



SWANSEA WORKERS CO-OPERATIVE CLUB LIMITED
ABN 65 261 562 336

Summary Financial Report
For the Year Ended
30 June 2017

The financial statements and other specific disclosures have been derived from Swansea Workers Co-operative Club's (the Club's) full financial statements for the financial year. Other information included in the Summary Financial Statements is consistent with the Club's full financial statements.

The Summary Financial Statements do not, and cannot be expected to, provide as full an understanding of the financial performance, financial position and financing and investing activities of the Club as the full financial statements.

A copy of the Club's 2017 full financial statements, including the independent audit report, is available to all members and will be sent to members without charge upon request.

CONTENTS

Directors' Report.....	1
Auditor's Independence Declaration.....	4
Independent Audit Report.....	5
Directors' Declaration.....	6
Summary Statement of Profit or Loss and Other Comprehensive Income.....	7
Summary Statement of Financial Position.....	8
Summary Statement of Changes in Equity.....	9
Summary Statement of Cash Flows.....	10
Notes to the Summary Financial Statements.....	11
Discussion and Analysis of the Summary Financial Statements.....	12

Swansea Workers Co-Operative Club Limited

ABN 65 261 562 336

Directors' Report 30 June 2017

Your directors present their report on Swansea Workers Co-Operative Club Limited for the year ended 30 June 2017.

Directors

The names of the directors in office at any time during, or since the end of, the year are:

Name	Position	Occupation	Years Service
J. Wolfe	President	Retired	7
D. Gardiner	Director	Retired	9
K. Rearden	Director	Retired	4
G. Wall	Director	Retired	4
S. Price	Director	Business Owner	4
W. Doran	Director	Employed	1
S. Mowat	Director	Employed	1

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Club secretary

The following person held the position of club secretary at the end of the financial year:

T. Shaw (Secretary Manager) has been the club secretary since December 2012.

Principal activities

The principal activity of Swansea Workers Co-Operative Club Limited during the financial year was the conduct of a Licensed Club.

No significant changes in the nature of the Club's activity occurred during the financial year.

Operating results

The loss of the club after providing for income tax amounted to \$81,912 (2016: loss of \$14,491).

Review of operations

Profit from bar trading amounted to \$359,571 and gross profit percentage of 59% was obtained from sales of \$1,109,867.

Net gaming revenue amounted to \$1,136,830 and compares with \$1,064,982 in 2016.

Swansea Workers Co-Operative Club Limited

ABN 65 261 562 336

Directors' Report 30 June 2017

Meetings of directors

During the financial year, 12 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
J. Wolfe	12	12
D. Gardiner	12	10
K. Rearden	12	12
G. Wall	12	12
S. Price	12	9
W. Doran	12	11
S. Mowat	12	6

Significant changes in state of affairs

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

After balance date events

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

Environmental issues

The club's operations are subject to environmental regulations under the laws of the Commonwealth and State of Australia. The Directors are not aware of any breaches of the legislation during the financial year which are material in nature.

Short and long term objectives

The club has established short and long term objectives as outlined in the club's business plan which is reviewed on an annual basis. These objectives are both financial and non financial and are aimed towards providing a comfortable and secure environment to its members that continues to meet their needs. These objectives are measured through both financial and non financial key performance indicators that have been determined relevant to the club industry. No information is included on the likely developments in the operations of the club and the expected results of those operations.

Swansea Workers Co-Operative Club Limited

ABN 65 261 562 336

Directors' Report 30 June 2017

Disclosure of Core and Non-Core Property

Pursuant to Section 41J(2) of the Registered Clubs Act for the financial year ended 30 June 2017:

Address	Current Usage	Classification
9 RAWSON STREET SWANSEA NSW 2281	Club Premises	Core
6 RAWSON STREET SWANSEA NSW 2281	Car Park	Core

Auditors independence declaration

The lead auditors independence declaration for the year ended 30 June 2017 has been received and can be found on page 4 of the financial report.

Indemnification and insurance of officers and auditors

The club has paid premiums to insure each of the Directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director of the club, other than conduct involving a wilful breach of duty in relation to the club.

