

# **The Sydney Portugal Community Club Limited**

**ABN 37 002 690 799**

**General Purpose Financial Statements**

**For the Year Ended 30 June 2018**

# The Sydney Portugal Community Club Limited

ABN 37 002 690 799

30 June 2018

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# The Sydney Portugal Community Club Limited

ABN 37 002 690 799

## Directors' Report

30 June 2018

The Directors present their report, together with the financial report of The Sydney Portugal Community Club Limited (the company) for the year ended 30 June 2018.

### Information of Directors

The Directors of the company in office at any time during or since the end of the financial year are:

Name of Directors	Role	Commenced Position	Ceased Position
Aniceto Miguel G. Vairinhos	(President)	Appointed 07/11/2016	Current
L. Miguel Da Silva	(Secretary)	Appointed 06/01/2017	Resigned on 10/07/2018
Eliana De Sousa	(Secretary)	Appointed 16/02/2017	Current
Tony Barbosa	(Director)	Appointed 17/02/2017	Current
Elvis De Brito Amaro	(Treasurer)	Appointed 17/07/2018	Current
David Palma	(Vice President)	Appointed 27/11/2018	Current
Samuel Marques	(Treasurer)	Appointed 10/08/2017	Resigned on 09/07/2018
Monica Azenha	(Vice Treasurer)	Appointed 07/11/2016	Resigned on 15/11/2017
Nuno Marques	(Vice Treasurer)	Appointed 07/11/2016	Resigned on 15/11/2017
Luis Pereira	(Vice President)	Appointed 09/06/2017	Resigned on 09/07/2018
Francisco Silvestre	(Treasurer)	Appointed 07/11/2016	Resigned on 09/08/2017

### Directors' Meeting

The number of directors meetings of the company's Board of Directors (the Board) that each Director was eligible to attend and the number of meetings attended by each Director was:

Name of Director	Meetings Held*	Meetings Attended
Aniceto Miguel G. Vairinhos	12	12
Luis Pereira	12	12
Francisco Silvestre	2	1
Monica Azenha	2	1
L. Miguel Da Silva	12	11
Nuno Marques	2	-
Eliana De Sousa	12	10
Tony Barbosa	12	4
Samuel Marques	10	9

\*Number of meetings held during the time the director held office during the year.

### Principal Activities and Performance

During the year, the principal activities of the company consisted of operating as a licensed social and sporting club.

### Changes in state of affairs

There have been no significant changes in the state of affairs of the company during the financial year.

### Operating result

The loss of the company for the financial year after providing for income tax amounted to \$214,193 (2017: Restated loss of \$199,324).

# The Sydney Portugal Community Club Limited

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Directors' Report (continued)

30 June 2018

## Objectives

### Short term objectives

- Provide well maintained amenities and facilities that meet the needs of members;
- Maintain financial viability; and
- Maintain a high level of customer service, and satisfaction.

### Long term objectives

- To ensure the club has a strong financial future;
- To ensure the club is a desirable entertainment venue for members and guests; and
- To develop the club as a meeting place for social cohesion for members and guests.

### Strategy for achieving the objectives

- Provide members with a diverse range of entertainment, activities and facilities;
- Continue to grow membership and maintain a strong financial position; and
- Promote the club as a meeting place for social cohesion by supporting local community organisations.

### Performance measures

The club measures its activities using financial and non-financial key performance indicators using;

- Club membership growth;
- Benchmarking key performance indicators against other clubs; and
- Comparison of actual financial performance to budgeted performance.

## Events subsequent to balance sheet date

A lease agreement between the company and Laing O'Rourke Australia Construction Pty and John Holland Pty Ltd (Lessee) to lease part of the land of 100 Marrickville Road Marrickville for a period of 3 years and seven months. The termination date of lease is 24 December 2021 with an option to renew for a period of 1 year.

As payment in lieu of rent the lessee will carry out work (value of work being in excess of \$1,500,000) on;

- External Works – Access track, Chain link fence, high netting type fence
- Football Stand Internal Building Works – Change Rooms, Toilets, Locker Rooms
- Visitors Carpark – Heavy resurfacing, Chain link fence around parking areas and marking parking spaces
- Members Carpark – Heavy resurfacing, Chain link fence around parking areas and marking parking spaces

There are no other matters or circumstances that have arisen since the end of the year that have significantly affected or may significantly affect either:

- the entity's operations in future financial years
- the results of those operations in future financial years; or
- the entity's state of affairs in future financial years.

# The Sydney Portugal Community Club Limited

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Directors' Report (continued)

30 June 2018

## Proceedings on behalf of the company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

## Indemnification of officers and auditors

During the financial year, the company paid a premium in respect of a contract insuring the directors of the company (as named above), the company secretary and all executive officers of the company and any related body corporate against a liability incurred as such a director, secretary or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the company or any related body corporate against a liability incurred as such an officer or auditor.

## Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out at page 5.

Signed for and on behalf of the Board and in accordance with a resolution in respect thereof.



**A Miguel Gouveia Vairinhos**  
**President**  
Marrickville, NSW

Dated this 1<sup>st</sup> day of March 2019.

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**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**

As the auditor of The Sydney Portugal Community Club Limited for the year ended 30 June 2018, I declare that, to the best of my knowledge and belief, there have been:

- No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit, and
- No contraventions of any applicable code of professional conduct in relation to the audit.

*Calibre Partners*

**Calibre Partners Pty Limited**

*R. Wong*

**Roger Wong  
Director**

Dated this 1<sup>st</sup> day of March 2019.

# The Sydney Portugal Community Club Limited

ABN 37 002 690 799

## Statement of Comprehensive Income

For the Year Ended 30 June 2018

	Note	2018 \$	2017 Restated \$
<b>Revenue</b>			
Revenue	2	2,555,417	2,407,099
Other income	2	238,111	312,104
<b>Total revenue</b>		<b>2,793,528</b>	<b>2,719,203</b>
<b>Expenses</b>			
Cost of sales		(1,478,430)	(1,381,186)
Administration expenses		(77,651)	(61,520)
Depreciation expense		(211,133)	(168,809)
Employee benefits expense		(302,197)	(372,278)
Interest expense		(49,883)	(35,724)
Loss on disposal of non-current assets		(1,632)	-
Occupancy expenses		(258,208)	(241,477)
Soccer expenses		(372,390)	(474,717)
Other expenses		(256,197)	(182,816)
<b>Total expenses</b>		<b>(3,007,721)</b>	<b>(2,918,527)</b>
<b>Net profit (loss) before income tax</b>		<b>(214,193)</b>	<b>(199,324)</b>
Income tax expense	3	-	-
<b>Net profit (loss) for the year</b>		<b>(214,193)</b>	<b>(199,324)</b>
<b>Other comprehensive income</b>			
Prior rounding adjustment		5	-
<b>Total comprehensive income (loss)</b>		<b>(214,188)</b>	<b>(199,324)</b>

The accompanying notes form part of these financial statements.

