



ANNUAL REPORT

2019-2020

*99th Annual Report for Licensed Clubs' Association
of South Australian Inc. (trading as Clubs SA)*

incorporating

*26th Annual Report for Licensed Club Industry
Training Foundation of SA Inc. (trading as Complete
Hospitality Training Skills)*



GOVERNANCE and MANAGEMENT

CLUBS SA

Board

Cameron Taylor
Chair, Para Hills Community Club

John Kernahan
Deputy Chair, SA Amateur Footy League

Greg Saunders
Parafield Gardens Community Club

Shane Barton- Ancliffe
Murray Bridge Club

Kym Flanagan
Northgate Community & Sports Club

Peter Hill
South Adelaide Footballers Club

Lyn Wilksch
Renmark Club

Preston Stewart
Central District Footballers Club

Staff

Mike Penfold
CEO

Christine Carter
Manager, Membership

Denis Kildare
Manager, Workplace Relations

Deb Reynolds
Manager, Sponsorship and Events Manager

Cathy James
Office Coordinator

Board Meeting Attendance

Ten (10) Board Meetings were held in the year ended 30 June 2020.

NAME	Licensed Clubs' Association	
	<i>Possible Number</i>	<i>Number</i>
Cameron Taylor	10	10
John Kernahan	10	8
Greg Saunders	10	4
Kym Flanagan	10	7
Shane Barton- Ancliffe	10	9
Peter Hill	10	7
Lyn Wilksch		5
Preston Stewart		4

Directors' Status

	Elected	Term Remaining
Cameron Taylor	2019	2 Years
John Kernahan	2019	2 Years
Greg Saunders	2019	1 Years
Shane Barton- Ancliffe	2019	1 Years
Kym Flanagan	2019	Completed
Peter Hill	2019	Annual Appointment

COMPLETE HOSPITALITY TRAINING SKILLS

Board	Staff
Cameron Taylor Chair, Appointed by Clubs SA	Dee Slade Manager, Business Development & Training
John Kernahan Deputy Chair, Appointed by Clubs SA	Marilyn Sumner Finance and Administrative Officer
Michael Penfold CEO Clubs SA, ex- officio	Allison Peters Administration Officer
Peter Hill Appointed by Clubs SA	

CLUB SAFE

Staff
Giselle Berriman
Tracey Cochrane

LIFE MEMBERS

M. Beck (Deceased)
J. Yard
B. Barkla (Deceased)
B. Raphael
B. Cochrane
C. Taylor
H. Martin

CONTENTS

1	AGM Agenda 2020	5
2	98 th AGM Minutes 2019	6
3	Chair's Report	9
4	Chief Executive Officer's Report	10
5	Financial Statements	22

NOTICE

Notice is hereby given that:

The 99th Annual General Meeting of the Licensed Clubs' Association of South Australia Inc. (trading as Clubs SA)

incorporating

The 26th Annual Report for Licensed Club Industry Training Foundation of SA Inc. (trading as Complete Hospitality Training Skills)

Will be held on:

Wednesday 25 November 2020 at 3.30pm

At: Para Hills Community Club
360- 370 Bridge Road Para Hills

Delegates may sign in from 3pm.



AGENDA

1. WELCOME
2. APOLOGIES
3. DISCLOSURE OF INTEREST DECLARATION
4. CONFIRMATION OF MINUTES OF THE 2019 ANNUAL GENERAL MEETING
5. BUSINESS ARISING FROM MINUTES
6. CHAIR'S REPORT
7. CEO'S REPORT
8. FINANCE REPORTS
9. DECLARATION OF BOARD ELECTION
10. APPOINTMENT OF AUDITOR
11. SPECIAL BUSINESS
12. CURRENT DEVELOPMENTS and OUTLOOK
13. CLOSING REMARKS and CLOSURE



MINUTES of 2019 ANNUAL GENERAL MEETING
 Club West Lakes, 21 Edwin Street, WEST LAKES SHORE
 Wednesday 27 November 2019 at 4:00pm

DELEGATES PRESENT

Cameron Taylor	Para Hills Community Club, <i>Chair</i>
Kym Flanagan	Northgate Community & Sports Club, <i>Director</i>
Greg Saunders	Parafield Gardens Community Club, <i>Director</i>
Lyn Wilksch	Renmark Club, <i>Director</i>
Shane Barton- Ancliffe	Murray Bridge Club, <i>Director</i>
Tony Travaglione	Eastern United Football Club
Ann- Marie Cox	Glenelg Football Club
Kaye Moseley	RSL Henley & Grange Sub Branch
Craig Virgo	Marion Sports & Community Club

PROXIES RECEIVED

Matthew Corby	McQueens Tavern/GRSA
Alex Fairgrieve	Greyhound Racing SA
Brenton Strain	Northgate Community Club
Kris Grant	Central District Football Club
Dean Stanton	Tea Tree Gully Golf Club
Ian Bailey	Clearview Bowling Club
Bob Baldwin	Clearview Bowling Club
Shane Fuller	Athletics SA
Andrew Crawford	Athletics SA
Greg Edwards	North Adelaide Football Club
Andrew Gay	The Royal Adelaide Golf Club
Nick Altobelli	The Royal Adelaide Golf Club
John Kernahan	SA AFL/ Adelaide Footy League
Jeremi Cini	SA AFL/ Adelaide Footy League
Barry Linke	The Grange Golf Club
Bruno Battistezca	The Grange Golf Club
Kate Inkster	North Adelaide Football Club
Sharon Partington	Goodwood Saints Football Club
Bob Beattie	Parafield Gardens Community
Daniel Parry	Salisbury North Football Club
Verena Kiselitza	Roopena Football & Sporting Club
Jack Ferrett	Tanunda Club
Daniel Kowal	Checkside Tavern
Phil Smyth	Adelaide Bowling Club
Ron Kuczmariski	Adelaide Bowling Club
David Rice	Glenelg Golf Club
David Brooks	Glenelg Golf Club

OBSERVERS (non- voting)

M. Penfold	Clubs SA
C. Carter	Clubs SA
D. Kildare	Clubs SA
D. Reynolds	Clubs SA
C. James	Clubs SA
D. Slade	Complete Hospitality Training Skills
G. Berriman	Club Safe
T. Cochrane	Club Safe
M. Queale	Banktech
S. Viney	Barmera Club
K. Brodie	Holdfast Bay Bowls & Croquet Club
C. Lawson	Lakes Sports & Community Club
D. Mac Donald	Para Hills Community Club
M. Romeo	Para Hills Community Club
W. Gianoni	Port Football Club
M. Frahn	Renmark Club
L. Charnstrom	Renmark Club
A. Evans	Roxby Downs Club
T. Blair	SAJC
A. Hillier	SAJC
P. Graham	SAJC
A. Packard	West Augusta Football Club
P. Hill	South Adelaide Football Club
P. Norman	Returning Officer

APOLOGIES

Darryl Gray	Marion Club
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WELCOME

The Chair of the meeting, Cameron Taylor, opened the meeting at 4:00pm. He welcomed all to the 98th Annual General Meeting of the Licensed Clubs Association of SA Inc. and acknowledged and thanked Club West Lakes for hosting the meeting.