Directors emoluments

No Director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the club, with a Director, a firm of which the Director is a member or an entity in which the Director has a substantial financial interest.

Signed in accordance with a resolution of the Board of Directors:

Director: 

Director: 

Dated 31 July 2017

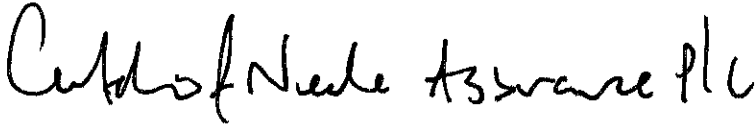
Swansea Workers Co-Operative Club Limited

ABN 65 261 562 336

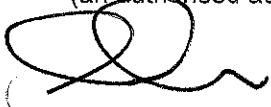
Auditors Independence Declaration

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2017, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Cutcher & Neale Assurance Pty Limited
(an authorised audit company)



M.J. O'Connor CA
Director

24 July 2017

NEWCASTLE

Swansea Workers Co-Operative Club Limited

ABN 65 261 562 336

Independent Audit Report to the members of Swansea Workers Co-Operative Club Limited

Report on the Financial Report

Opinion

The summary financial statements, which comprise the summary statement of financial position as at 30 June 2017, the summary statement of profit or loss and other comprehensive income, the summary statement of changes in equity, the summary statement of cash flows, discussion and analysis of the financial statements and the Directors Declaration for the year then ended, and related notes, are derived from the audited financial report of Swansea Workers Co-Operative Club Limited for the year ended 30 June 2017.

In our opinion, the accompanying summary financial statements are consistent, in all material respects with the audited financial statements, on the basis described in Note 1.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by Australian Accounting Standards – Reduced Disclosure Requirements. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and auditor's report thereon.

The Audited Financial Report and Our Report Thereon

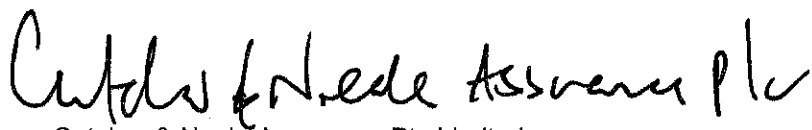
We expressed an unmodified audit opinion on the audited financial report in our report dated 24 July 2017.

Directors' Responsibility for the Summary Financial Statements

The Directors are responsible for the preparation of the summary financial statements on the basis described in Note 1.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial report based on our procedures, which were conducted in accordance with Auditing Standard ASA 810 *Engagements to Report on Summary Financial Statements*.



Cutcher & Neale Assurance Pty Limited
(An authorised audit company)



M.J. O'Connor
Director

24 July 2017

NEWCASTLE

Swansea Workers Co-Operative Club Limited

ABN 65 261 562 336

Directors' Declaration

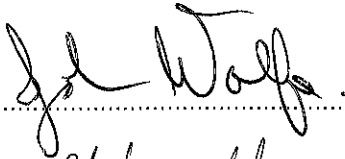
The directors of the club declare that:

The Directors of Swansea Workers Co-operative Club Limited declare that the summary financial statements of Swansea Workers Co-operative Club Limited for the financial year ended 30 June 2017, as set out on pages 7 to 13:

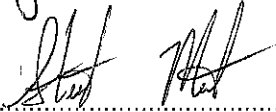
- (a) comply with Accounting policies as described in Note 1; and
- (b) have been derived from and are consistent with the full financial statements of Swansea Workers Co-operative Club Limited.

