

THE MOONEE PONDS CLUB INCORPORATED
43 599 469 338

FINANCIAL REPORT
FOR THE YEAR ENDED
30 June 2016

THE MOONEE PONDS CLUB INCORPORATED
43 599 469 338

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THE MOONEE PONDS CLUB INCORPORATED
43 599 469 338
COMMITTEE'S REPORT

Your committee members submit the financial report of The Moonee Ponds Club Inc. for the financial year ended 30 June 2016.

Committee Members

The names of committee members at the date of this report are:

Michael Perrett – Chairman
Peter Grech – Treasurer
David Newton
Brian Horne

Godfrey Gilmour – Vice Chairman
Vincent Comito
Jacqueline Parker

Principal Activities

The principal activities of the association during the financial year were to provide social facilities to members of the association.

Significant Changes

No significant change in the nature of these activities occurred during the year.

Operating Result

The profit after providing for income tax amounted to \$211,188 [2015: \$221,213]

Auditor's Independence Declaration

The committee have received an Independence Declaration from the auditor of the Club as set out on page 4 and it forms part of the committee's report for the year ended 30 June 2016.

Hughes O'Dea Corredig Audit Pty Ltd did not receive and are not to receive any fees for the provision of non-audit services.

Signed in accordance with a resolution of the members of the committee.

.....
Michael Perrett – Chairman

.....
Godfrey Gilmour – Vice Chairman

Dated this 18th day of October 2016

THE MOONEE PONDS CLUB INCORPORATED

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AUDITOR'S INDEPENDENCE DECLARATION TO THE COMMITTEE OF THE MOONEE PONDS CLUBS INC.

In accordance with the requirements of section 307C of the Corporations Act 2001, as auditor for the Moonee Ponds Club Inc. for the year ended 30 June 2016, I declare that, to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit;and
- b) no contraventions of any applicable code of professional conduct in relation to the audit

.....

John G Hughes

Hughes O'Dea Corredig Audit Pty Ltd

Dated this 18th day of October 2016

THE MOONEE PONDS CLUB INCORPORATED
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INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2016

| | Note | 2016 \$ | 2015 \$ |
|-----------------------------------|------|------------|------------|
| INCOME | | | |
| Interest Received | | 103 | 105 |
| Sundry Income | | 25,003 | 16,107 |
| Gross Profit from Trading | | 1,720,887 | 1,639,050 |
| | | 1,745,993 | 1,655,262 |
| EXPENDITURE | | | |
| Accounting | | 13,200 | 13,200 |
| Advertising | | 7,858 | 1,200 |
| Amortisation | | 125,530 | 125,530 |
| Auditor's Remuneration | | 5,500 | 5,250 |
| Badges & Trophies | | - | 185 |
| Bank Charges | | 5,727 | 5,033 |
| Bookkeeping | | 25,739 | - |
| Borrowing Expenses | | 76 | 60 |
| Cleaning & Laundry | | 37,299 | 32,536 |
| Computer Software | | 11,645 | 8,374 |
| Conferences | | 800 | 1,813 |
| Consulting Fees | | - | - |
| Decorations & Flowers | | 1,589 | 930 |
| Depreciation | | 116,641 | 147,284 |
| Donations | | 6,740 | 6,000 |
| Electricity & Gas | | 50,351 | 57,730 |
| Filing Fees | | 218 | 212 |
| Gardening | | 1,378 | 568 |
| General Expenses | | 1,291 | 417 |
| Holiday Leave Accrual | | 5,175 | (6,172) |
| Insurance | | 17,002 | 16,370 |
| Interest Paid | | 28,114 | 35,969 |
| Internet | | 436 | - |
| Leasing Charges | | 105 | 496 |
| Legal Costs | | - | 928 |
| Long Service Leave | | 9,739 | (1,474) |
| Loss on Disposal of Asset | | - | 1,769 |
| Medical Supplies | | 642 | - |
| Membership Expenses | | 64,737 | 54,889 |
| Motor Vehicle Expenses | | 5,558 | 8,166 |
| Paid Maternity Leave | | 11,856 | - |
| Payroll Tax | | 5,279 | 2,328 |
| Permits, Licences & Registrations | | 1,270 | 2,733 |
| Pest Control | | 2,208 | 4,027 |
| Postage | | 6,162 | 4,184 |
| Printing & Stationery | | 16,185 | 19,749 |
| Promotions | | 49,269 | 23,040 |