DISCLOSURE OF INTEREST DECLARATION

C. Taylor declared that as the Chair of the Clubs SA Board, he receives an annual honorarium of \$10,000.

CONFIRMATION OF MINUTES OF THE 2018 ANNUAL GENERAL MEETING

It was resolved that the Minutes of the Annual General Meeting held at the Woodville West Torrens Football Club on 14 November 2018 be confirmed as a true and correct record.

Moved: Lyn Wilksch – Renmark Club

Seconded: Shane Barton- Ancliffe – Murray Bridge Club

Carried

BUSINESS ARISING

Nil

ADOPTION OF PRESIDENT'S REPORT

C. Taylor provided an overview of Clubs SA performance and achievements during the year as contained in the Annual Report then resolved that the President's Report be received and adopted.

Moved: Shane Barton- Ancliffe – Murray Bridge Club

Seconded: Kym Flanagan – Northgate Sports & Community Club Carried

ADOPTION OF LCA (Clubs SA) REPORTS

It was resolved that the Chief Executive Officer, Membership, Sponsorship & Events and Workplace Relations reports as presented in the Annual Report be accepted and adopted.

Moved: Shane Barton- Ancliffe - Murray Bridge Club

Seconded: Kym Flanagan – Northgate Sports & Community Club Carried

ADOPTION OF LCTIF (Complete Hospitality Training Services) REPORT

The Chair acknowledged the outstanding efforts of the Business Development and Training Coordinator Dee Slade throughout the year.

It was resolved that the Business Development/Training Coordinator report as presented in the Annual Report be accepted and adopted.

Moved: Kym Flanagan – Northgate Sports & Community Club

Seconded: Shane Barton- Ancliffe – Murray Bridge Club Carried

ADOPTION OF FINANCIAL STATEMENTS

It was resolved that the Financial Statements as presented by Clubs SA in the Annual Report for 2018/ 19 be accepted.

Moved: Craig Virgo – Marion Club

Seconded: Kym Flanagan – Northgate Sports & Community Club Carried

ELECTION OF BOARD/ EXECUTIVE COMMITTEE

The Chair asked Peter Norman (the independent consultant engaged by Clubs SA to review and update the Clubs SA and CHTS Constitutions) in his capacity of Returning Officer to provide an overview of the process relating to the new Board structure and the election of the Board Members.

Peter advised attendees that in 2018 Clubs SA adopted a new constitution. In that constitution the Board was reduced from 8 elected members to 5, with the provision to appoint 3 additional members with appropriate skills as and when deemed necessary. All five Board positions became vacant and following a call for nominations, five nominations were received making an election unnecessary. This left the question as to the terms that elected members would have on the Board. In consultation with the nominees, it was agreed that C Taylor and J Kernahan will each serve a 3 year term, S Barton- Ancliffe and G Saunders each a two year term and K Flanagan a one year term.

The Chair thanked Peter for his work. He then acknowledged the outstanding efforts of outgoing Board Members P Stewart and L Wilksch for their contribution on the Clubs SA and CHTS Boards.

APPOINTMENT OF AUDITOR

MGI Assurance (SA) Pty Ltd Chartered Accountants has been the Associations' Auditors for many years and it is recommended by the Board that they be retained as the LCA's and LCTIF's Auditors.

Resolved that MGI Assurance Pty Ltd be retained as the LCA's and LCTIF's Auditors.

Moved: Lyn Wilksch – Renmark Club

Seconded: Shane Barton- Ancliffe – Murray Bridge Club

Carried

SPECIAL BUSINESS

Nil

OTHER BUSINESS

Nil

MEETING CLOSED

After again thanking Club West Lakes for the use of their facilities, the Chair declared the meeting closed at 4:17pm.

___/___/2020

CAMERON TAYLOR
Chair

CHAIR'S REPORT

It was business as usual for the first nine months of the 2019- 2020 financial year, with Clubs SA providing its usual expert and professional advice and assistance to its Member Clubs and Partners.

We had also been working hard behind the scenes with the politicians and the State regulators, representing Member Club interests and in turn gaining benefits in liquor licensing, gaming, lotteries, incorporated associations; the list goes on.

Then the COVID- 19 pandemic hit!

On 23 March 2020, with little warning, licensed venues, including Clubs were shut down until further notice.



Obviously this sent shockwaves through the industry, and as a Club Manager myself, I know the industry went into immediate survival mode.

Clubs SA's role immediately became focussed on providing up to the minute advice to its Member Clubs on how best to survive this crisis. This included seeking as many concessions as possible for Clubs in the form of grants, fee waivers and deferrals, while at the same time continually consulting with the authorities to ensure the most favourable conditions possible for Clubs, based on the risk the virus presented to the community at any particular time.

With the Prime Minister predicting an October "re-opening" date for Clubs, it was pleasing that this proved incorrect, with SA Clubs trading again on 22nd June 2020.

Of course all Clubs have suffered damage due to COVID- 19, however I am, at the date of writing, unaware of any Club that has advised it will need to permanently close its doors. Obviously this is extremely pleasing and a testament to the resilience and quality of the people who operate not- for- profit Clubs in SA, and their "never say die" attitude.

I would also like to provide a special mention to our valued Partners who have stuck by us during these trying times. These businesses are also doing it tough and it is a testament to their character that they are sticking with us through thick and thin.

I am also pleased to say that Clubs SA isn't going anywhere and with some thoughtful planning intends to be around for a long time yet!

To our CEO Mike Penfold and his team, thank you for working tirelessly throughout the crisis to support our Members and Partners, it is greatly appreciated.


With this in mind, Clubs SA is already planning for 2020/2021 with your interests' front of mind and we will tailor our approach to ensure that you receive the best possible service and representation during and post COVID- 19.

CEO'S REPORT

It is impossible to review "the year that was" without COVID- 19 dominating the headlines.

At the time of writing, it is now seven months since the World Health Organisation declared the coronavirus a pandemic and six months since the unexpected and sudden closure of venues, including clubs, across South Australia. This closure caused justifiable panic and anxiety amongst the community and, of course, within sporting and community clubs themselves.

Members were suddenly faced without revenue to pay the bills; perishable food and beverage stockpiles to deal with; the ongoing maintenance of facilities that may or may not see patronage in the near future and, most concerning, the standing down of honest, reliable, hard- working paid and unpaid staff.





Many Members went immediately into “survival mode”, making tough calls to minimise expenses, while at the same time securing as much financial relief as possible. They also took the opportunity to upgrade and improve their club’s appearance, and if money permitted, their infrastructure.

While most parts of the World suffered, and continue to suffer greatly, the pandemic was kinder to most of Australia, and in particular to South Australia.