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

Director



Director



Dated 31 July 2017

Swansea Workers Co-Operative Club Limited

ABN 65 261 562 336

Summary Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2017

	Note	2017 \$	2016 \$
Bar sales		1,109,867	1,126,181
Less: Bar cost of goods sold		(457,182)	(455,177)
Gross profit		<u>652,685</u>	671,004
Poker machine net clearances		1,136,830	1,064,982
Gaming commissions		86,615	81,847
Raffles and bingo income		170,734	171,837
Other revenue from ordinary activities	2	122,209	125,222
Other revenue from non-operating activities	2	6,807	127,663
Borrowing cost expense		(16,976)	(13,975)
Bar trading expenses		(293,114)	(297,340)
Poker machine trading expenses		(189,521)	(170,146)
Gaming commission expenses		(142,516)	(146,022)
Raffle and bingo expenses		(227,605)	(210,628)
Occupancy expenses		(299,953)	(338,647)
Club promotion and entertainment expenses		(296,864)	(285,154)
Bowling expenses		(105,791)	(115,428)
Depreciation of property plant and equipment		(251,887)	(241,634)
Administrative expenses		(423,923)	(421,336)
Other operating expenses from ordinary activities		(9,016)	(16,860)
Profit / (loss) before income tax		(81,286)	(14,615)
Income tax (expense)/benefit		(612)	124
Profit / (loss) after income tax		(81,912)	(14,491)
Other comprehensive income		-	-
Total comprehensive income / (loss)		(81,912)	(14,491)

The accompanying notes form part of these financial statements.

Swansea Workers Co-Operative Club Limited

ABN 65 261 562 336

Summary Statement of Financial Position As at 30 June 2017

	2017	2016
	\$	\$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	233,237	328,177
Trade and other receivables	7,592	12,624
Inventories	28,604	26,601
Other assets	76,563	58,075
TOTAL CURRENT ASSETS	345,996	425,477
NON-CURRENT ASSETS		
Financial assets	110	110
Property, plant and equipment	1,834,939	1,894,738
Deferred tax assets	126,246	126,872
TOTAL NON-CURRENT ASSETS	1,961,295	2,021,720
TOTAL ASSETS	2,307,291	2,447,197
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	177,741	167,297
Short-term borrowings	198,807	227,827
Short-term provisions	66,502	70,253
TOTAL CURRENT LIABILITIES	443,050	465,377
NON-CURRENT LIABILITIES		
Long-term borrowings	135,960	171,316
Long-term provisions	14,299	14,610
TOTAL NON-CURRENT LIABILITIES	150,259	185,926
TOTAL LIABILITIES	593,309	651,303
NET ASSETS	1,713,982	1,795,894
EQUITY		
Retained earnings	1,713,982	1,795,894
TOTAL EQUITY	1,713,982	1,795,894

The accompanying notes form part of these financial statements.

Swansea Workers Co-Operative Club Limited

ABN 65 261 562 336

Summary Statement of Changes in Equity For the Year Ended 30 June 2017

2017

	Retained Earnings
	\$
Balance at 1 July 2016	1,795,894
Profit / (loss) attributable to members	<u>(81,912)</u>
Balance at 30 June 2017	<u><u>1,713,982</u></u>

2016

	Retained Earnings
	\$
Balance at 1 July 2015	1,810,385
Profit / (loss) attributable to members	<u>(14,491)</u>
Balance at 30 June 2016	<u><u>1,795,894</u></u>

The accompanying notes form part of these financial statements.

Swansea Workers Co-Operative Club Limited

ABN 65 261 562 336

Summary Statement of Cash Flows For the Year Ended 30 June 2017

	2017	2016
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	2,636,936	2,689,180
Payment to suppliers and employees	(2,458,447)	(2,418,199)
Interest received	1,158	3,256
Finance costs	(1,697)	(13,975)
Net cash provided by / (used in) operating activities	<u>162,671</u>	<u>260,262</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(193,235)	(370,010)
Net cash provided by / (used in) investing activities	<u>(193,235)</u>	<u>(370,010)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from borrowings	185,688	358,504
Repayment of borrowings	(250,064)	(178,204)
Net cash provided by / (used in) financing activities	<u>(64,376)</u>	<u>180,300</u>
Net increase / (decrease) in cash and cash equivalents held	(94,940)	70,552
Cash and cash equivalents at beginning of year	328,177	257,625
Cash and cash equivalents at end of financial year	<u>233,237</u>	<u>328,177</u>

The accompanying notes form part of these financial statements.

Swansea Workers Co-Operative Club Limited

Notes to the Summary Financial Statements 30 June 2017

1 Summary of Significant Accounting Policies

The summary financial statements have been prepared from the audited financial report of Swansea Workers Co-operative Club Limited for the year ended 30 June 2017. The audited report for the year ended 30 June 2017 is available at request from Swansea Workers Co-operative Club Limited.