THE MOONEE PONDS CLUB INCORPORATED

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INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2016

| | Note | 2016 | 2015 |
|--|-------------|-------------|-------------|
| | | \$ | \$ |
| Rates & Taxes | | 27,071 | 26,637 |
| Repairs & Maintenance | | 23,328 | 33,345 |
| Replacements | | 4,632 | 5,739 |
| Sanitary Disposal | | 185 | - |
| Security Costs | | 27,268 | 26,088 |
| Seminars | | - | - |
| Signs | | 1,500 | 2,698 |
| Sponsorship | | 37,397 | 37,630 |
| Staff Amenities | | 16,579 | 15,199 |
| Staff Training | | 2,675 | 2,010 |
| Subscriptions | | 22,176 | 25,822 |
| Superannuation | | 54,654 | 54,088 |
| Telephone | | 6,990 | 7,427 |
| Uniforms | | 1,372 | 1,449 |
| Voluntary Services | | 91 | 150 |
| Wages & Salaries | | 591,198 | 542,716 |
| Waste Disposal | | 3,901 | 3,026 |
| Workers Compensation | | 9,465 | 8,027 |
| | | <hr/> | <hr/> |
| | | 1,465,801 | 1,365,372 |
| | | <hr/> | <hr/> |
| Profit (Loss) before income tax | | 280,192 | 289,890 |
| Income tax expense | 2 | (69,004) | (68,676) |
| Profit (Loss) after income tax | | <hr/> | <hr/> |
| | | 211,188 | 221,213 |
| | | <hr/> | <hr/> |
| RETAINED PROFITS AT THE BEGINNING OF THE FINANCIAL YEAR | | 1,204,431 | 983,218 |
| | | <hr/> | <hr/> |
| RETAINED PROFITS AT THE END OF THE FINANCIAL YEAR | | 1,415,619 | 1,204,431 |
| | | <hr/> | <hr/> |

THE MOONEE PONDS CLUB INCORPORATED
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ASSETS AND LIABILITIES STATEMENT AS AT 30 JUNE 2016

| | Note | 2016 \$ | 2015 \$ |
|--------------------------------------|------|------------------|------------------|
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 3 | 341,653 | 288,006 |
| Trade and other receivables | 4 | 58,576 | 30,957 |
| Inventories | 5 | 23,778 | 17,015 |
| Other current assets | 6 | 23,808 | 23,241 |
| TOTAL CURRENT ASSETS | | 447,815 | 359,219 |
| NON-CURRENT ASSETS | | | |
| Financial assets | 7 | 5,150 | 5,150 |
| Property, plant & equipment | 8 | 4,880,405 | 4,942,496 |
| Intangibles | 9 | 769,639 | 895,138 |
| Tax assets | 10 | 18,759 | 16,936 |
| TOTAL NON-CURRENT ASSETS | | 5,673,953 | 5,859,720 |
| TOTAL ASSETS | | 6,121,768 | 6,218,939 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 11 | 179,379 | 158,964 |
| Financial liabilities | 14 | 338,946 | 314,706 |
| Provisions | 12 | 81,399 | 64,072 |
| Other current liabilities | 13 | 10,239 | 15,998 |
| TOTAL CURRENT LIABILITIES | | 609,963 | 553,739 |
| NON-CURRENT LIABILITIES | | | |
| Financial liabilities | 14 | 341,198 | 705,781 |
| TOTAL NON-CURRENT LIABILITIES | | 341,198 | 705,781 |
| TOTAL LIABILITIES | | 951,161 | 1,259,520 |
| NET ASSETS | | 5,170,607 | 4,959,419 |
| MEMBERS' FUNDS | | | |
| Reserves | 15 | 3,754,988 | 3,754,988 |
| Retained profits | | 1,415,619 | 1,204,431 |
| TOTAL MEMBERS' FUNDS | | 5,170,607 | 4,959,419 |

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2016

| | Note | Retained Earnings | Property Revaluation Reserve | Total |
|--------------------------------|------|----------------------|------------------------------------|------------------|
| | | \$ | \$ | \$ |
| Balance at 30 June 2015 | | 1,204,431 | 3,754,988 | 4,959,419 |
| Profit attributable to members | | 211,188 | - | 211,188 |
| Balance at 30 June 2016 | | <u>1,415,619</u> | <u>3,754,988</u> | <u>5,170,607</u> |