This wasn’t luck, but rather good management and a willingness by the community to work together, to look after each other, and to remain positive.

This is also the club ethos and it is no coincidence that most South Australian clubs have and will survive this crisis better than most businesses.

From 23 March 2020, the Clubs SA office also closed and all staff worked from home, with some on reduced hours, however this in no way lessened or compromised the service we provided and I am pleased to say that on 22 June 2020, the staff returned to Clubs SA House to continue with their great work.

It would be easy to focus solely on COVID- 19, however the pandemic was nowhere to be seen in the second half of 2019 or early 2020 and during this time the Clubs SA team was providing professional, timely and expert advice to its Members, and promoting and assisting our Partners.

With the State Government working assiduously on introducing major legislative reform relating to our sector, ranging from liquor licensing, lotteries, gambling and incorporated associations, we were kept on our toes and, as the recognised industry body for clubs in South Australia, much time was spent with politicians, regulators and industry negotiating the best possible outcomes for Clubs.

It is pleasing to report that these outcomes have provided some of the most liberal and cost effective benefits in the Country for South Australian clubs.

This representation will of course continue throughout 2020 and into 2021.

Clubs SA is also mindful that many of our Members have been socially and financially affected by the pandemic and will need additional, specialised attention to assist them to again become viable and vibrant places for the community to enjoy their sport and common interests. With this in mind, and similar to our approach during the pandemic crisis, we will be tailoring our approach for the remainder of 2020 and into 2021 to assist our Members in this regard.

We are also acutely aware of the difficulties faced by our Partners and it is very important that we recognise the range of support to the Club industry they have provided in the form of waiving and deferring costs, providing creative solutions to unexpected problems, or just maintaining contact with our Members.



We understand that our relationships with our Partners goes well beyond just “widgets and money” and we will continue working closely with them to maximise our mutually beneficial relationships.

I would particularly like to thank the Clubs SA staff for again “punching above their weight” under the difficult circumstances which have prevailed for a significant period of the year.

Assistance to Member Clubs during COVID- 19

Clubs SA negotiated the following benefits for Members during the COVID- 19 pandemic:

- Waiver of the Club annual liquor licence fee for 2021;
- Approval for takeaway liquor to be sold to club members and to the Public, with a meal;
- Approval to temporarily extend licensed areas adjacent to the Club;
- Deferral of Return to Work payments;
- Deferral of gaming tax payments;
- Postponement of Club AGMs without penalty; and
- Postponement of lodging lotteries financial statements without penalty.

Clubs SA staff spent considerable time and effort assisting its Member with advice pertaining to:

- Job Keeper, Job Seeker and all other COVID related Workplace Relations matters;
- Procurement of all possible grants, funding, loan, rent and utilities deferrals and/or waivers from all tiers of Government; and
- Staggered reopening of Member venues under the SAPOL Commissioner’s Directions – this included interpreting and translating the SAPOL directions into easily understood guidelines with Members the first to receive this information on each occasion.

At the time of writing, over 1570 emails, telephone calls, social media queries, etc. relating to the pandemic were responded to and a Member- Only COVID- 19 information hub on the Clubs SA website was created, devoted to the latest COVID information as it related to Members.

Liquor Licensing Benefits

Clubs SA has received in principle approval from Consumer and Business Services for the following benefits to Members:

- Clubs with external licensed playing areas have been provided with the opportunity to have their capacities increased to “1201+” without an application or attracting the \$632 application fee; and
 - Clubs that wished to participate will have their “standard” trading hours increased to 5am to 2am Monday to Saturday, and 8am to 12 midnight Sunday, without lodging an application or paying the \$632 application fee. However, current Council trading hours restrictions continue to apply.
-

Introduction of the above will considerably enhance Member trading options and also remove the need to apply for one- off liquor licences.

Liquor Licensing Reform

The Department of Consumer and Business Services (CBS) released the Government's new "*Community Impact Assessment Guidelines for Liquor Licensees*" on how to best complete a Community Impact Submission when seeking certain liquor licence approvals. These guidelines are to be used by applicants to satisfy CBS that the grant of applications for particular liquor licences are "in the community interest". Each application will be determined individually, based upon the likely impact on the amenity of the locality community, taking into account the size of the premises, trading hours and off- site liquor sales.

SA Gambling Reform

In early 2019, the State Government formally announced a proposal for major reform of gambling laws. Clubs SA represented Members which offer and operate gaming, lotteries and wagering products in their venues in response to these proposals.

On 5 December 2019 three gaming Bills passed Parliament, which included:

- The introduction of note acceptors (while coin could still be used) with transition to note acceptors being optional and providing for a gradual or partial process as determined by the venue;
- Capacity for "Ticket In Ticket Out" – TITO technology;
- Mandatory facial recognition technology for venues with 30 or more entitlements if any of those machines operate note acceptors. Coin operated venues will not be required to introduce this technology;
- Introduction of the ability to move the location of a Gaming Machine venue in the same way as with liquor licences. As a result, the "Social Effects Test" will be removed and will be replaced by the "Community Impact Assessment";
- Authority for Licensees to bar patrons for an indefinite period, from the current maximum period of 3 months;
- Maintenance of the EGM reduction target;
- Replacement of the current gaming machine trading system with a simpler and more contemporary model, to be determined;
- Prohibition from operating gaming machines on Christmas Day and Good Friday;
- Limitation on EFTPOS transactions to \$250 per card per day, however EFTPOS may remain in the gaming room and this limit is in addition to the ATM \$250 limit;
- Removal of game and machine approval limitations that are currently set at 5 & 10 years; and
- Establishment of The Gambling Advisory Council, of which Clubs SA and Club Safe are entitled to membership.

Trading of Gaming Machine Entitlements

The trading system for gaming machine entitlements (GMEs) was introduced by legislation in 2011. No trading round was conducted during the 2019/20 financial year.

Public Access Defibrillator Program

As part of a unique partnership with St Johns, Clubs SA and the AHA|SA united to fund a State-wide rollout of defibrillators throughout regional communities. The defibrillators were fitted externally on each venue and clearly labelled to provide for simple and immediate access.

A total of 97 defibrillators were allocated and installed at no cost to regional Members and will make a significant contribution to saving lives.

Kokoda Youth Leadership Challenge

Clubs SA has participated in the Kokoda Youth Leadership Challenge for thirteen years. With funding support from the Independent Gaming Corporation, Clubs SA sends two young, outstanding individuals annually on this terrific initiative. Unfortunately due to the COVID- 19 pandemic, this Challenge was not conducted this year, but we look forward to the program's reinstatement in 2021.

Club Safe

Club Safe is a responsible gambling initiative of Clubs SA and a recognised industry body constituted under the *Gaming Machines Act*. It was established to support clubs that operate gaming machines, to provide training to club gaming staff in the responsible provision of gambling and to foster a culture of responsible gambling within the licensed club industry.