# The Sydney Portugal Community Club Limited

ABN 37 002 690 799

## Statement of Financial Position

As At 30 June 2018

	Note	2018 \$	2017 Restated \$	2016 Restated \$
<b>Assets</b>				
<b>Current</b>				
Cash and cash equivalents	4	198,728	87,391	143,589
Trade and other receivables	5	-	89,933	21,799
Inventories	6	23,495	45,904	53,098
Other assets	7	69,239	52,571	55,802
<b>Current assets</b>		<b>291,462</b>	<b>275,799</b>	<b>274,288</b>
<b>Non-current</b>				
Trade and other receivables		-	-	88,466
Property, plant and equipment	8,15	9,815,950	10,010,804	10,103,433
Intangible Assets	9	2,475	2,475	2,475
Other assets	7	4,600	4,600	852
<b>Non-current assets</b>		<b>9,823,025</b>	<b>10,017,879</b>	<b>10,195,226</b>
<b>Total assets</b>		<b>10,114,487</b>	<b>10,293,678</b>	<b>10,469,514</b>
<b>Liabilities</b>				
<b>Current</b>				
Trade and other payables	10	144,933	166,390	114,240
Provisions	11	16,656	26,056	17,332
<b>Current liabilities</b>		<b>161,589</b>	<b>192,446</b>	<b>131,572</b>
<b>Non-current</b>				
Borrowings	12	1,039,919	959,919	1,010,363
Provisions	11	21,507	35,653	22,595
<b>Non-current liabilities</b>		<b>1,061,426</b>	<b>995,572</b>	<b>1,032,958</b>
<b>Total liabilities</b>		<b>1,223,015</b>	<b>1,188,018</b>	<b>1,164,530</b>
<b>Net assets</b>		<b>8,891,472</b>	<b>9,105,660</b>	<b>9,304,984</b>
<b>Equity</b>				
Reserves	13,15	4,319,725	4,319,725	4,319,725
Retained earnings	15	4,571,747	4,785,935	4,985,259
<b>Total equity</b>		<b>8,891,472</b>	<b>9,105,660</b>	<b>9,304,984</b>

The accompanying notes form part of these financial statements.

# The Sydney Portugal Community Club Limited

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## Statement of Changes in Equity

For the Year Ended 30 June 2018

	Note	Asset Revaluation Reserve	Retained Earnings	Total Equity
<b>Restated balance at 1 July 2016</b>		<b>4,319,725</b>	<b>4,985,259</b>	<b>9,304,984</b>
Loss for the year		-	(199,324)	(199,324)
Gain on revaluation of land and buildings		-	-	-
Other comprehensive income/(loss) for the year		-	-	-
<b>Restated balance at 30 June 2017</b>	<b>15</b>	<b>4,319,725</b>	<b>4,785,935</b>	<b>9,105,660</b>
<b>Restated balance at 1 July 2017</b>		<b>4,319,725</b>	<b>4,785,935</b>	<b>9,105,660</b>
Loss for the year		-	(214,193)	(214,193)
Other comprehensive income/(loss) for the year		-	-	-
Rounding error		-	5	5
<b>Restated balance at 30 June 2018</b>	<b>15</b>	<b>4,319,725</b>	<b>4,571,747</b>	<b>8,891,472</b>

The accompanying notes form part of these financial statements.

# The Sydney Portugal Community Club Limited

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## Statement of Cash Flows

For the Year Ended 30 June 2018

	Note	2018 \$	2017 \$
<b>Cash from operating activities</b>			
Receipts from customers		2,825,983	2,057,004
Payments to suppliers and employees		(2,708,501)	(1,932,743)
Interest received		452	698
Interest paid		(68,685)	(62,418)
<b>Net cash inflow from operating activities</b>	<b>14</b>	<b>49,249</b>	<b>62,541</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(17,912)	(75,328)
Proceeds from related party loan		-	7,023
<b>Net cash inflow (outflow) from investing activities</b>		<b>(17,912)</b>	<b>(68,295)</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		80,000	-
Repayments of borrowings		-	(50,444)
<b>Net cash inflow (outflow) from financing activities</b>		<b>80,000</b>	<b>(50,444)</b>
Net increase (decrease) in cash held		111,337	(56,198)
Cash at beginning of the financial year		87,391	143,589
<b>Cash at the end of the financial year</b>	<b>4</b>	<b>198,728</b>	<b>87,391</b>

The accompanying notes form part of these financial statements.

# The Sydney Portugal Community Club Limited

ABN 37 002 690 799

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 1 Statement of Significant Accounting Policies

#### General Information and Statement of Compliance

The financial report has been prepared as a Tier 2 general purpose financial report which has been prepared in accordance with Australian Accounting Standards – Requirements and Interpretations issued by the Australian Accounting Standards Board Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report covers The Sydney Portugal Community Club Limited (“the company”) as an individual entity. The Sydney Portugal Community Club Limited is a Company limited by guarantee, incorporated and domiciled in Australia.

Principal place of business of The Sydney Portugal Community Club Limited is 100 Marrickville Road, Marrickville NSW 2204.

The financial statements were authorised for issue by the directors on 1 March 2019.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

#### Reporting Basis and Conventions

This financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

#### Adoption of new and revised Accounting Standards

In the current year, the company has adopted all of the new and revised Standards and interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period. There has been no material impact of these changes on the company's accounting policies.

#### *New and revised Australian Accounting Standards in issue but not yet effective*

At the date of authorisation of the financial statements, the company has not applied the following new and revised Australian Accounting Standards, Interpretations and amendments that have been issued but are not yet effective:

<b>Standard/amendment</b>	<b>Effective for annual reporting periods beginning on or after</b>
AASB 1058 Income of Not-for-Profit Entities	1 January 2019

# The Sydney Portugal Community Club Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2018

## 1 Statement of Significant Accounting Policies (continued)

### AASB 1058 Income of Not-for-Profit Entities

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities. These Standards supersede the NFP income recognition requirements previously in AASB 1004 Contributions (with the exception of certain matters relating to public sector NFP entities) and the related Interpretations when they become effective.

