Croatia Deakin Soccer Club Limited

ABN: 50 616 274 100

Financial Statements

For the Year Ended 30 September 2020

Croatia Deakin Soccer Club Limited

ABN: 50 616 274 100

Contents

For the Year Ended 30 September 2020

Directors' Report

For the Year Ended 30 September 2020

The directors present their report, together with the financial statements of the Group, being the Company and its controlled entities, for the financial year ended 30 September 2020.

General information

Directors

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

Names	Appointed/Resigned
Ivan Bulum	
Tony Pratezina	
Tony Vidovic	
Mario Spralja	
Marko Vrkic	
Chris Collins	
Vlado Vrkic	Appointed: 15 December 2019
Drago Novakovic	Resigned: 15 December 2019

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

Principal activities

The principal activities of the Group during the financial year were to promote the sport of soccer and encourage social interaction between members of the club.

The following significant changes in the nature of the principal activities occurred during the financial year:

COVID-19

The Club was forced to close its doors on Monday, 23 March 2020 under ACT Territory Government instructions, before re-opening the Bar & Bistro on Friday, 26 June 2020, whilst the Club's gaming operations re-commenced some 6 weeks later on Monday, 10 August 2020. This enforced closure has severely impacted the Club's operational revenues and trading profit for the 2019/20 financial year.

The Board of Directors and Club Management took all prudent steps to reduce unnecessary expenditure whilst also taking advantage of all available Federal Government assistance, receiving $100,000 in Cash Flow Boost payments and $208,500 in JobKeeper payments to subsidise 4 full time staff and 7 casual staff, as well as accessing all available assistance under the ACT Government's Economic Survival Package, including monies from the Diversification and Sustainability Support Fund and various licencing, utility and gaming tax rebates.

After re-opening, Club trading revenues rebounded strongly in August and September 2020 with Bar, Bistro and Gaming operations recording improved trading results compared with the pre-closing and prior year.

Directors' Report

For the Year Ended 30 September 2020

General information

Short term objectives

The Group's short term objectives are to:

- Be a dominant force in Capital football with both its senior and junior teams; and
- Establish and encourage social interaction between the members of the club

Long term objectives

The Group's long term objectives are to:

- Continue the development and support of all the club's soccer teams so that they continue to be the best performing teams in the ACT and surrounding region;
- Establish and maintain relationships that foster social interaction between members and the community; and
- Be a financially and operationally sustainable club that endeavours to offer the best possible facilities and services to members and players.

Strategy for achieving the objectives

To achieve these objectives, the Group has adopted the following strategies:

- Utilise the services of top quality coaches and facilities to encourage participation and excellence in the sport of soccer; and
- Set financially responsible budgets that return profits while continuing to upgrade facilities.

Performance measures

The following measures are used within the Group to monitor performance:

- Monitor player numbers;
- Monitor team success; and
- Monitor the actual financial performance compared to budget

Operating results

The consolidated loss of the Group amounted to $ (295,865) (2019: profit $ 200,776).

Croatia Deakin Soccer Club Limited

ABN: 60 616 274 100

Directors' Report

For the Year Ended 30 September 2020

Auditor's Independence Declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 September 2020 has been received and can be found on page 4 of the financial report.

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

Director: .... Director: ....

Date: 9 December 2020

6 Phipps Close Deakin ACT 2600
PO Box 322 Curtin ACT 2605

T 02 6282 5999
F 02 6282 5933
E info@hardwickes.com.au

www.hardwickes.com.au

Hardwickes
ABN 35 973 938 183

Hardwickes Partners Pty Ltd
ABN 21 008 401 536

Croatia Deakin Soccer Club Limited

ABN: 50 616 274 100

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Croatia Deakin Soccer Club Limited and Controlled Entities

I declare that, to the best of my knowledge and belief, during the year ended 30 September 2020, 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.