During the year Clubs SA continued to provide Club Safe with office facilities on the premises, and with staff support.

Support provided by Club Safe to Members included:

- Bulletins and advice on the regulatory changes;
 - Training in the use of the Barring and On- line Employee Notification (BOEN) system;
 - Procuring and supplying new regulatory and responsible gambling signage material and other in- venue material required by the Codes of Practice;
 - Updating Club Safe Responsible Gambling folders and record- keeping systems; and
 - Ongoing support and advice to Club managers and staff.
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Independent Gaming Corporation (IGC)

Cameron Taylor and John Kernahan again represented Clubs SA on the Board of the Independent Gaming Corporation. Clubs SA approved over \$223,172 in grants through the Clubs SA / IGC Sponsorship Assistance Program until March 2020, when the COVID- 19 pandemic effectively ceased funding until further notice.

Membership Manager

Sponsorship & Business Development Manager: Christine Carter

Life in the Membership Manager role for the 2019- 20 financial year progressed as expected, and hoped for, for many months. Membership numbers remained strong and we achieved considerable year on year growth once again, with Clubs joining us from across South Australia; from Millicent to Barmera, Port Augusta to Jamestown and many metro based Clubs too. We welcomed another Group Membership; Adelaide University Sports and we are pleased to be assisting the many sporting Clubs that fall under the University umbrella with liquor compliance and governance advice.

Our prompt, expert and friendly advice and solutions to Members' queries saw interactions increase by over 200% for the June to December period of 2019 compared to 2018. This is a phenomenal achievement for a small team and we are proud of the trust that our Members show by choosing to turn to us with questions on many varied topics.

Guests from 11 different Clubs attended a Regional Meeting, kindly hosted by RSL Murray Bridge. It was 10 March and a hot topic of the presentation was ensuring Clubs had a new Risk Assessment and Management Plan in place in readiness for the expected visits by Liquor and Gaming inspectors. Little did we know that less than 2 weeks later, Clubs would be forced to close their doors and thoughts of liquor inspections disappeared.

Clubs SA's focus took a very different turn for the next few months. Interactions with Members more than doubled for the same period last year.

What has stood out more than anything during this time, has been the positivity and resilience with which Clubs have tackled this very challenging period. The initiative and determination to survive and provide a service to their community has been admirable.

We know that Clubs will continue to face difficult times and we remain committed to providing guidance and support to our valued Members. I look forward to working with them to ensure we achieve the very best outcomes possible.

Workplace Relations

Workplace Relations Manager: Denis Kildare

National Minimum Wage Case 2020

The Fair Work Commission (FWC) undertakes the National Wage Case each year to determine if, and to what level the minimum wage should be increased. This year the FWC handed down the decision that the minimum wage will be increased from the first pay period on or after the 1st July 2020. This will have an impact on the base rate in all Modern Awards, though in a first, the impact will be staggered, with not all employees getting the rise on 1st July 2020.

The Decision will have a flow on effect to all of the Modern Awards and will result in increases in the base rates that are applicable in all Awards.

The National Wage Case decision that has been handed down for 2020- 2021 resulted in the minimum wage increasing 1.75%, a week to \$19.84 per hour.

The 1.75% increase represents the first split decision since 1997, with the newest panel member, Professor Mark Wooden, dissenting in favour of a wage freeze rather than the increase that was announced.

In handing down this Decision, the Commission acknowledged the unprecedented impact of COVID- 19 and the response measures and argued that this impact “weighed in favour of moderation”.

Further, for the first time the increase will not be universally applied, nor will it be deferred unilaterally, as was requested by employer bodies. Rather, the new increase will commence on three different dates and apply to different groups of workers for each of these commencement dates.

The rationale behind the changing dates was that for those workers who have continued to work throughout the pandemic, the businesses have suffered less of an impact and can bear the increase commencing on 1/7/2020, whereas other more effected businesses, like

Construction should commence on 1/11/2020 and the most effected businesses, like Hospitality and Tourism should commence on 1/2/2021.

All our member Clubs will be advised of the new pay rates by mid- January 2021.

FAIRWORK COMMISSION (FWC)

As I stated 12 months ago, it is obvious that no one could forecast the enormity of the 4 Year Review of Modern Awards, as the “4 yearly Review that began in January 2014” has still not been completed after 6 years and I can report that it still has some months to run.



There have also been a number of retirements of Commissioners this last 12 months, and they have been replaced by very talented people from industry in general and hopefully we can all look forward to the continuation of a fair minded approach by all concerned.

GENERAL CLUB MATTERS

One area of concern is the number of Clubs that I discover are still not conforming to due diligence when it comes to the management of employees. It is of paramount importance to manage an employee's performance, including attitude to Club patrons when undertaking their tasks. I always suggest that every employee (especially new to the job) should have a "go to" person on the Committee, especially in the smaller Clubs, if there is no managerial hierarchy as in a Club Manager. New employees should be managed and guided through their early days of employment. If they are 'not working out' they have to be managed properly by verbal warnings and written warnings if necessary. The other important issue I discover sometimes is that employees are not being paid the correct pay rates. If in doubt in relation to these matters, do not hesitate to contact me at Clubs SA House and remember, "Clubs SA is a phone call away"

WORK HEALTH & SAFETY

As always, we continue to work closely with Safework SA and the majority of our member Clubs have received high pass marks whenever Safework SA has paid them a visit and it is clear that Club staff are very much aware of workplace health and safety matters these days. I have continued my position on the Hospitality Industry Work Health & Safety Association Board and we regularly run a variety of Work Health and Safety courses in order to keep up to date with these important issues...

Sponsorship and Events

Sponsorship & Events Manager: Deb Reynolds

Corporate Partnerships

It has been a turbulent year for all areas of operation at Clubs SA, including Corporate Partnerships. With the advent of Covid- 19 and the subsequent forced venue closures across the country, many of our business supporters were struck with their own operational struggles, alongside those of our Members. We have worked closely with all Partners to ensure they are supported in whatever way we can as they to navigate the crisis.

Prior to the Pandemic however we saw the attrition of some Partners whilst also building foundations for new and long lasting relationships. The focus in the Corporate Partnership space for Clubs SA over the year has been threefold;

- Provide feasible and robust networking opportunities to facilitate Partners creating their own relationship with Clubs SA members, primarily through events;



- Provide tangible and effective marketing opportunities that build the profile of our Partners utilising all mediums available (i.e. social media, direct marketing, publications and website);
- Develop and improve the relationships between Clubs SA and the individual representatives of our Partners through regular personalised communications.

The financial implications of Covid- 19 have been evident, however those Partners that could continue to support Clubs SA have done so. Our commitment to supporting the entire industry, including our Partners, has been commended by many of these businesses.

Events

Prior to the impacts of Covid- 19 on the Clubs SA annual event calendar we were able to offer a number of events for the benefit of our Members and Corporate Partners.

