash flows:		
Depreciation	363,125	357,448
Loss on Disposal of Fixed Assets	3,247	-
Amortisation of Leased Assets	<u>4,459</u>	<u>10,126</u>
	365,949	367,675
increase in accounts receivable and other debtors	- 94,897	25,012
increase in prepayments	- 5,320	6,583
decrease/(increase) in inventories on hand	57,199	- 275
decrease in GST refundable	44,993	14,759
decrease in trade and other payables	- 188,902	- 79,536
decrease in funds held in advance	- 61,097	50,589
increase in employee benefits provisions	8,236	- 7,107
decrease in GST payable	- 57,130	88,518
decrease in current tax liabilities	4,846	- 125,613
Net Cash provided by operating activities	<u>73,877</u>	<u>320,605</u>

The accompanying notes form part of these financial statements.

**DOUGLAS COMMUNITY & SPORTS CLUB INC**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

**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.