Hardwickes

Hardwickes
Chartered Accountants

Robert Johnson FCA
Partner

09 December 2020

Canberra

Croatia Deakin Soccer Club Limited

ABN: 50 616 274 100

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 September 2020

	Note	2020 $	2019 $
Sales revenue	5	**1,550,043**	2,701,644
Cost of sales		**(1,083,766)**	(1,281,314)
Gross profit		**466,277**	1,420,330
Other income	5	**565,360**	457,114
Administrative expenses		**(742,485)**	(735,900)
Poker Machine expense		**(265,812)**	(440,580)
Soccer expenses		**(191,770)**	(293,535)
Other expenses		**(119,016)**	(199,476)
Finance costs		**(8,419)**	(7,177)
(Loss)/profit before income tax		**(295,865)**	200,776
Income tax expense	3(b)	**-**	-
(Loss)/profit for the year		**(295,865)**	200,776
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Revaluation changes for property, plant and equipment	9(b)	**-**	1,046,215
Total comprehensive income for the year		**(295,865)**	1,246,991
(Loss)/profit attributable to:			
Members of the parent entity		**(295,865)**	200,776
Total comprehensive income attributable to:			
Members of the parent entity		**(295,865)**	1,246,991

The accompanying notes form part of these financial statements.

Statement of Financial Position

As At 30 September 2020

	Note	2020 $	2019 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	**149,274**	166,696
Trade and other receivables	7	**142,269**	233,739
Inventories	8	**32,508**	35,544
Other assets	11	**42,500**	-
TOTAL CURRENT ASSETS		**366,551**	435,979
NON-CURRENT ASSETS			
Property, plant and equipment	9	**4,138,780**	4,263,954
Intangible assets	10	**384,000**	384,000
TOTAL NON-CURRENT ASSETS		**4,522,780**	4,647,954
TOTAL ASSETS		**4,889,331**	5,083,933
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	**159,556**	142,154
Borrowings	13	**164,064**	67,774
Employee benefits	15	**111,724**	125,587
Other financial liabilities	14	**8,333**	-
TOTAL CURRENT LIABILITIES		**443,677**	335,515
NON-CURRENT LIABILITIES			
Borrowings	13	**-**	9,247
Employee benefits	15	**8,238**	5,890
TOTAL NON-CURRENT LIABILITIES		**8,238**	15,137
TOTAL LIABILITIES		**451,915**	350,652
NET ASSETS		**4,437,416**	4,733,281
EQUITY			
Reserves		**1,430,215**	1,430,215
Retained earnings		**3,007,201**	3,303,066
TOTAL EQUITY		**4,437,416**	4,733,281

The accompanying notes form part of these financial statements.

Croatia Deakin Soccer Club Limited

ABN: 50 616 274 100

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

2020

	Note	Retained Earnings $	Asset Revaluation Surplus $	Total $
Balance at 1 October 2019		**3,303,066**	**1,430,215**	**4,733,281**
(Loss) for the year		**(295,865)**	**-**	**(295,865)**
Balance at 30 September 2020		**3,007,201**	**1,430,215**	**4,437,416**

2019

	Note	Retained Earnings $	Asset Revaluation Surplus $	Total $
Balance at 1 October 2018		3,006,290	480,000	3,486,290
Profit for the year		200,776	-	200,776
Transfer on sale of asset		96,000	(96,000)	-
Total other comprehensive income for the period	9(b)	-	1,046,215	1,046,215
Balance at 30 September 2019		3,303,066	1,430,215	4,733,281

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the Year Ended 30 September 2020

	Note	2020 $	2019 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		**2,485,608**	3,421,958
Payments to suppliers and employees		**(2,325,823)**	(3,289,837)
Interest paid		**(8,419)**	(7,177)
Net cash provided by operating activities	23	**151,366**	124,944
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of plant and equipment		**5,000**	120,000
Purchase of property, plant and equipment		**(260,832)**	(199,111)
Net cash (used in) investing activities		**(255,832)**	(79,111)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Repayment of borrowings		**93,107**	(114,501)
Net cash (used in) financing activities		**93,107**	(114,501)
Net (decrease) in cash and cash equivalents held		**(11,359)**	(68,668)
Cash and cash equivalents at beginning of year		**160,633**	229,301
Cash and cash equivalents at end of financial year	6	**149,274**	160,633