THE MOONEE PONDS CLUB INCORPORATED

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STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30 JUNE 2016

| | Note | 2016 | 2015 |
|--|-------------|------------------|------------------|
| | | \$ | \$ |
| Cashflows From Operating Activities | | | |
| Receipts from customers | | 2,973,518 | 2,821,643 |
| Payments to suppliers & employees | | (2,456,666) | (2,222,785) |
| Dividends received | | - | - |
| Interest received | | 103 | 105 |
| Income tax paid | | (68,416) | (109,221) |
| Net cash provided by operating activities | 16 | <u>448,539</u> | <u>489,742</u> |
| Cashflows From Investing Activities | | | |
| Payments for property, plant & equipment | | (54,550) | (163,821) |
| Payment for licences | | - | - |
| Proceeds from investments | | - | - |
| Net cash provided by investing activities | | <u>(54,550)</u> | <u>(163,821)</u> |
| Cashflows From Financing Activities | | | |
| Proceeds from borrowings | | - | 11,596 |
| Repayment of borrowings | | (340,342) | (295,749) |
| Net cash provided by financing activities | | <u>(340,342)</u> | <u>(284,154)</u> |
| Net increase (decrease) in cash held | | 53,647 | 41,767 |
| Cash at beginning of financial year | | <u>288,006</u> | <u>246,238</u> |
| Cash at end of financial year | 16 | <u>341,653</u> | <u>288,006</u> |

THE MOONEE PONDS CLUB INCORPORATED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act Victoria. The committee has determined that the association is not a reporting entity.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following significant 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 income tax expense (revenue) for the year comprises current income tax expense (income). The association does not apply deferred tax.

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be used.

Non member income of the association is only assessable for tax, as member income is excluded under the principle of mutuality.

b) Property, Plant and Equipment (PPE)

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

THE MOONEE PONDS CLUB INCORPORATED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

c) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

d) Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled.

e) Provisions

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

f) Cash and Cash Equivalents

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

g) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

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

h) Leases

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

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for that period.

THE MOONEE PONDS CLUB INCORPORATED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term. Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

i) 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 Tax 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 assets and liabilities statement are shown inclusive of GST.

j) Investments

Investments held are originally recognised at cost, which includes transaction costs. They are subsequently measured at fair value which is equivalent to their market bid price at the end of the reporting period. Movements in fair value are recognised through an equity reserve.

THE MOONEE PONDS CLUB INCORPORATED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

| | 2016 | 2015 |
|--|----------------|----------------|
| | \$ | \$ |
| NOTE 2: INCOME TAX EXPENSE | | |
| a) The components of tax expense comprise: | | |
| Current tax | <u>69,004</u> | <u>68,676</u> |
| b) The prima facie tax on profit before income tax is reconciled to the income tax as follows: | | |
| Prima facie tax payable on profit/(loss) from ordinary activities before income tax at 30% (2015: 30%) | 84,058 | 87,498 |
| Plus/Less | | |
| Assessable income | - | - |
| Over provision for income tax | (336) | - |
| Tax effect of: | | |
| - Non deductible items | 37,659 | 38,503 |
| - Non-taxable member income arising from principle of mutuality | (52,377) | (57,324) |
| Income tax attributable to association | <u>69,004</u> | <u>68,676</u> |
| NOTE 3: CASH AND CASH EQUIVALENTS | | |
| Cash on hand | 118,308 | 97,005 |
| Cash at bank | <u>223,345</u> | <u>191,001</u> |
| | <u>341,653</u> | <u>288,006</u> |
| NOTE 4: TRADE AND OTHER RECEIVABLES | | |
| Trade debtors | 11,716 | 7,647 |
| Jackpot Contributions | 17,855 | 0 |
| Input tax credits | <u>29,005</u> | <u>23,310</u> |
| | <u>58,576</u> | <u>30,957</u> |
| NOTE 5: INVENTORIES | | |
| Stock on hand | <u>23,778</u> | <u>17,015</u> |
| NOTE 6: OTHER CURRENT ASSETS | | |
| Prepayments | <u>23,808</u> | <u>23,241</u> |