In support of the Association's 100th Anniversary, Clubs SA reviewed and updated the format of the Annual Awards for Excellence, focusing on providing a 'Gala Ball' for the industry by way of celebration.

The Awards for Excellence categories were reviewed and we received the largest number of submissions in the Association's history. 32 Clubs provided 95 submissions into the 21 categories (including 3 levels of Club of the Year).

The event itself took place at the picturesque Adelaide Oval and with the addition of some new and improved initiatives such as a Silent Auction and larger wine wall, increased attendance and the sponsorship of all categories, Clubs SA completed the event in profit.

A website was created to celebrate this event and provide access to photo's for attendees (<https://www.clubssaawards.com/>)

In celebration of the 100th Anniversary, and launched at the Awards Gala evening was a montage video emoting the importance and connection of Clubs in our local Communities. This video was also shared across multiple mediums after its launch. (https://www.youtube.com/watch?v=wk716_uOTn8)

In November, in conjunction with the Clubs SA AGM, an informative Members' Forum was also held covering topics from guest speakers on Governance, Operations and Marketing. This was extremely well attended and provided for good numbers at the Annual General Meeting.

Unfortunately, after the Christmas break there was no opportunity to host an event before the Pandemic was announced and restrictions were put in place. As a result a number of events were cancelled or postponed until the industry reopened.

Publications

The new look and feel of Clubs SA's member newsletter, Keeping In Touch, has now been in operation for a year and continues to provide great benefits, including an ease of distribution and reading along with technical benefits such as hyperlinks to external documents and sites.

This year we also introduced the Month Long Marketing Campaign for Platinum level Partners and above. This provides for a business to be the focus of marketing communications from Clubs SA to its members, including banner presence on the Clubs SA website, social media posts, direct mailing to members and additional features in Keeping In Touch. This opportunity has proven extremely popular with our Partners, with each participant receiving positive outcomes from this month long focus on their business.

The 2019 Clublink Magazine was designed and distributed in house for the first time apart from the professional printing of hard copies for stake holder engagement. The magazine focused heavily on 100 years of Clubs and the rich and vibrant history of the Club Industry in South Australia.

Social Media

Clubs SA utilises 2 social media platforms; Facebook and Instagram. Over the last 12 months there has been a focus on improving the content harmony across both channels.

Extensive content was created in the lead up to the Clubs SA Awards for Excellence along with some critical support content for the handling of information during the Covid- 19 crisis.

As a result of the business impacts of the Pandemic an online support campaign was created – ‘*Support Your Local Club*’. This campaign utilised paid advertising on Facebook and Instagram along with the development of a website landing page providing 6 tips for the public on how to support the Club Industry in South Australia post Covid.
(<https://www.supportyourlocalclub.net/>)

Clubs SA Facebook has 1,038 followers (40%increase) and Instagram 932 (13%increase) as at 03.08.2019. Growth across both of these platforms is an area of focus for the coming year.

Complete Hospitality Training Skills

Business Development & Training Manager: Dee Slade

Complete Hospitality Training Skills (CHTS) is the training provider of Clubs SA. A Registered Training Organisation (RTO), it provides accredited and non-accredited training to industry employees, job seekers, school age students and the broader community. CHTS offers training in Responsible Service of Alcohol, Liquor Licensing Laws for South Australia, Basic and Advanced Gaming, First Aid, Work Health & Safety, Food Hygiene and barista training.

The last third of the financial year was a challenge with the postponement of 60 training sessions during the peak of COVID- 19 commencing from mid- March through to April. All training was suspended from Clubs SA premises, with the staff placed on reduced hours and working from home.

Like many businesses, it became necessary to adjust our operational model in order to maintain a presence in the training environment and also to ensure our product remained accessible. This resulted in the creation of an on-line Responsible Service of Alcohol (RSA) training offering to provide clubs and industry staff with the opportunity to maintain

compliance or to simply improve their skills. This was the first time CHTS has offered an on- line training option.

In keeping with the regulatory requirements, CHTS was the first provider approved by Consumer and Business Services to offer RSA training in South Australia: this allowed us to launch our new on- line product with confidence. Between its introduction in May and the end of 30 June, 300 participants took up our on- line offering.

The demand for training within the secondary education sector was not only on- going, but was broadened during the year with CHTS delivering skill clusters and Stage 2 SACE food and hospitality subjects to a larger number of schools and secondary education centres for disadvantaged students. This relatively new program, along with increased training opportunities through the South Australian Aboriginal Secondary Training Academy (SAASTA) accounted for almost 50% of training income for the 2019- 20 financial year.

While COVID- 19 had an impact on the business temporarily, it also provided opportunities for CHTS to improve and change, with the added COVID- 19 grants through the State Government, our successful applications allowed us to renovate the training room, creating a larger training space and completing a much needed face lift, all of which has been well received by participants.

Funding received for innovation will allow CHTS to incorporate virtual reality technology into training sessions which will immerse the student into 'real life' scenarios. This technology is the first of its kind for the hospitality industry, not only in SA but nationally, and will set us apart from other training providers. The technology is aimed at entry level employees or those looking to transition into the industry, to give them real life exposure to common industry customer interactions. The aim of this technology is to better skill and prepare employees for the industry which will not only arm them with additional knowledge, but also raise the bar in customer service.

In many ways, 2020 has led to growth for CHTS with the emergence of several opportunities that, it is anticipated, will augment well for the future. This, along with the commitment of staff has enabled the momentum to continue and new opportunities to be pursued. The objectives of quality, purpose and continuous improvement have led CHTS to strengthen existing partnerships and build new ones that will secure its place as a recommended Vocational Education and Training (VET) provider.

Work Health and Safety

Throughout 2019- 2020, Clubs SA has continued to assist Members to comply with their Work Health and Safety obligations, not only for paid employees but also for unpaid volunteers. Clubs SA continues to work closely with its Community Partner, St Johns, in this regard.

Members and Sponsors

Sincere thanks are extended to all our Members and Corporate Partners, without whose ongoing support the Association would cease to exist and the club industry would lose a valuable advocate and ally.



Staffing

Clubs SA is a team of few covering a vast array of tasks and services. I would like to personally acknowledge the Clubs SA team and thank them for their dedication and efforts over the past year.



**Licensed Clubs Association of SA
Inc**

Licensed Clubs Association of SA Inc

ABN 37 013 979 403

Contents

For the Year Ended 30 June 2020

	Page
Financial Statements	
Committee's Report	1
Statement of Profit or Loss	3
Statement of Assets and Liabilities	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Notes to the Financial Statements	7
Statement by Members of the Committee	11
Independent Audit Report	12

Licensed Clubs Association of SA Inc

ABN 37 013 979 403

Committee's Report

30 June 2020

The committee members submit the financial report of the Association for the financial year ended 30 June 2020.