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 September 2020

The financial report covers Croatia Deakin Soccer Club Limited and its controlled entity ('the Group'). Croatia Deakin Soccer Club Limited is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The entity within the Group prepare their financial statements based on the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards and the *Corporations Act 2001.*

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Change in Accounting Policy

Revenue from Contracts with Customers - Adoption of AASB 15

The Group has adopted AASB 15 *Revenue from Contracts* with Customers and AASB 1058 *Income of Not-for-Profit Entities* for the first time in the current year with a date of initial application of 1 October 2019.

The Group has applied AASB 15 and AASB 1058 using the cumulative effect method which means the comparative information has not been restated and continues to be reported under AASB 111, AASB 118, AASB 1004 and related interpretations. All adjustments on adoption of AASB 15 and AASB 1058 have been taken to retained earnings at 1 October 2019.

Transfer of control to a customer - over time or at a point in time

AASB 15 has specific criteria regarding whether control is transferred over time or at a point in time. The Group has reviewed its contracts and concluded that the criteria for recognition over time is not met in some circumstances. In such cases, revenue and related production costs will be recognised at the delivery of each separate performance obligation instead of over the contract using a single margin.

Notes to the Financial Statements

For the Year Ended 30 September 2020

2 Change in Accounting Policy

Revenue from Contracts with Customers - Adoption of AASB 15

Revenue from Contracts with Customers - Adoption of AASB 15

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

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, in conjunction with AASB 15. The new income recognition requirements shift the focus from a reciprocal/non-reciprocal basis to a basis of assessment that considers the enforceability of a contract and the specificity of performance obligations.

The core principle of the new income recognition requirements in AASB 1058 is when a NFP entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives, the excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately.

Where there is an 'enforceable' contract with a customer with 'sufficiently specific performance obligations, income is recognised when (or as) the performance obligations are satisfied under AASB 15, as opposed to immediate income recognition under AASB 1058.

Leases - Adoption of AASB 16

The Group has adopted AASB 16 *Leases* using the modified retrospective (cumulative catch-up) method from 1 October 2019 and therefore the comparative information for the year ended 30 September 2019 has not been restated and has been prepared in accordance with AASB 117 *Leases* and associated Accounting Interpretations.

Impact of adoption of AASB 16

The impact of adopting AASB 16 is described below:

The Group as a lessee

Under AASB 117, the Group assessed whether leases were operating or finance leases based on its assessment of whether the significant risks and rewards of ownership had been transferred to the Group or remained with the lessor. Under AASB 16, there is no differentiation between finance and operating leases for the lessee and therefore all leases which meet the definition of a lease are recognised on the statement of financial position (except for short-term leases and leases of low value assets).

The Group has elected to use the exception to lease accounting for short-term leases and leases of low value assets, and the lease expense relating to these leases are recognised in the statement of profit or loss on a straight line basis.

The adoption of the standard has had no material impact on the transactions and balances recognised in the financial statements.

3 Summary of Significant Accounting Policies

(a) Basis for consolidation

The consolidated financial statements include the financial position and performance of controlled entity from the date on which control is obtained until the date that control is lost.

Intragroup assets, liabilities, equity, income, expenses and cashflows relating to transactions between entities in the consolidated entity have been eliminated in full for the purpose of these financial statements.

Appropriate adjustments have been made to a controlled entity's financial position, performance and cash flows where the accounting policies used by that entity were different from those adopted by the consolidated entity. All controlled entities have a September financial year end.

A list of controlled entities is contained in Note 20 to the financial statements.

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the parent has control. Control is established when the parent is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

(b) Income Tax

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

(c) Leases

For comparative year

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.

For current year

At inception of a contract, the Group assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Group has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Group has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

3 Summary of Significant Accounting Policies

(d) Revenue and other income

For comparative year

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 Group 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.

Rental income

Rental income is recognised on a straight-line basis over a period of the lease term.

Other income

Other income is recognised on an accruals basis when the Group is entitled to it.