The timing of income recognition depends on whether such a transaction gives rise to a liability or their performance obligation (a promise to transfer a good or service), or a contribution by owners, related to an asset (such as cash or another asset) received by an entity.

### Key requirements of AASB 1058

This Standard applies when a NFP entity receives volunteer services or enters into other transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. In the latter case, the entity recognises and measures the asset at fair value in accordance with the applicable Australian Accounting Standard (e.g. AASB 116 Property, Plant and Equipment).

Upon initial recognition of the asset, this Standard requires the entity to consider whether any other financial statement elements (called 'related amounts') should be recognised, such as:

- (a) contributions by owners;
- (b) revenue, or a contract liability arising from a contract with a customer;
- (c) a lease liability;
- (d) a financial instrument; or
- (e) a provision.

These related amounts are accounted for in accordance with the applicable Australian Accounting Standard.

The Standard also prescribes specific accounting requirements for a transaction which is a transfer of a financial asset to enable an entity to acquire or construct a recognisable non-financial asset to be controlled by the entity (i.e. an in-substance acquisition of a non-financial asset) and volunteer services.

Entities can choose to apply this Standard retrospectively (which requires restatement of comparatives with certain practical expedients allowed) or to use a modified approach (where comparatives are not restated but the cumulative effect of initial application will be adjusted through opening retained earnings on the date of initial application).

# The Sydney Portugal Community Club Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2018

## 1 Statement of Significant Accounting Policies (continued)

### Consequential amendments to other Standards and Interpretations

The issuance of AASB 1058 also results in consequential amendments to other Standards and Interpretations, as set out below:

- AASB 1 First-time Adoption of Australian Accounting Standards
- AASB 16 Leases
- AASB 101 Presentation of Financial Statements
- AASB 116 Property, Plant and Equipment
- AASB 117 Leases
- AASB 1004 Contributions
- AASB 1049 Whole of Government and General Government Sector Financial Reporting
- AASB 1057 Application of Australian Accounting Standards
- Interpretation 1038 Contributions by Owners Made to Wholly-Owned Public Sector Entities

Among the amendments listed above, the key amendments to note are the:

- new lessee accounting requirements for leases at significantly below-market terms and conditions (commonly known as 'peppercorn leases') principally to enable the lessee to further its objectives (as amended in AASB 16 and AASB 117). This requires the lessee to recognise the leased asset / right-of-use asset at fair value per AASB 13, the lease liability per AASB 117 / AASB 16 and the residual as income at the inception of the lease; and
- removal of all income recognition requirements for private sector NFP entities and majority of income recognition requirements for public sector NFP entities in AASB 1004, as these requirements are now replaced by the requirements of AASB 1058.

The directors do not anticipate that the application of these standards will have a material impact on the financial position and financial performance of the company.

### Summary of Accounting Policies

#### (a) Revenue Recognition

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

#### Sale of Goods

Sale of goods are recognised at the point of sale, which is where the customer has taken delivery of the goods, the risks and rewards are transferred to the customer and there is a valid sales contract. Amounts disclosed as revenue are net of sales returns and trade discounts.

# The Sydney Portugal Community Club Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2018

## 1 Statement of Significant Accounting Policies (continued)

### Summary of Accounting Policies (continued)

#### (a) Revenue Recognition (continued)

##### Poker Machines

Poker machine revenue is recognised net of payouts.

##### Membership

Membership revenue is recognised in the year in which it relates.

#### (b) Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin.

#### (c) Income taxes

The income tax expense or benefit for the period, is the tax payable on that period's taxable income based on the applicable income tax rate, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates that are enacted or substantively enacted.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and derecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same tax authority on either the same taxable entity or different taxable entity's which intend to settle the claim simultaneously.

##### Mutuality principle

The company calculates its income in accordance with the mutuality principle, which excludes from income, any amounts of subscriptions and contributions from members, and payments received from members, for particular services provided by the club or association, e.g. poker machines, bar and dining room service, in the case of social clubs. The Commissioner of Taxation accepts this method of calculating income as appropriate for recognised clubs and associations.

# The Sydney Portugal Community Club Limited

ABN 37 002 690 799

Notes to the Financial Statements

For the Year Ended 30 June 2018

## 1 Statement of Significant Accounting Policies (continued)

### Summary of Accounting Policies (continued)

#### (c) Income taxes (continued)

Amendments to the Income Tax Assessment Act 1997 ensure social clubs continue not to be taxed on receipts from contributions and payments received from members.

#### (d) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

#### (e) Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

#### (f) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and is net of any rebates and discounts received. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

#### (g) 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.

##### Land and buildings at cost

Land and buildings at cost are measured using the cost model.

##### Land and buildings at fair value

Land is shown at fair value, less subsequent depreciation and impairment of buildings. The valuations are undertaken more frequently if there is a material change in fair value relative to the carrying amount. Any accumulated depreciation at the date of valuation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Increases in the carrying amounts arising on valuation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken up in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter decrements are taken to the profit and loss.

##### Plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

# The Sydney Portugal Community Club Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2018

## 1 Statement of Significant Accounting Policies (continued)

### Summary of Accounting Policies (continued)

#### (g) Property, plant and equipment (continued)

##### Depreciation

Property, plant and equipment, excluding freehold land, is depreciated over the assets useful life to the company, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below.

<b>Fixed asset class</b>	<b>Depreciation rate</b>
Buildings	2.5% straight line
Plant and Equipment	10-20% diminishing value

Any revisions are accounted for prospectively as a change in estimate.

#### (h) Impairment of non-financial assets

At the end of each reporting period the company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

#### (i) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

# The Sydney Portugal Community Club Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2018

## 1 Statement of Significant Accounting Policies (continued)

### Summary of Accounting Policies (continued)

#### (i) Financial instruments (continued)

##### Financial Assets

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables;
- financial assets at fair value through profit or loss;

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the statement of profit or loss and other comprehensive income in the 'finance income' or 'finance costs' line item respectively.

##### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The company's trade and other receivables fall into this category of financial instruments.

Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default.

The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

In some circumstances, the company renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the company does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

##### Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired.

The entity's financial liabilities include borrowings, trade and other payables (including finance lease liabilities), which are measured at amortised cost using the effective interest rate method.