The financial statements, specific disclosures and the other information included in the summary financial statements are derived from and are consistent with the full financial statements of Swansea Workers Co-operative Club Limited. The summary financial statements cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of Swansea Workers Co-operative Club Limited as the full financial statements.

The accounting policies have been consistently applied to Swansea Workers Co-operative Club Limited and are consistent with those of the previous financial year in their entirety.

The presentation currency used in the financial report is Australian dollars.

2 Revenue

	2017	2016
	\$	\$
Operating activities		
- Trading revenue	2,504,046	2,444,847
Other Revenue from Ordinary Activities		
- Interest received	1,158	3,256
- Membership subscriptions	22,894	26,278
- Rebate for GST on poker machine duty	17,180	17,180
- Bowling income	28,059	28,548
- Rent received - Restaurant	7,800	7,800
- Sundry income	18,981	11,269
- Commissions received	26,137	30,891
	<u>122,209</u>	<u>125,222</u>
Other revenue from non-operating activities		
- Proceeds from insurance claims	6,807	127,663
Total Revenue	<u>2,633,062</u>	<u>2,697,732</u>

3 Result for the Year

(a) Expenses

Net (profit) / loss on disposal of property, plant and equipment	<u>1,147</u>	6,306
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(b) Significant items

Proceeds from insurance claims (non-operating)	<u>6,807</u>	127,663
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Swansea Workers Co-operative Club Limited

ABN 65 261 562 336

Discussion and Analysis of the Summary Financial Statements

For the Year Ended 30 June 2017

Information on Swansea Workers Co-operative Club Limited Summary Financial Statements

The financial statements, disclosures and discussion and analysis in the summary financial statements have been derived from the 2017 financial statements of Swansea Workers Co-operative Club Limited.

A copy of the full financial statements and auditors report will be sent to any member, free of charge, upon request. The summary financial statements cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the entity as the full financial statements.

The discussion and analysis is provided to assist members in understanding the summary financial statements.

Summary Statement of Profit or Loss and Other Comprehensive Income

The club has recorded an operating loss after tax of \$81,912 for this year compared to a loss of \$14,491 last year.

In 2016, the club received \$127,663 in insurance proceeds from storm damages.

In 2017, the club has seen a decrease in bar revenue of \$16,314, but an increase in poker machine revenue of \$71,848. The increase in poker machine revenue has also increased poker machine duty expense.

Occupancy expenses have decreased this year by \$38,694. This is mainly represented by reduced repairs and maintenance incurred this year.

The clubs EBITDA as a % of revenue result for 2016 is 7% compared to 9% last year.

Summary Statement of Financial Position

Total assets decreased by \$139,906 to \$2.31 million representing an decrease of 6%. This increase was mainly attributable to the following:

- Decrease in cash and cash equivalents
- Property, plant and equipment decreased with capital additions of \$193,235 this year and depreciation of \$251,887.

Total liabilities decreased by \$57,994 to \$593,309 representing a decrease of 9%. This decrease was mainly attributable to the following:

- Decrease in both short term and long term borrowings with loan repayments exceeding new borrowings during the year.

The Club's net asset position as at the 30 June 2017 is \$1.71 million and is represented by retained earnings.

Swansea Workers Co-operative Club Limited

ABN 65 261 562 336

Discussion and Analysis of the Summary Financial Statements

For the Year Ended 30 June 2017

Summary Statement of Changes in Equity

The equity of the Club has decreased entirely due to the reported loss of \$81,912 in 2017.

Summary Statement of Cashflows

Total cash flows have decreased during the year, with the Club reporting a cash decrease of \$94,940.

Operating cash flows have decreased and mainly due to the substantial insurance proceeds received last year.

Investing cash flows relate to capital additions totaling \$193,235 this year. These additions mainly relate to poker machine additions, bar renovations and club furniture.

Financing cashflows relate to new borrowings of \$185,688 and the repayment of these and existing borrowings of \$250,064.