Revenue from contracts with customers

For current year

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Group expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer

2. Identify the performance obligations

3. Determine the transaction price

4. Allocate the transaction price to the performance obligations

5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Group have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

3 Summary of Significant Accounting Policies

(d) Revenue and other income

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Group are:

Sale of goods

Revenue associated with the sale of goods is recognised when the performance obligation of the sale has been fulfilled and control of the goods has transferred to the customer, which occurs when the goods are collected/delivered.

(e) 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 payables 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.

(f) Inventories

Cost of inventory is determined using the first in first out basis and is net of any rebates and discounts received.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

(g) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Land and buildings

Land and buildings are measured using the revaluation model.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

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

3 Summary of Significant Accounting Policies

(g) Property, plant and equipment

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

Fixed asset class	Depreciation rate
Buildings	2.5%
Plant and Equipment	6%-50%
Furniture, Fixtures and Fittings	7.5%-40%
Poker Machines	30%-40%
Oval improvements	10%-20%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(h) Financial instruments

Financial instruments are recognised initially on the date that the Group becomes party to the contractual provisions of the instrument.

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

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Group classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and

3 Summary of Significant Accounting Policies

(h) Financial instruments

Financial assets

- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Group's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Fair value through other comprehensive income

Equity instruments

The Group does not hold any investments in listed and unlisted entities that fall under this category.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

The Group does not hold any assets that fall into this category.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial assets has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience and informed credit assessment and including forward looking information.

The Group uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Group uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Group in full, without recourse to the Group to actions such as realising security (if any is held); or

3 Summary of Significant Accounting Policies

(h) Financial instruments

Financial assets

- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Group in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Group has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Group renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Group measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Group comprise trade payables, bank and other loans and lease liabilities.

(i) Impairment of non-financial assets

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

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

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

3 Summary of Significant Accounting Policies

(i) Impairment of non-financial assets

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

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

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

(j) Intangible Assets

Gaming Licenses

From August 2015 the ACT Government has allowed gaming machine licenses to be traded. A condition of the scheme is that if 4 licenses are traded, 1 license has to be returned to the government by the buyer.

(k) 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.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

(l) Employee benefits

Provision is made for the Group'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.

(m) Adoption of new and revised accounting standards

The Group has adopted all standards which became effective for the first time at 30 September 2020, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Group.

3 Summary of Significant Accounting Policies

(n) New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Group has decided not to early adopt these Standards. The following table summarises those future requirements, and their impact on the Group where the standard is relevant:

Standard Name	Effective date for entity	Requirements	Impact
AASB 2018-7 Amendments to Australian Accounting Standards -Definition of Material	1 October 2021	The amendments refine the definition of material in AASB 101 to clarify the definition of material and its application by improving the wording and aligning the definition across AASB Standards and other publications. The amendment also includes some supporting requirements in AASB 101 in the definition to give it more prominence and clarifies the explanation accompanying the definition of material.	Unlikely to be any impact on the reported financial position, performance or cash flows in the financial statements.
AASB 2020-1 Amendments to Australian Accounting Standards - Classifications of Liabilities as Current or Non-Current	1 October 2022	This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. For example, the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. The meaning of settlement of a liability is also clarified.	Little impact expected but entities should consider the appropriate classification of liabilities as current or non-current.

4 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - impairment of property, plant and equipment

The Group assesses impairment at the end of each reporting period by evaluating conditions specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key estimates - property held at fair value

An independent valuation of property (land and buildings) carried at fair value was obtained on 30 September 2019. The directors have reviewed this valuation and updated it based on valuation indexes for the area in which the property is located. The valuation is an estimation which would only be realised if the property is sold.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Key judgments - COVID-19

The COVID-19 outbreak has impacted the way of life in Australia. This has affected the ability of the Group to continue operations as usual and has impacted on its operating results. In accordance with national guidelines, the Group has implemented remote working arrangements in response to government requirements and to ensure the wellbeing and safety of all employees and visitors.