# The Sydney Portugal Community Club Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2018

## 1 Statement of Significant Accounting Policies (continued)

### Summary of Accounting Policies (continued)

#### (i) Financial instruments (continued)

##### Impairment of financial assets

At the end of the reporting period the company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

##### Financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

#### (j) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to the short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are not usually paid within 30 days of recognition.

#### (k) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

#### (l) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

# The Sydney Portugal Community Club Limited

ABN 37 002 690 799

Notes to the Financial Statements

For the Year Ended 30 June 2018

## 1 Statement of Significant Accounting Policies (continued)

### Summary of Accounting Policies (continued)

#### (m) Employee benefits

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

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Changes in the measurement of the liability are recognised in profit or loss.

#### (n) Reserves

Components of equity include the following:

- revaluation reserve – comprises gains and losses from the revaluation of land and buildings (see Note 15)

Retained earnings include all current and prior period retained profits.

#### (o) Significant management judgement in applying accounting policies

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

##### Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

##### Impairment

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units, based on expected future cash flows and uses an interest rate to discount them.

Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

##### Inventories

Management estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

# The Sydney Portugal Community Club Limited

ABN 37 002 690 799

Notes to the Financial Statements

For the Year Ended 30 June 2018

## 1 Statement of Significant Accounting Policies (continued)

### Summary of Accounting Policies (continued)

#### (o) Significant management judgement in applying accounting policies (continued)

##### Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

##### Fair value of financial instruments

The company has certain financial assets and liabilities which are measured at fair value. Where fair value has not able to be determined based on quoted price, a valuation model has been used. The inputs to these models are observable, where possible, however these techniques involve significant estimates and therefore fair value of the instruments could be affected by changes in these assumptions and inputs.

##### Long service leave

The liability for long service leave is recognised and measured at the present value of the estimated cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

# The Sydney Portugal Community Club Limited

ABN 37 002 690 799

## Notes to the Financial Statements

For the Year Ended 30 June 2018

	2018	2017
	\$	\$
<b>2 Revenue</b>		
<b>Revenue from rendering service</b>		
Bingo, raffle and ticket sales	97,648	97,686
Food and beverage sales	798,530	869,645
Government GST rebate	17,180	17,180
Player registration fees	266,003	179,656
Poker machine income	1,346,688	1,081,059
Sponsorships	29,368	161,873
	<u>2,555,417</u>	<u>2,407,099</u>
<b>Other income</b>		
Interest income	453	698
Member subscriptions	6,865	8,549
Rental income	133,157	114,427
Other income – Kikoff	97,636	188,430
	<u>238,111</u>	<u>312,104</u>
<b>3 Income tax expense</b>		
<i>Numerical reconciliation of income tax expense to prima facie tax payable:</i>		
Profit (loss) before income tax expense	(214,193)	(163,063)
Tax at the Australian tax rate of 27.5 % (2017: 27.5%)	(58,903)	(44,842)
Deferred tax asset relating to current year not brought to account	58,903	44,842
	<u>-</u>	<u>-</u>
<b>4 Cash and cash equivalents</b>		
Cash on hand	5,566	9,140
Cash at bank	193,162	78,251
	<u>198,728</u>	<u>87,391</u>
<b>5 Trade and other receivables</b>		
<b>Current</b>		
Trade receivables	-	5,200
Other receivables	-	3,300
Receivables - Kikoff	73,027	81,433
Less: Allowance for doubtful debts	(73,027)	-
	<u>-</u>	<u>89,933</u>

# The Sydney Portugal Community Club Limited

ABN 37 002 690 799

## Notes to the Financial Statements

For the Year Ended 30 June 2018

	2018 \$	2017 \$
<b>6 Inventories</b>		
Stock on hand	23,495	45,904
	<b>23,495</b>	<b>45,904</b>
<b>7 Other assets</b>		
<b>Current</b>		
MG Camera Partnership	70,000	70,000
Less: Allowance for loss in joint venture	(70,000)	(70,000)
Prepayment Insurance	69,239	52,571
	<b>69,239</b>	<b>52,571</b>
<b>Non-current</b>		
Borrowing Cost	16,437	16,437
Less: Accumulated Amortisation	(16,437)	(16,437)
Secured deposits	4,600	4,600
	<b>4,600</b>	<b>4,600</b>
<b>8 Property, plant and equipment</b>		
<b>Land and buildings</b>		
Freehold Land	6,321,073	6,321,073
Building & Facilities at Cost	222,114	222,114
Less: Accumulated Depreciation	(222,114)	(222,114)
	-	-
Capitalised Costs – New Building	220,497	220,497
Less: Accumulated Depreciation	(62,045)	(55,840)
	158,452	164,657
Property Improvement at Cost	897,572	897,572
Less: Accumulated Depreciation	(484,451)	(389,790)
	413,121	507,782
Property Improvements – Pavilion	834,117	834,117
Less: Accumulated Depreciation	(29,611)	(8,758)
	804,506	825,358

# The Sydney Portugal Community Club Limited

ABN 37 002 690 799

## Notes to the Financial Statements

For the Year Ended 30 June 2018

	2018	2017
	\$	\$
<b>8 Property, plant and equipment (continued)</b>		
Property Improvement – Grandstand	2,028,362	2,010,450
Less: Accumulated Depreciation	<u>(72,007)</u>	<u>(21,298)</u>
	1,956,355	1,989,152
<b>Total land and buildings</b>	<b><u>9,653,507</u></b>	<b><u>9,808,022</u></b>
<b>Plant and equipment</b>		
Plant and Equipment at cost	888,706	888,706
Less: Accumulated Depreciation	<u>(788,031)</u>	<u>(765,083)</u>
	100,675	123,623
Poker Machine at Cost	269,808	269,808
Less: Accumulated Depreciation	<u>(238,260)</u>	<u>(230,636)</u>
	31,548	39,172
Poker Machine –Leased	55,788	55,788
Less: Accumulated Depreciation	<u>(55,480)</u>	<u>(55,342)</u>
	308	446
Motor Vehicles at Cost	-	3,500
Less: Accumulated Depreciation	<u>-</u>	<u>(1,613)</u>
	-	1,887
Furniture & Fittings at Cost	239,704	239,704
Less: Accumulated Depreciation	<u>(209,792)</u>	<u>(202,050)</u>
	29,912	37,654
<b>Total plant and equipment</b>	<b><u>162,443</u></b>	<b><u>202,782</u></b>
Total Property, Plant and Equipment	<b><u>9,815,950</u></b>	<b><u>10,010,804</u></b>