1. General information

Committee members

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

Cameron Taylor	Chair
John Kernahan	Deputy Chair
Lyn Wilksch	Member (resigned October 2019)
Preston Stewart	Member (resigned October 2019)
Kym Flanagan	Member
Greg Saunders	Member
Shane Barton - Ancliffe	Member
Peter Hill	Appointed Member

Principal activities

The principal activities of the Association during the financial year were:

- to represent, preserve, promote and advance the interests of licensed clubs in South Australia;
- to protect or further the interests of employers as defined in the Fair Work Act as amended;
- to represent the interests of members before any industrial body or tribunal; and
- to provide services and advice to Clubs that assists the Clubs to operate viable and vibrant not-for-profit businesses.

Significant changes

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

Benefits as a result of contracts

During the financial year, there were no benefits received or entitled to be received as a result of a contract between an officer, firm or body corporate and the Association.

Payments and other benefits

The Chairman received an honorarium of \$7,500 for the financial year (2019: \$10,000).

No other payments or benefits of a pecuniary value were received by any officers of the Association during the financial year.

2. Operating results and review of operations for the year

Operating result

The surplus of the Association for the financial year amounted to \$ 115,751(2019: \$ 92,508).

Licensed Clubs Association of SA Inc

ABN 37 013 979 403

Committee's Report
30 June 2020

Signed in accordance with a resolution of the Members of the Committee:

Chair: 

Cameron Taylor

Deputy Chair: 

John Kernahan

Dated this  day of September 2020

Licensed Clubs Association of SA Inc

ABN 37 013 979 403

Statement of Profit or Loss

For the Year Ended 30 June 2020

	2020	2019
	\$	\$
Income		
Revenue	544,552	572,264
Other income	98,722	90,716
	<u>643,274</u>	<u>662,980</u>
Expenditure		
Employee benefits	362,330	335,173
Administrative expenses	114,397	178,046
Depreciation expense	28,272	29,078
Finance costs	12,680	19,163
Occupancy expenses	9,844	9,012
	<u>527,523</u>	<u>570,472</u>
Surplus / (deficit) for the year	<u>115,751</u>	<u>92,508</u>
Retained profit at the beginning of the financial year	<u>614,577</u>	<u>522,069</u>
Retained profits at the end of the financial year	<u>730,328</u>	<u>614,577</u>

The accompanying notes form part of these financial statements.

Licensed Clubs Association of SA Inc

ABN 37 013 979 403

Statement of Assets and Liabilities

As At 30 June 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	517,727	158,320
Trade and other receivables	4	84,472	111,558
Loans and advances		-	15,000
Prepayments		10,425	5,480
TOTAL CURRENT ASSETS		612,624	290,358
NON-CURRENT ASSETS			
Other financial assets		2	2
Land and buildings	5	680,920	703,456
Plant and equipment	5	5,460	14,235
TOTAL NON-CURRENT ASSETS		686,382	717,693
TOTAL ASSETS		1,299,006	1,008,051
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		40,197	56,837
Financial liabilities		29,434	26,667
Employee benefits	6	31,800	28,059
Deferred income		200,000	-
TOTAL CURRENT LIABILITIES		301,431	111,563
NON-CURRENT LIABILITIES			
Financial liabilities		248,889	271,111
Employee benefits	6	18,358	10,800
TOTAL NON-CURRENT LIABILITIES		267,247	281,911
TOTAL LIABILITIES		568,678	393,474
NET ASSETS		730,328	614,577
MEMBERS' FUNDS			
Accumulated surplus		730,328	614,577
TOTAL MEMBERS' FUNDS		730,328	614,577

The accompanying notes form part of these financial statements.

Licensed Clubs Association of SA Inc

ABN 37 013 979 403

Statement of Changes in Equity
For the Year Ended 30 June 2020

2020

	Accumulated Surplus	Total
	\$	\$
Balance at 1 July 2019	614,577	614,577
Surplus for the year	115,751	115,751
Balance at 30 June 2020	730,328	730,328

2019

	Accumulated Surplus	Total
	\$	\$
Balance at 1 July 2018	522,069	522,069
Surplus for the year	92,508	92,508
Balance at 30 June 2019	614,577	614,577

The accompanying notes form part of these financial statements.

Licensed Clubs Association of SA Inc

ABN 37 013 979 403

**Statement of Cash Flows
For the Year Ended 30 June 2020**

	2020	2019
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	669,781	587,578
Payments to suppliers and employees	(291,341)	(499,132)
Interest received	128	204
Interest paid	(12,882)	(19,163)
Net cash provided by operating activities	<u>365,686</u>	<u>69,487</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property, plant and equipment	<u>(1,825)</u>	-
Net cash (used in) investing activities	<u>(1,825)</u>	-
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of borrowings	15,000	27,500
Payment of finance lease liabilities	<u>(19,454)</u>	<u>(36,388)</u>
Net cash (used in) financing activities	<u>(4,454)</u>	<u>(8,888)</u>
Net increase/(decrease) in cash and cash equivalents held	359,407	60,599
Cash and cash equivalents at beginning of year	<u>158,320</u>	<u>97,721</u>
Cash and cash equivalents at end of financial year	3 <u>517,727</u>	<u>158,320</u>

The accompanying notes form part of these financial statements.

Licensed Clubs Association of SA Inc

ABN 37 013 979 403

Notes to the Financial Statements

For the Year Ended 30 June 2020

The financial statements cover Licensed Clubs Association of SA Inc as an individual entity. Licensed Clubs Association of SA Inc is a not-for-profit Association incorporated in South Australia under the *Associations Incorporation Act (SA) 1985* ('the Act').

The functional and presentation currency of Licensed Clubs Association of SA Inc is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

In the opinion of the Committee of Management, the Association is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the *Associations Incorporation Act 1985 (SA)*.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* and AASB 1054 *Australian Additional Disclosures*.

2 Summary of Significant Accounting Policies

(a) Income Tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Revenue and other income

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 Association 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.

(c) 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.

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.

(d) 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.

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

Notes to the Financial Statements

For the Year Ended 30 June 2020

2 Summary of Significant Accounting Policies

(d) Property, plant and equipment

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Association, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

(e) 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.

(f) 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 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. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

3 Cash and Cash Equivalents

	2020	2019
	\$	\$
Cash at bank and in hand	<u>517,727</u>	<u>158,320</u>

4 Trade and Other Receivables

CURRENT	2020	2019
Trade receivables	<u>84,472</u>	<u>111,558</u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

Licensed Clubs Association of SA Inc

ABN 37 013 979 403

Notes to the Financial Statements

For the Year Ended 30 June 2020

5 Property, plant and equipment

	2020	2019
	\$	\$
Buildings		
At cost	901,434	901,434
Accumulated depreciation	(220,514)	(197,978)
Total buildings	<u>680,920</u>	<u>703,456</u>
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	28,236	32,627
Accumulated depreciation	(25,521)	(30,329)
Total plant and equipment	<u>2,715</u>	<u>2,298</u>
Motor vehicles		
At cost	18,523	18,523
Accumulated depreciation	(18,523)	(14,278)
Total motor vehicles	<u>-</u>	<u>4,245</u>
Leasehold Improvements		
At cost	3,407	9,637
Accumulated depreciation	(662)	(1,945)
Total leasehold improvements	<u>2,745</u>	<u>7,692</u>
Total plant and equipment	<u>5,460</u>	<u>14,235</u>
Total property, plant and equipment	<u>686,380</u>	<u>717,691</u>

6 Employee benefits

CURRENT		
Provision for annual leave	<u>31,800</u>	<u>28,059</u>
NON-CURRENT		
Provision for long service leave	<u>18,358</u>	<u>10,800</u>

7 Contingencies

In the opinion of the Committee of Management, the Association did not have any contingencies at 30 June 2020 (30 June 2019:None).