The Group has determined that there are no going concern risks arising from the impact of the COVID-19 outbreak. The board members have determined that the Group remains in a healthy cash position and retained stable funding, donations and fees for the 2021 financial year.

Notes to the Financial Statements
For the Year Ended 30 September 2020

5 Revenue and Other Income

	2020 $	2019 $
Revenue from sales		
- Sale of goods	**1,047,671**	1,505,246
- Poker machine income	**502,372**	1,196,398
	1,550,043	2,701,644
Other income		
- Administration and management fees	**3,581**	5,766
- Cash flow boost subsidy	**127,656**	-
- Jobkeeper Rebate	**208,500**	-
- Other income	**31,936**	73,748
- Profit on sale of assets	**1,751**	104,000
- Rental income	**17,394**	46,873
- Soccer income	**150,833**	202,156
- TAB commission income	**23,709**	24,571
	565,360	457,114
Total Revenue and other income	**2,115,403**	3,158,758

6 Cash and Cash Equivalents

		2020 $	2019 $
Cash at bank and in hand		**149,274**	166,696
	17	**149,274**	166,696

Reconciliation of cash

Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

	Note	2020 $	2019 $
Cash and cash equivalents		**149,274**	166,697
Bank overdrafts	13	**-**	(6,064)
Balance as per statement of cash flows		**149,274**	160,633

Notes to the Financial Statements

For the Year Ended 30 September 2020

7 Trade and Other Receivables

	Note	2020 $	2019 $
CURRENT			
Trade receivables		**40,754**	28,739
Other receivables		**5,000**	5,000
Other debtor[a]		**96,515**	200,000
Total current trade and other receivables	17	**142,269**	233,739

(a) Balance is credit received from ACT Government that is to be used towards the de-concessionalisation of the lease.

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.

8 Inventories

	2020 $	2019 $
CURRENT		
Inventories Bar	**24,702**	27,551
Inventories Bistro	**7,806**	7,993
	32,508	35,544

Write downs of inventories to net realisable value during the year were $ NIL (2019: $ NIL).

Notes to the Financial Statements

For the Year Ended 30 September 2020

9 Property, plant and equipment

	2020	2019
	$	$
Leasehold land		
At fair value	**370,525**	370,525
Total leasehold land	**370,525**	370,525
Buildings		
Club house building - at directors' valuation	**2,672,530**	2,506,856
Oval building - at independent valuation	**1,295,196**	1,286,560
Accumulated depreciation	**(1,619,254)**	(1,516,943)
Total buildings	**2,348,472**	2,276,473
Total land and buildings	**2,718,997**	2,646,998
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	**1,094,369**	1,075,276
Accumulated depreciation	**(788,269)**	(734,699)
Total plant and equipment	**306,100**	340,577
Furniture, fixtures and fittings		
At cost	**136,700**	103,770
Accumulated depreciation	**(46,860)**	(25,797)
Total furniture, fixtures and fittings	**89,840**	77,973
Poker machines		
At cost	**1,084,865**	1,059,365
Accumulated depreciation	**(794,611)**	(680,074)
Total poker machines	**290,254**	379,291
Oval improvements		
At fair value	**819,114**	819,115
Accumulated depreciation	**(85,525)**	-
Total oval improvements	**733,589**	819,115
Total plant and equipment	**1,419,783**	1,616,956
Total property, plant and equipment	**4,138,780**	4,263,954

Notes to the Financial Statements

For the Year Ended 30 September 2020

9 Property, plant and equipment

(a) Movements in carrying amounts of property, plant and equipment

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

	Capital Works in Progress	Land - Oval	Land and Buildings	Plant and Equipment	Furniture, Fixtures and Fittings	Poker Machines	Oval improvements	Total
	$	$	$	$	$	$	$	$
Year ended 30 September 2020								
Balance at the beginning of year	-	370,525	2,276,473	340,577	77,973	379,291	819,115	4,263,954
Additions	-	-	174,310	19,093	32,930	34,499	-	260,832
Disposals	-	-	-	-	-	(3,248)	-	(3,248)
Depreciation expense	-	-	(102,311)	(53,570)	(21,063)	(120,288)	(85,526)	(382,758)
Balance at the end of the year	-	370,525	2,348,472	306,100	89,840	290,254	733,589	4,138,780