# The Sydney Portugal Community Club Limited

ABN 37 002 690 799

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 8 Property, plant and equipment (continued)

At cost	Land and buildings \$	Plant and equipment \$	Total \$
Restated balance at 1 July 2017	10,505,825	1,457,506	11,963,331
Additions	17,911	-	17,911
Disposals	-	(3,500)	(3,500)
<b>Restated balance at 30 June 2018</b>	<b><u>10,523,736</u></b>	<b><u>1,454,006</u></b>	<b><u>11,977,742</u></b>
Restated balance at 1 July 2016	10,450,079	1,437,924	11,888,003
Additions	55,746	19,582	75,328
Disposals	-	-	-
<b>Restated balance at 30 June 2017</b>	<b><u>10,505,825</u></b>	<b><u>1,457,506</u></b>	<b><u>11,963,331</u></b>
<b>Accumulated depreciation</b>			
Restated balance at 1 July 2017	697,803	1,254,724	1,952,527
Additions	172,426	38,707	211,133
Disposals	-	(1,868)	(1,868)
<b>Restated balance at 30 June 2018</b>	<b><u>870,229</u></b>	<b><u>1,291,563</u></b>	<b><u>2,161,792</u></b>
Restated balance at 1 July 2016	575,549	1,209,021	1,784,570
Additions	122,254	45,703	167,957
Disposals	-	-	-
<b>Restated balance at 30 June 2017</b>	<b><u>697,803</u></b>	<b><u>1,254,724</u></b>	<b><u>1,952,527</u></b>
<b>Restated Carrying amount at 30 June 2017</b>	<b><u>9,808,022</u></b>	<b><u>202,782</u></b>	<b><u>10,010,804</u></b>
<b>Restated Carrying amount at 30 June 2018</b>	<b><u>9,653,507</u></b>	<b><u>162,443</u></b>	<b><u>9,815,950</u></b>
		<b>2018</b>	<b>2017</b>
		\$	\$

### 9 Intangible assets

Formation Expenses	<u>2,475</u>	<u>2,475</u>
	<b><u>2,475</u></b>	<b><u>2,475</u></b>

### 10 Trade and other payables

Trade payables	111,688	125,830
Accrued expenses	13,000	21,586
Net GST payable	7,342	14,929
Other creditors	12,903	4,045
	<b><u>144,933</u></b>	<b><u>166,390</u></b>

# The Sydney Portugal Community Club Limited

ABN 37 002 690 799

## Notes to the Financial Statements

For the Year Ended 30 June 2018

	2018 \$	2017 \$
<b>11 Provisions</b>		
<b>Current</b>		
Provision for annual leave	16,656	26,056
	<u>16,656</u>	<u>26,056</u>
<b>Non-current</b>		
Provision for annual leave	21,507	35,653
	<u>21,507</u>	<u>35,653</u>
<b>12 Borrowings</b>		
Bank loan	1,039,919	959,919
	<u>1,039,919</u>	<u>959,919</u>
<p>Bank loan is principal and interest and is secured by registered first mortgage over freehold property and registered first mortgage over the whole of assets</p>		
<b>13 Reserves</b>		
Asset revaluation reserve (refer to Note 15)	4,319,725	4,319,725
	<u>4,319,725</u>	<u>4,319,725</u>
<p><i>Movement during the year:</i></p>		
Opening balance for the year	4,319,725	4,319,725
Movement	-	-
	<u>4,319,725</u>	<u>4,319,725</u>
<b>14 Cash Flow information</b>		
<p><i>Reconciliation of Cash Flow from operations with profit from ordinary activities</i></p>		
Profit (loss) from Ordinary Activities	(214,193)	(163,062)
Non-cash Flows in profit from ordinary activities		
Depreciation and amortisation	211,133	132,548
Loss on disposal of assets	1,632	-
Changes in assets and liabilities		
(Increase) Decrease in trade and other receivables	73,268	11,930
(Increase) Decrease in payables & inventories	22,410	7,194
Increase (Decrease) in payables & other payables	(21,455)	52,148
Increase (Decrease) in provisions	(23,546)	21,783
<b>Net Cash Inflow from operating activities</b>	<u>49,249</u>	<u>62,541</u>

# The Sydney Portugal Community Club Limited

ABN 37 002 690 799

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 15 Correction of errors

During 2018, the company discovered that there were errors within certain categories of property, plant and equipment. As a consequence, these assets and the related depreciation expenses have been overstated. The errors have been corrected by restating each of the affected financial statements line items for the prior period. The following tables summarise the impacts on the company's financial statements.

30 June 2017	As previously reported \$	Adjustment \$	As restated \$
<b>Assets</b>			
<b>Current</b>			
Cash and cash equivalents	87,391	-	87,391
Trade and other receivables	89,933	-	89,933
Inventories	45,904	-	45,904
Other assets	52,571	-	52,571
<b>Current assets</b>	<b>275,799</b>	<b>-</b>	<b>275,799</b>
<b>Non-current</b>			
Property, plant and equipment	11,172,535	(1,161,731)	10,010,804
Intangible Assets	2,475	-	2,475
Other assets	4,600	-	4,600
<b>Non-current assets</b>	<b>11,179,610</b>	<b>(1,161,731)</b>	<b>10,017,879</b>
<b>Total assets</b>	<b>11,455,409</b>	<b>(1,161,731)</b>	<b>10,293,678</b>
<b>Liabilities</b>			
<b>Current</b>			
Trade and other payables	166,390	-	166,390
Provisions	26,056	-	26,056
<b>Current liabilities</b>	<b>192,446</b>	<b>-</b>	<b>192,446</b>
<b>Non-current</b>			
Borrowings	959,919	-	959,919
Provisions	35,653	-	35,653
<b>Non-current liabilities</b>	<b>995,572</b>	<b>-</b>	<b>995,572</b>
<b>Total liabilities</b>	<b>1,188,018</b>	<b>-</b>	<b>1,188,018</b>
<b>Net assets</b>	<b>10,267,391</b>	<b>(1,161,731)</b>	<b>9,105,660</b>
<b>Equity</b>			
Reserves	5,173,445	(853,720)	4,319,725
Retained earnings	5,093,946	(308,011)	4,785,935
<b>Total equity</b>	<b>10,267,391</b>	<b>(1,161,731)</b>	<b>9,105,660</b>