Licensed Clubs Association of SA Inc

ABN 37 013 979 403

Notes to the Financial Statements

For the Year Ended 30 June 2020

8 Events after the end of the Reporting Period

The financial report was authorised for issue on 2nd September 2020 by the Committee of Management.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

9 Statutory Information

The registered office and principal place of business of the company is:

Licensed Clubs Association of SA Inc
222a Henley Beach Road
Torrensville SA 5031

Licensed Clubs Association of SA Inc

ABN 37 013 979 403

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 2 to the financial statements.

In the opinion of the committee the financial report as set out on pages 3 to 10:

- 1. Presents fairly the results of the operations of Licensed Clubs Association of SA Inc for the year ended 30 June 2020 and the state of its affairs on that date.
- 2. At the date of this statement, there are reasonable grounds to believe that Licensed Clubs Association of SA 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:

Chair

Deputy Chair



.....
Cameron Taylor

.....
John Kernahan

Dated this21st..... day of September 2020



MGI Assurance (SA) Pty Ltd
ABN 31 118 195 547
212 Greenhill
Road, Eastwood 5063
PO Box 96, Fullarton SA 5063
Tel: 08 8299 8888
Fax: 08 8373 1451
Website: www.mgiadelaide.com.au

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
LICENSED CLUBS ASSOCIATION OF SOUTH AUSTRALIA INC.

Opinion

We have audited the accompanying financial report of Licensed Clubs Association of South Australia Inc. (the Entity) which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other 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 statement by the committee of the association.

In our opinion, the financial report gives a true and fair view of the financial position of Licensed Clubs Association of South Australia Inc. as of 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and the Associations Incorporation Act (SA) 1985.

Basis for Opinion

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

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

Other Information aside from the Financial Report and Auditor's Report Thereon

The management is responsible for the other information. The other information comprises the information included in the entity's annual report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation of the financial report, which gives a true and fair view in accordance with Australian Accounting Standards and the Associations Incorporation Act (SA) 1985 and for such internal control as the committee and management determines 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.

Chartered Accountants

MGI refers to one or more of the independent member firms of the MGI international alliance of independent auditing, accounting and consulting firms. Each MGI firm in Australasia is a separate legal entity and has no liability for another Australasian or international member's acts or omissions. MGI is a brand name for the MGI Australasian network and for each of the MGI member firms worldwide. Liability limited by a scheme approved under Professional Standards Legislation.



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MGI

In preparing the financial report, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

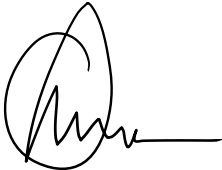
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the responsible entities' preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the responsible entities, as well as evaluating the overall presentation of the financial report.

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

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/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report

MGI Assurance (SA) Pty Ltd
Chartered Accountants

A handwritten signature in black ink, appearing to read 'Clayton Lawrence', with a horizontal line extending to the right.

Clayton Lawrence
Director

Eastwood, South Australia.
21 September 2020

Chartered

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Licensed Club Industry Training Foundation of SA Inc.
ABN 77 376 822 172

Financial Statements

For the Year Ended 30 June 2020



Licensed Club Industry Training Foundation of SA Inc.

ABN 77 376 822 172

Contents

For the Year Ended 30 June 2020

	Page
Financial Statements	
Committee's Report	1
Statement of Profit or Loss	2
Statement of Assets and Liabilities	3
Statement of Changes in Equity	4
Statement of Cash Flows	5
Notes to the Financial Statements	6
Committee's Declaration	10
Independent Audit Report	11



Licensed Club Industry Training Foundation of SA Inc.

ABN 77 376 822 172

Committee's Report

30 June 2020

The committee members submit the financial report of the Association for the financial year ended 30 June 2020.

1. General information

Committee members

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

Cameron Taylor	President
John Kernahan	Deputy President
Greg Saunders	Vice-President
Shane Barton - Ancliffe	Member
Kym Flanagan	Member
Preston Stewart	Member (resigned October 2019)
Peter Hill	Member
Lyn Wilksch	Member (resigned October 2019)
Mike Penfold	Member

Principal activities

The principal activity of the Association during the financial year was:

- to deliver quality training to Clubs, Hotels and individuals who would like to enter the Hospitality Industry or add to their hospitality skills.

Significant changes

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

Payments and other benefits

No payments or benefits of a pecuniary value were received by any officers of the Association during the financial year.

2. Operating results and review of operations for the year

Operating result

The net surplus of the Association for the financial year amounted to \$ 67,451(2019: \$ 53,609)

Signed in accordance with a resolution of the Members of the Committee:

Cameron Taylor

John Kernahan

Dated this 21st day of September 2020

Licensed Club Industry Training Foundation of SA Inc.

ABN 77 376 822 172

Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2020

	2020	2019
	\$	\$
Revenue	423,458	343,736
Other income	377	1
Total Revenue	423,835	343,737
Expenses		
Employee benefits	196,749	197,500
Course expenses	98,656	33,126
Other administrative expenses	40,202	32,512
Occupancy expenses	17,000	24,000
Depreciation and amortisation	2,596	2,141
Marketing expenses	1,181	849
	356,384	290,128
Surplus for the year	67,451	53,609

The accompanying notes form part of these financial statements.

Licensed Club Industry Training Foundation of SA Inc.

ABN 77 376 822 172

Statement of Assets and Liabilities

As At 30 June 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	103,942	44,914
Trade and other receivables	3	19,899	33,505
Prepayments		1,412	1,059
TOTAL CURRENT ASSETS		125,253	79,478
NON-CURRENT ASSETS			
Plant and equipment	4	21,555	15,110
TOTAL ASSETS		146,808	94,588
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	5	16,208	19,226
Short-term provisions	7	9,374	6,587
Related party loan	6	-	15,000
TOTAL CURRENT LIABILITIES		25,582	40,813
NON-CURRENT LIABILITIES			
TOTAL LIABILITIES		25,582	40,813
NET ASSETS		121,226	53,775
MEMBERS' FUNDS			
Accumulated surplus		121,226	53,775
TOTAL MEMBERS' FUNDS		121,226	53,775

The accompanying notes form part of these financial statements.