	Capital Works in Progress	Land - Oval	Buildings	Plant and Equipment	Furniture, Fixtures and Fittings	Poker Machines	Oval improvements	Total
	$	$	$	$	$	$	$	$
Year ended 30 September 2019								
Balance at the beginning of year	110,206	133,000	1,484,072	188,553	54,781	409,027	813,318	3,192,957
Additions	47,539	-	15,996	85,468	37,673	108,435	-	295,111
Transfers	(157,745)	-	38,062	119,683	-	-	-	-
Depreciation expense	-	-	(61,935)	(53,127)	(14,481)	(138,171)	(2,615)	(270,329)
Revaluation increase	-	237,525	800,278	-	-	-	8,412	1,046,215
Balance at the end of the year	-	370,525	2,276,473	340,577	77,973	379,291	819,115	4,263,954

Notes to the Financial Statements

For the Year Ended 30 September 2020

9 Property, plant and equipment

(b) Asset Revaluations

The Deakin Oval and building were independently valued at 30 September 2019 by Mr Matthew Curtis - FAPI, certified practising valuer from CIVAS (ACT) Pty Limited (part of Colliers International). The valuation resulted in a revaluation increment of $1,046,215 being recognised in the revaluation surplus for the year ended 30 September 2019.

10 Intangible Assets

	2020	2019
	$	$
Gaming licenses		
At fair value	**384,000**	384,000
Total Intangibles	**384,000**	384,000

11 Other Assets

	2020	2019
	$	$
CURRENT		
Accrued income	**42,500**	-
	42,500	-

12 Trade and Other Payables

	Note	2020	2019
		$	$
Current			
Trade payables	17	**97,912**	76,879
GST payable		**30,696**	19,395
Accrued expense	17	**23,886**	33,403
Other payables		**7,062**	12,477
		159,556	142,154

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

13 Borrowings

	2020	2019
	$	$
Bank loans	**139,001**	9,585
Bank overdraft	**-**	6,064
Other financial liabilities	**25,063**	52,125
Total current borrowings	**164,064**	67,774

Notes to the Financial Statements

For the Year Ended 30 September 2020

13 Borrowings

	Note	2020 $	2019 $
NON-CURRENT			
Other financial liabilities		-	9,247
Total non-current borrowings		-	9,247

	Note	2020 $	2019 $
Total borrowings	17	**164,064**	77,021

Summary of borrowings

Defaults and breaches

During the current and prior year, there were no defaults or breaches on any of the loans.

14 Other Liabilities

	2020 $	2019 $
CURRENT		
Amounts received in advance	**8,333**	-
Total	**8,333**	-

15 Employee Benefits

	2020 $	2019 $
Current liabilities		
Long service leave	**36,507**	32,957
Annual leave provision	**75,217**	92,630
	111,724	125,587

	2020 $	2019 $
Non-current liabilities		
Long service leave	**8,238**	5,890
	8,238	5,890

16 Reserves

(a) Asset revaluation reserve

The asset revaluation reserve records fair value movements on property, plant and equipment held under the revaluation model.

17 Financial Risk Management

The Group is exposed to a variety of financial risks through its use of financial instruments.

The Group's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The most significant financial risks to which the Group is exposed to are described below:

Specific risks

- Liquidity risk
- Credit risk
- Market risk - interest rate risk

Financial instruments used

The principal categories of financial instrument used by the Group are:

- Trade receivables
- Cash at bank
- Bank overdraft
- Trade and other payables
- Floating rate bank loans

Notes to the Financial Statements

For the Year Ended 30 September 2020

17 Financial Risk Management

	Note	2020 $	2019 $
Financial assets			
Held at amortised cost			
Cash and cash equivalents	6	**149,274**	166,696
Trade and other receivables	7	**142,269**	233,739
Total financial assets		**291,543**	400,435
Financial liabilities			
Financial liabilities at fair value			
Trade and other payables	12	**121,798**	110,282
Borrowings	13	**164,064**	77,021
Total financial liabilities		**285,862**	187,303