# The Sydney Portugal Community Club Limited

ABN 37 002 690 799

Notes to the Financial Statements

For the Year Ended 30 June 2018

15 Correction of errors (continued)

1 July 2016	As previously reported \$	Adjustment \$	As restated \$
<b>Assets</b>			
<b>Current</b>			
Cash and cash equivalents	143,589	-	143,589
Trade and other receivables	21,799	-	21,799
Inventories	53,098	-	53,098
Other assets	55,802	-	55,802
<b>Current assets</b>	<b>274,288</b>	<b>-</b>	<b>274,288</b>
<b>Non-current</b>			
Trade and other receivables	88,466	-	88,466
Property, plant and equipment	11,228,903	(1,125,470)	10,103,433
Intangible Assets	2,475	-	2,475
Other assets	852	-	852
<b>Non-current assets</b>	<b>11,320,696</b>	<b>(1,125,470)</b>	<b>10,195,226</b>
<b>Total assets</b>	<b>11,594,984</b>	<b>(1,125,470)</b>	<b>10,469,514</b>
<b>Liabilities</b>			
<b>Current</b>			
Trade and other payables	114,240	-	114,240
Provisions	17,332	-	17,332
<b>Current liabilities</b>	<b>131,572</b>	<b>-</b>	<b>131,572</b>
<b>Non-current</b>			
Borrowings	1,010,363	-	1,010,363
Provisions	22,595	-	22,595
<b>Non-current liabilities</b>	<b>1,032,958</b>	<b>-</b>	<b>1,032,958</b>
<b>Total liabilities</b>	<b>1,164,530</b>	<b>-</b>	<b>1,164,530</b>
<b>Net assets</b>	<b>10,430,454</b>	<b>(1,125,470)</b>	<b>9,304,984</b>
<b>Equity</b>			
Reserves	5,173,445	(853,720)	4,319,725
Retained earnings	5,257,009	(271,750)	4,985,259
<b>Total equity</b>	<b>10,430,454</b>	<b>(1,125,470)</b>	<b>9,304,984</b>

# The Sydney Portugal Community Club Limited

ABN 37 002 690 799

## Notes to the Financial Statements

### For the Year Ended 30 June 2018

#### 16 Related party transactions

There were no related party transactions during the year.

The directors of the company did not receive any remuneration during the year.

No directors have entered into a material contract with the company since the end of the previous financial year and there were no material contracts involving directors' interests existing at year end.

#### 17 Auditor's remuneration

Amounts received or due and receivable by the auditors of company for:	2018 \$	2017 \$
Audit of the financial report	19,000	13,601
Preparation of financial report	1,500	-
	<b>21,500</b>	<b>13,601</b>

#### 18 Commitment

There were no material commitments for expenditure as at 30 June 2018.(2017: \$Nil)

#### 19 Contingent liabilities

There are current reviews and negotiations relating to projects undertaken by the company. The extent to which an outflow of funds will be required is dependent on the outcome of these negotiations.

#### 20 Matters Subsequent to the End of the Financial Year

A lease agreement between the company and Laing O'Rourke Australia Construction Pty and John Holland Pty Ltd (Lessee) to lease part of the land of 100 Marrickville Road Marrickville for a period of 3 years and seven months. The termination date of lease is 24 December 2021 with an option to renew for a period of 1 year.

As payment in lieu of rent the lessee will carry out work (value of work being in excess of \$1,500,000) on:

- External Works – Access track, Chain link fence, high netting type fence
- Football Stand Internal Building Works – Change Rooms, Toilets, Locker Rooms
- Visitors Carpark – Heavy resurfacing, Chain link fence around parking areas and marking parking spaces
- Members Carpark – Heavy resurfacing, Chain link fence around parking areas and marking parking spaces

No other adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

#### 21 Registered office

The Sydney Portugal Community Club Limited  
100 Marrickville Road,  
Marrickville NSW 2204

# The Sydney Portugal Community Club Limited

ABN 37 002 690 799

## Directors' Declaration

For the Year Ended 30 June 2018

The directors of the company declare that:

- 1 The financial statements and notes as set out on pages 6 to 27, are in accordance with *the Corporations Act 2001* and:
  - (a) Complying with Australian Accounting Standards – Reduced Disclosure Requirements which as stated in accounting policy Note 1 constitutes compliance with International Financial Reporting Standards (IFRS); the Corporations Regulations 2001; and
  - (b) Give a true and fair view of the financial position as at 30 June 2018 and of the performance for the year ended on that date of the company.
- 2 In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



**Aniceto Miguel G. Vairinhos**  
President

Dated this 1st day of March 2019

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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
THE SYDNEY PORTUGAL COMMUNITY CLUB LIMITED**

**Report on the Audit of the Financial Report**

**Qualified Opinion**

We have audited the accompanying financial report of The Sydney Portugal Community Club Limited (the company), which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion, except for the effects of the matters described in the *Basis for Qualified Opinion* section of our report, the financial report of The Sydney Portugal Community Club Limited is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2018 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements (including Australian Accounting Interpretations) and the *Corporations Regulations 2001*.

**Basis for Qualified Opinion**

**Comparative balances**

We were appointed as auditors of the company on 27 October 2018 and thus were unable to satisfy ourselves by alternative means concerning the comparative balances relating to 30 June 2017. Since these balances enter into the determination of the financial performance, financial position and cash flows, we were unable to determine whether any adjustments might have been found necessary in respect of the income and expenses for the year reported in the statement of comprehensive income, the assets and liabilities reported in the statement of financial position and the net cash flows reported in the statement of cash flows.

**Inventory balances**

We were not appointed as auditors of the company until after 30 June 2018 and thus did not observe the counting of physical inventories at the beginning and end of the year. We were unable to satisfy ourselves by alternative means concerning the inventory quantities held at 30 June 2017 and 2018, which are stated in the statements of financial position at \$23,495 and \$45,904 respectively. As a result of these matters, we were unable to determine whether any adjustments might have been found necessary in respect of recorded or unrecorded inventories, and the elements making up the statement of comprehensive income, statement of changes in equity and statement of cash flows.