THE MOONEE PONDS CLUB INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

| | 2016 | 2015 |
|--|-------------|-------------|
| | \$ | \$ |
| NOTE 7: FINANCIAL ASSETS | | |
| NON-CURRENT | | |
| Deposit | | |
| Security Deposit - TAB | 5,000 | 5,000 |
| Security Deposit - Citywide | 150 | 150 |
| | 5,150 | 5,150 |
| NOTE 8: PROPERTY, PLANT AND EQUIPMENT | | |
| Land and Buildings | | |
| Freehold Land (Valuation 06/2011) | 3,850,000 | 3,850,000 |
| Gaming room | 16,584 | 16,584 |
| Less: accumulated depreciation | (5,290) | (4,876) |
| | 11,294 | 11,708 |
| Building refurbishment | 936,883 | 934,383 |
| Less: accumulated depreciation | (275,329) | (252,314) |
| | 661,554 | 682,070 |
| Kitchen | 47,727 | 47,727 |
| Less: accumulated depreciation | (1,684) | (490) |
| | 46,044 | 47,237 |
| Total Land and Buildings | 4,568,892 | 4,591,015 |
| Plant and Equipment | 599,517 | 604,656 |
| Less: accumulated depreciation | (388,757) | (379,073) |
| | 210,760 | 225,583 |
| Poker Machine Games | 312,462 | 293,962 |
| Less: accumulated depreciation | (233,177) | (186,715) |
| | 79,285 | 107,247 |
| Loyalty & Pre Commitment | 19,097 | 19,097 |
| Less: accumulated depreciation | (4,301) | (446) |
| | 14,796 | 18,650 |
| Kitchen Plant & Equipment | 7,194 | - |
| Less: accumulated depreciation | (522) | - |
| | 6,672 | - |
| Total Plant and Equipment | 311,513 | 351,481 |
| Total Property, Plant and Equipment | 4,880,405 | 4,942,496 |

THE MOONEE PONDS CLUB INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 8: PROPERTY, PLANT AND EQUIPMENT (Cont'd)

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

| | Balance at 30 June 2015 | Additions | Disposals | Depreciation Expense | Carrying Amount at 30 June 2016 |
|--------------------------------------|----------------------------|---------------|-----------|-------------------------|--|
| Freehold Land | 3,850,000 | - | - | - | 3,850,000 |
| Gaming Room | 11,708 | - | - | 415 | 11,294 |
| Building Refurbishment | 682,070 | 2,500 | - | 23,016 | 661,554 |
| Kitchen Upgrade | 47,237 | - | - | 1,193 | 46,044 |
| Loyalty & Pre Commitment | 18,650 | - | - | 3,854 | 14,796 |
| Plant & Equipment | 225,583 | 26,357 | - | 41,179 | 210,760 |
| Poker Machine Games | 107,247 | 18,500 | - | 46,462 | 79,285 |
| Kitchen Plant & Equipment | - | 7,194 | - | 522 | 6,672 |
| Total | <u>4,942,496</u> | <u>54,551</u> | <u>-</u> | <u>116,641</u> | <u>4,880,405</u> |

THE MOONEE PONDS CLUB INCORPORATED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

| | 2016 | 2015 |
|----------------------------|----------------|----------------|
| | \$ | \$ |
| NOTE 9: INTANGIBLES | | |
| Poker Machine Entitlements | 769,377 | 894,907 |
| Prepaid Borrowing Expenses | 407 | 300 |
| less: Amortisation | (145) | (69) |
| | <u>769,639</u> | <u>895,138</u> |

NOTE 10: TAX ASSETS

| | | |
|---------------------------|---------------|---------------|
| Future Income Tax Benefit | <u>18,759</u> | <u>16,936</u> |
|---------------------------|---------------|---------------|

NOTE 11: TRADE AND OTHER PAYABLES

| | | |
|-----------------|----------------|----------------|
| Trade Creditors | 88,604 | 86,030 |
| Other Creditors | 17,051 | 5,764 |
| GST Payable | 73,724 | 67,170 |
| | <u>179,379</u> | <u>158,964</u> |

THE MOONEE PONDS CLUB INCORPORATED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

| | 2016 | 2015 |
|---|----------------|----------------|
| | \$ | \$ |
| NOTE 12 PROVISIONS | | |
| Provision for Annual leave | 36,900 | 31,725 |
| Provision for Long Service Leave | 25,479 | 15,740 |
| Provision for Income Tax | 19,019 | 16,607 |
| | <u>81,399</u> | <u>64,072</u> |
| NOTE 13 OTHER CURRENT LIABILITIES | | |
| Amounts withheld from wages | 10,239 | 15,998 |
| NOTE 14 FINANCIAL LIABILITIES | | |
| Current | | |
| Loan – ANZ Bank | 120,000 | 95,254 |
| Loan Vic Comm for Gambling | 213,401 | 213,401 |
| Loan - Mercury - Loyalty & Pre Comittment | 5,545 | 6,051 |
| | <u>338,946</u> | <u>314,706</u> |
| Non-Current | | |
| Loan Vic Comm for Gambling | 50,214 | 263,615 |
| Loan – ANZ Bank | 290,984 | 436,621 |
| Loan - Mercury - Loyalty & Pre Comittment | - | 5,545 |
| | <u>341,198</u> | <u>705,781</u> |