Licensed Club Industry Training Foundation of SA Inc.

ABN 77 376 822 172

Statement of Changes in Equity

For the Year Ended 30 June 2020

2020

	Accumulated surplus	Total
	\$	\$
Balance 1 July 2019	53,775	53,775
Surplus for the year	67,451	67,451
Balance at 30 June 2020	121,226	121,226

2019

	Accumulated surplus	Total
	\$	\$
Balance 1 July 2018	166	166
Surplus for the year	53,609	53,609
Balance at 30 June 2019	53,775	53,775

Licensed Club Industry Training Foundation of SA Inc.

ABN 77 376 822 172

Statement of Cash Flows
For the Year Ended 30 June 2020

	2020	2019
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	437,064	333,741
Payments to suppliers and employees	(354,372)	(299,691)
Interest received	377	-
Net cash provided/(used) in operating activities	<u>83,069</u>	<u>34,050</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of non-current assets	(9,041)	(10,929)
Net cash used in investing activities	<u>(9,041)</u>	<u>(10,929)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net (repayment)/proceeds from related party loan	(15,000)	(27,500)
Net cash (used)/ provided by financing activities	<u>(15,000)</u>	<u>(27,500)</u>
Net (decrease)/increase in cash and cash equivalents held	59,028	(4,379)
Cash and cash equivalents at beginning of year	44,914	49,293
Cash and cash equivalents at end of financial year	<u>2</u> <u>103,942</u>	<u>44,914</u>

Licensed Club Industry Training Foundation of SA Inc.

ABN 77 376 822 172

Notes to the Financial Statements

For the Year Ended 30 June 2020

1 Summary of Significant Accounting Policies

(a) Basis of Preparation

This financial report is a special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act (SA) 1985. The committee has determined that the not-for-profit Association is not a reporting entity.

The financial report has been prepared on an accruals 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.

(b) Income Tax

The Association is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

(c) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that 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.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the Association will obtain ownership of the asset or over the term of the lease.

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(d) Revenue and other income

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 entity 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.

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

Licensed Club Industry Training Foundation of SA Inc.

ABN 77 376 822 172

Notes to the Financial Statements

For the Year Ended 30 June 2020

1 Summary of Significant Accounting Policies

(e) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian 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 statement of financial position are shown inclusive of GST.

(f) 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.

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a reducing balance basis over the assets useful life to the Association, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

(g) Cash and cash equivalents

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

(h) 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 that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits are presented as current liabilities in the statement of financial position if the Association does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

2 Cash and cash equivalents

	2020	2019
	\$	\$
Cash on hand	70	70
Cash at bank	103,872	44,844
	<u>103,942</u>	<u>44,914</u>

3 Trade and Other Receivables

CURRENT

Trade receivables

19,899

33,505

7

Licensed Club Industry Training Foundation of SA Inc.

ABN 77 376 822 172

Notes to the Financial Statements

For the Year Ended 30 June 2020

4 Property, plant and equipment

	2020	2019
	\$	\$
Plant and equipment		
At cost	47,478	44,105
Accumulated depreciation	(36,787)	(34,836)
	<u>10,691</u>	<u>9,269</u>
Leasehold Improvements		
At cost	12,129	6,461
Accumulated amortisation	(1,265)	(620)
	<u>10,864</u>	<u>5,841</u>
	<u>21,555</u>	<u>15,110</u>

(a) Movements in Carrying Amount

Movement in the carrying amount of property, plant and equipment between the beginning and the end of the current financial year:

	Plant and Equipment	Leasehold Improvement s	Total
	\$	\$	\$
Year ended 30 June 2020			
Balance at the beginning of the year	9,269	5,841	15,110
Additions during the year	3,373	5,668	9,041
Depreciation	(1,951)	(645)	(2,596)
Balance at the end of the year	<u>10,691</u>	<u>10,864</u>	<u>21,555</u>

5 Trade and other payables

	2020	2019
	\$	\$
CURRENT		
Trade payables	5,775	7,060
Other payables	10,433	12,166
	<u>16,208</u>	<u>19,226</u>

6 Related party loan

CURRENT

Loan from Licensed Clubs Association Inc.

- 15,000

8

Licensed Club Industry Training Foundation of SA Inc.

ABN 77 376 822 172

**Notes to the Financial Statements
For the Year Ended 30 June 2020**

7 Provisions

CURRENT

Provision for annual leave

2020
\$

2019
\$

9,374 6,587

8 Contingencies

In the opinion of the Members of the Committee, the Association did not have any contingencies at 30 June 2020 (30 June 2019:None).

9 Events Occurring After the Reporting Date

The financial report was authorised for issue on 21st September 2020 by the Committee.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

10 Association Details

The registered office and principal place of business of the association is:

Licensed Club Industry Training Foundation of SA Inc.

222a Henley Beach Road

Torrensville SA 5031

Licensed Club Industry Training Foundation of SA Inc.
ABN 77 376 822 172

Committee's Declaration

The Members of the Committee have determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Committee the financial report as set out on pages 2 to 9:

1. Presents fairly the results of the operations of Licensed Club Industry Training Foundation of SA Inc. for the year ended 30 June 2020 and the state of its affairs on that date.
2. At the date of this statement, there are reasonable grounds to believe that Licensed Club Industry Training Foundation of SA Inc. will be able to pay its debts as and when they fall due.

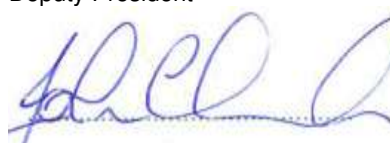
This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

President .



Cameron Taylor

Deputy President



John Kernahan

Dated this 21st day of September 2020





MGI Assurance (SA) Pty. Ltd.
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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
LICENSED CLUB INDUSTRY TRAINING FOUNDATION INC.**

Opinion

We have audited the accompanying financial report of Licensed Club Industry Training Foundation Inc. (the Entity), which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other 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 statement by the committee of the association.

In our opinion, the financial report gives a true and fair view of the financial position of Licensed Club Industry Training Foundation Inc as of 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and the *Associations Incorporation Act (SA) 1985*.

Basis for Opinion

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

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

Other Information aside from the Financial Report and Auditor's Report Thereon

The management is responsible for the other information. The other information comprises the information included in the entity's annual report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.



In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation of the financial report, which gives a true and fair view in accordance with Australian Accounting Standards and the *Associations Incorporation Act 1985 (SA)*, and for such internal control as the committee and management determines 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, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the responsible entities' preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of

accounting estimates made by the responsible entities, as well as evaluating the overall presentation of the financial report.

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

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/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report

MGI Assurance (SA) Pty Ltd
Chartered Accountants

A handwritten signature in black ink, appearing to read 'Clayton Lawrence', written over a horizontal line.

Clayton Lawrence
Director

Eastwood, South Australia.
21 September 2020



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