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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
THE SYDNEY PORTUGAL COMMUNITY CLUB LIMITED  
(continued)**

**Basis for Qualified Opinion (continued)**

**Other Income – Kikoff balances**

The company's revenue includes its share of operating Kikoff Fraser Park's activities. We were unable to satisfy ourselves by alternative means concerning the balances classified as "Other Income – Kikoff" held at 30 June 2017 and 2018, which are stated in the statements of comprehensive income at \$97,636 and \$188,430 respectively. As a result of these matters, we were unable to determine whether any adjustments might have been found necessary in respect of recorded or unrecorded revenues, and the elements making up the statement of financial position, statement of changes in equity and statement of cash flows.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

**Responsibilities of the Directors for the Financial Report**

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal controls as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
THE SYDNEY PORTUGAL COMMUNITY CLUB LIMITED  
(continued)**

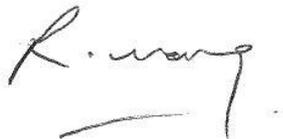
**Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.



**Calibre Partners Pty Limited**



**Roger Wong**  
Director

Dated this 1<sup>st</sup> day of March 2019.

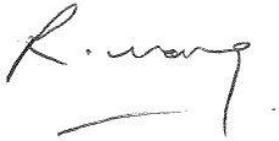
## DISCLAIMER

The additional financial information presented in the following pages is in accordance with the books and records of The Sydney Portugal Community Club Limited for the year ended 30 June 2018.

It will be appreciated that our audit did not cover all details of the additional financial information. Accordingly, we do not express an opinion on such additional financial information and no warranty of accuracy or reliability is given. Neither Calibre Partners (the firm) nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than our client) in respect of such additional financial information, including any errors or omissions therein however caused.



**Calibre Partners Pty Limited**



**Roger Wong**  
Director

Dated this 1<sup>st</sup> day of March 2019.

# The Sydney Portugal Community Club Limited

ABN 37 002 690 799

## Additional Financial Information

For the Year ended 30 June 2018

	2018	2017
	\$	\$
<b>Bar Operations</b>		
<b>Income</b>		
Sales	185,942	284,278
<b>Less Cost of Goods Sold</b>		
Opening Stock	7,732	9,587
Transfers of Drinks from Store	59,844	95,872
	<u>67,576</u>	<u>105,459</u>
Closing Stock	4,696	7,732
	<u>62,880</u>	<u>97,727</u>
<b>Gross Profit from Trading</b>	<u>123,062</u>	<u>186,551</u>
<b>Expenditure</b>		
Cleaning	266	289
Gas	723	1,224
Repairs & Maintenance	2,913	3,638
Replacements	295	40
Staff Hire	-	5,372
Superannuation Contributions	7,643	8,900
Wages	111,175	120,671
Waste Disposal	2,572	1,800
	<u>125,587</u>	<u>141,934</u>
<b>Net Surplus/(Deficit) from Bar Trading</b>	<u><u>(2,525)</u></u>	<u><u>44,617</u></u>

# The Sydney Portugal Community Club Limited

ABN 37 002 690 799

Additional Financial Information (continued)

For the Year ended 30 June 2018

	2018	2017
	\$	\$
<b>Poker Machine Operations</b>		
<b>Income</b>		
Net Poker Machine Takings	330,781	270,682
<b>Less Cost of Goods Sold</b>		
GST on Poker Machines	30,070	24,618
	<u>30,070</u>	<u>24,618</u>
	<u>30,070</u>	<u>24,618</u>
<b>Gross Profit</b>	<u>300,711</u>	<u>246,064</u>
<b>Expenditure</b>		
Amortisation Leased Poker Machines	138	203
Contract & Other Expenses	22,206	24,458
Depreciation - Poker Machines	7,624	9,572
Superannuation Contributions	2,547	2,967
Wages	37,059	40,223
	<u>69,574</u>	<u>77,423</u>
<b>Other Income</b>		
Exempt Government Compensation Income	17,180	17,180
	<u>17,180</u>	<u>17,180</u>
<b>Net Surplus from Poker Machine Operation</b>	<u><u>248,317</u></u>	<u><u>185,821</u></u>

# The Sydney Portugal Community Club Limited

ABN 37 002 690 799

## Additional Financial Information (continued)

For the Year ended 30 June 2018

	2018	2017
	\$	\$
<b>Function Operations</b>		
<b>Income</b>		
Function Income	457,439	476,737
<b>Less Cost of Goods Sold</b>		
Opening Stock	8,145	6,397
Transfer of Drinks from Store	112,338	101,356
	<u>120,483</u>	<u>107,753</u>
Closing Stock	7,232	8,145
	<u>113,251</u>	<u>99,608</u>
<b>Gross Profit from Trading</b>	<u>344,188</u>	<u>377,129</u>
<b>Expenditure</b>		
Cleaning	6,858	7,130
Gas	1,122	2,489
Repairs & Maintenance	669	1,760
Replacements	121	4,420
Social Function Expenses	80,404	99,363
Social Function - Artists	44,230	92,574
Social Function - Party Hire	17,730	19,500
Staff Hire	44,974	25,496
Superannuation Contributions	1,016	-
Wages	14,128	-
	<u>211,252</u>	<u>252,732</u>
<b>Other Income</b>		
Hall & Pavilion Hiring	37,468	37,882
	<u>37,468</u>	<u>37,882</u>
<b>Net Surplus from Function Operations</b>	<u><u>170,404</u></u>	<u><u>162,279</u></u>

# The Sydney Portugal Community Club Limited

ABN 37 002 690 799

## Additional Financial Information (continued)

For the Year ended 30 June 2018

	2018	2017
	\$	\$
<b>Restaurant Operations</b>		
<b>Income</b>		
Miscellaneous Income	10,510	15,780
Sales	68,918	68,530
	<u>79,428</u>	<u>84,310</u>
<b>Less Cost of Goods Sold</b>		
Opening Stock	2,790	3,641
Purchases	(2,644)	1,240
Transfer of Drinks from Store	32,331	41,523
	<u>32,477</u>	<u>46,404</u>
Closing Stock	1,983	2,790
	<u>30,494</u>	<u>43,614</u>
<b>Gross Profit from Trading</b>	<u>48,934</u>	<u>40,696</u>
<b>Expenditure</b>		
Advertising	-	161
Cleaning	(276)	2,150
Gas	280	349
Other Expenses	60	935
Repairs & Maintenance	(1,042)	-
Telephone	(683)	84
Waste Disposal	356	-
	<u>(1,305)</u>	<u>3,679</u>
<b>Net Surplus from Restaurant Operations</b>	<u><u>50,239</u></u>	<u><u>37,017</u></u>

# The Sydney Portugal Community Club Limited

ABN 37 002 690 799

Additional Financial Information (continued)