The Cash at Bank Trading is a bank overdraft facility secured by a registered first mortgage over the property located at 622 Mount Alexander Road Moonee Ponds Vic 3039

Loan – ANZ Bank is a mortgage loan with ANZ Banking Corporation Limited secured by a registered first mortgage over the property located at 622 Mount Alexander Road Moonee Ponds Vic 3039

Loan – ANZ Bank is for a maximum term of 15 years.

The ANZ Bank loan facilities have a redraw facility to a maximum of \$450,000.

NOTE 15 RESERVES

| | | |
|------------------------------|------------------|------------------|
| Property Revaluation Reserve | <u>3,754,988</u> | <u>3,754,988</u> |
|------------------------------|------------------|------------------|

THE MOONEE PONDS CLUB INCORPORATED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

| | 2016 | 2015 |
|---|----------------|----------------|
| | \$ | \$ |
| NOTE 16 CASH FLOW INFORMATION | | |
| Reconciliation of Cash | | |
| Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows: | | |
| Cash on Hand | 118,308 | 97,005 |
| Cash at Bank | 223,345 | 191,001 |
| | 341,653 | 288,006 |
| Reconciliation of net cash provided by operating activities to profit from ordinary activities after income tax | | |
| Operating profit (loss) after income tax | 211,188 | 221,213 |
| Non-cash flows in profit from ordinary activities: | | |
| Borrowing Costs | 76 | 60 |
| Amortisation | 125,530 | 125,530 |
| Loss on Disposal of Assets | 0 | 1,769 |
| Depreciation | 116,641 | 147,284 |
| Changes in assets and liabilities, net of the effects of purchase and disposals of subsidiaries | | |
| (Increase) Decrease in current inventories | (6,762) | (1,630) |
| (Increase) Decrease in current receivables | (29,443) | (229) |
| (Increase) Decrease in prepayments | (567) | (3,225) |
| Increase (Decrease) in trade creditors | 13,860 | 45,420 |
| Increase (Decrease) in other creditors | 797 | 2,626 |
| Increase (Decrease) in current provisions | 17,327 | (49,077) |
| Increase (Decrease) in intangibles | (107) | - |
| Cash flows from operations | 448,539 | 489,742 |

THE MOONEE PONDS CLUB INCORPORATED
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STATEMENT BY MEMBERS OF THE COMMITTEE

The committee has 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 statements

In the opinion of the committee the financial report as set out on pages 5 to 18:

- 1 Presents a true and fair view of the financial position of The Moonee Ponds Club Inc as at 30 June 2016 and its performance for the year ended on that date.

- 2 At the date of this statement, there are reasonable grounds to believe that The Moonee Ponds 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
Michael Perrett

Treasurer
Peter Grech

Dated this 18th day of October 2016

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE MOONEE PONDS CLUB INC

Scope

We have audited the financial report, being a special purpose financial report, of The Moonee Ponds Club Inc. for the year ended 30 June 2016 as set out on pages 5 to 18. The Committee is responsible for the financial report and has determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are appropriate to meet the requirements of the Associations Incorporation Act and are appropriate to meet the needs of the members. We have conducted an independent audit of this financial report in order to express an opinion on it to the members of The Moonee Ponds Club Inc. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial report has been prepared for the purpose of fulfilling the requirements of the Associations Incorporations Act. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and the evaluation of 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 the accounting policies described in Note 1 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. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia.

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

Audit Opinion

In our opinion, the financial report of The Moonee Ponds Club Inc. presents a true and fair view of the financial position of The Moonee Ponds Club Inc. as at 30 June 2016 and the results of its operations and its cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Basis of Accounting

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 committee members financial reporting responsibilities under the Associations Incorporation Act. As a result, the financial report may not be suitable for another purpose.

Dated this 18th day of October 2016

John G Hughes

Hughes O'Dea Corredig Audit Pty Ltd