For the Year ended 30 June 2018

	2018	2017
	\$	\$
<b>Restaurant Operations</b>		
<b>Bingo Operations</b>		
<b>Income</b>		
Receipts	48,818	45,641
<b>Less Cost of Goods Sold</b>		
Purchases	51,257	50,225
Transfer of Drinks from Store	14,458	20,810
Stationery	1,054	758
	<u>66,769</u>	<u>71,793</u>
	<u>66,769</u>	<u>71,793</u>
<b>Gross Loss from Trading</b>	<u>(17,951)</u>	<u>(26,152)</u>
<b>Net Deficit from Bingo Operations</b>	<u>(17,951)</u>	<u>(26,152)</u>
<b>Raffle Operations</b>		
<b>Income</b>		
Receipts	42,740	52,046
<b>Less Cost of Goods Sold</b>		
Purchases	18,555	22,747
Stationery	513	1,758
	<u>19,068</u>	<u>24,505</u>
	<u>19,068</u>	<u>24,505</u>
<b>Gross Profit from Trading</b>	<u>23,672</u>	<u>27,541</u>
<b>Net Surplus from Raffle Operations</b>	<u>23,672</u>	<u>27,541</u>

# The Sydney Portugal Community Club Limited

ABN 37 002 690 799

Additional Financial Information (continued)

For the Year ended 30 June 2018

	2018	2017
	\$	\$
<b>Soccer Sports Operations</b>		
<b>Income</b>		
Soccer Revenue		
Soccer - Registration Fees	266,003	179,656
Soccer - Sponsorship	14,455	141,773
Soccer - Field Hiring	51,250	64,595
Soccer - Other Income	88,902	27,026
Soccer - SAP	3,313	111,030
	<u>423,923</u>	<u>524,080</u>
<b>Expenditure</b>		
Bank Charges	1,759	1,457
Doubtful Debts	(16,000)	16,000
Soccer - Field Hiring	15,801	3,416
Fines & Penalties	4,265	4,447
Insurance	-	11,993
Interest Paid		
- Other Persons/Corporations	18,802	26,694
Legal Costs	-	4,209
Licencing Fees - Soccer	29,932	60,127
Medical Expenses	15,071	5,848
Promotional Costs	900	-
Referees	591	-
Repairs & Maintenance	6,124	25,558
Soccer Player Expenses	96,025	161,663
Soccer Coaching Expenses	53,661	32,999
Soccer - Staff Hire	13,458	7,758
Trophies	2,751	2,452
Uniforms		
Opening Stock - Soccer Uniform	12,000	16,702
Uniforms	50,613	56,519
Closing Stock - Soccer Uniform	-	(12,000)
Other Soccer Expenses		
Soccer Opening Stock	-	1,483
Other Soccer Expenses	67,914	44,787
Soccer Closing Stock	(1,275)	(693)
	<u>372,392</u>	<u>471,419</u>
<b>Net Surplus from soccer Sports Operations</b>	<u>51,531</u>	<u>52,661</u>

# The Sydney Portugal Community Club Limited

ABN 37 002 690 799

Additional Financial Information (continued)

For the Year ended 30 June 2018

	2018	2017
	\$	\$
<b>Store Stock Operations</b>		
<b>Income</b>	-	-
<b>Less Cost of Goods Sold</b>		
Opening Stock	14,529	15,290
Purchases	223,174	260,476
	<u>237,703</u>	<u>275,766</u>
Closing Stock	8,308	14,529
Transfer of Drinks to Bar	59,844	95,872
Transfer of Drinks to Functions	112,337	101,358
Transfer of Drinks to Bingo	14,458	20,810
Transfer of Drinks to Restaurant	32,331	41,523
Stock Transfer to Soccer	10,425	1,674
	<u>-</u>	<u>-</u>
<b>Net Surplus from Trading Activities</b>	<u><u>523,687</u></u>	<u><u>483,784</u></u>

# The Sydney Portugal Community Club Limited

ABN 37 002 690 799

Additional Financial Information (continued)

For the Year ended 30 June 2018

	2018 \$	2017 \$
<b>Income</b>		
<b>Net Surplus from trading Activities</b>	<b>523,687</b>	<b>483,784</b>
<b>Other Income</b>		
Commissions Received	410	986
Gaming Machine Income - Snooker	2,066	2,739
Members' Subscriptions	6,865	8,549
Share of Income Kikoff	91,594	72,968
Donations Received	8,076	18,100
Interest Received	452	698
Rent Received	12,013	11,949
Car Park Hiring	2,426	-
Rents Received - Mars Media	30,000	-
	<u>153,902</u>	<u>115,989</u>
<b>Total Income</b>	<u><u>677,589</u></u>	<u><u>599,773</u></u>
<b>Expenditure</b>		
Accountancy Fees	14,750	14,700
Advertising	6,209	14,962
Amortisation - Borrowing Costs	-	852
Auditor's Remuneration		
- Audit & review of financial statements	13,600	13,601
Bad Debt Provision (Kikoff)	73,027	-
Bank Charges	6,330	5,455
Cleaning	55,738	50,361
Consultancy Fees	36,751	12,734
Depreciation	203,116	168,809
Directors Expenses	293	6,595
Donations	6,631	-
Freight & Cartage	369	138
General Expenses	3,944	-
Hire of Plant & Equipment	256	-
Insurance	61,485	46,904
- Other Persons/Corporations	49,883	35,724
Legal Costs	30,164	20,676
Light & Power	59,081	54,269
Locum Fees	1,632	-
Long Service Leave	(14,146)	13,058
Annual Leave Provision	(9,400)	8,726
Motor Vehicle Expenses	255	462
Poker Prizes	-	3,300
Postage	69	-
Printing & Stationery	5,318	10,221
Prizes	2,514	3,615

# The Sydney Portugal Community Club Limited

ABN 37 002 690 799

## Additional Financial Information (continued)

For the Year ended 30 June 2018

	2018	2017
	\$	\$
<b>Expenditure (continued)</b>		
Rates & Taxes	32,281	40,299
Rent	1,097	277
Repairs & Maintenance	24,644	43,983
Security Costs	47,516	43,203
Staff Training & Welfare	-	941
Subscriptions	25,823	19,063
Superannuation Contributions	11,405	12,909
Telephone	8,365	3,189
Travelling Expenses	491	401
Uniforms	-	590
Wages	132,261	160,002
	<u>891,782</u>	<u>799,097</u>
<b>Net Surplus (Deficit) for the year</b>	<u><b>(214,193)</b></u>	<u><b>(199,324)</b></u>