Objectives, policies and processes

The Board of Directors have overall responsibility for the establishment of the Group's financial risk management framework. This includes the development of policies covering specific areas such as interest rate risk and credit risk.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The day-to-day risk management is carried out by the Group's finance function under policies and objectives which have been approved by the Board of Directors. The Chief Financial Officer has been delegated the authority for designing and implementing processes which follow the objectives and policies. This includes monitoring the levels of exposure to interest rate risk and assessment of market forecasts for interest rates.

The Board of Directors receives monthly reports which provide details of the effectiveness of the processes and policies in place.

Mitigation strategies for specific risks faced are described below:

Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities as and when they fall due. The Group maintains cash and marketable securities to meet its liquidity requirements for up to 30-day periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

The Group manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business.

Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day period are identified monthly.

17 Financial Risk Management

Liquidity risk

At the reporting date, these reports indicate that the Group expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances and will not need to draw down any of the financing facilities.

Financial guarantee liabilities are treated as payable on demand since the Group has no control over the timing of any potential settlement of the liabilities.

The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward. The amounts disclosed in the table are the undiscounted contracted cash flows and therefore the balances in the table may not equal the balances in the statement of financial position due to the effect of discounting.

The table below reflects the undiscounted contractual maturity analysis for financial liabilities.

Financial liability maturity analysis - Non-derivative

	Within 1 Year		1 to 5 Years		Total	
	2020	2019	2020	2019	2020	2019
	$	$	$	$	$	$
Financial liabilities due for payment						
Bank overdrafts and loans	**139,001**	9,585	-	-	**139,001**	9,585
Finance lease liabilities	**25,063**	52,125	-	9,247	**25,063**	61,372
Total contractual outflows	**164,064**	61,710	-	9,247	**164,064**	70,957

The timing of expected outflows is not expected to be materially different from contracted cashflows.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group.

Credit risk arises from cash and cash equivalents, financial instruments and deposits with banks and financial institutions, as well as credit exposure to customers, including outstanding receivables and committed transactions.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Trade receivables

Trade receivables consist of a small number of customers, that are associated with the use of club facilities.

The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group review includes external ratings, if they are available, financial statements, credit agency information and industry information. Credit limits are established for each customer and the utilisation of credit limits by customers is regularly monitored by line management. Customers who subsequently fail to meet their credit terms are required to make purchases on a prepayment basis until creditworthiness can be re-established.

17 Financial Risk Management

Credit risk

The Board receives monthly reports summarising debtor collection.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which the customers operate.

Management considers that all the financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due.

The Group has no significant concentration of credit risk with respect to any single counterparty or group of counterparties.

The following table details the Group's trade and other receivables exposure to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled, within the terms and conditions agreed between the Group and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there is objective evidence indicating that the debt may not be fully repaid to the Group.

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

			Past due but not impaired (days overdue)				
	Gross amount	Past due and impaired	< 30	31-60	61-90	> 90	Within initial trade terms
	$	$	$	$	$	$	$
2020							
Trade receivables	**40,754**	**-**	**25,756**	**190**	**-**	**14,808**	**-**
Other receivables	**5,000**	**-**	**-**	**-**	**-**	**-**	**5,000**
Total	**45,754**	**-**	**25,756**	**190**	**-**	**14,808**	**5,000**
2019							
Trade receivables	28,739	-	19,015	1,800	1,800	6,124	-
Other receivables	5,000	-	-	-	-	-	5,000
Total	33,739	-	19,015	1,800	1,800	6,124	5,000

The Group does not hold any financial assets with terms that have been renegotiated, but which would otherwise be past due or impaired.

The other classes of receivables do not contain impaired assets.

17 Financial Risk Management

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

(i) Interest rate risk

The Group is exposed to interest rate risk as funds are borrowed at floating and fixed rates. Borrowings issued at fixed rates expose the Group to fair value interest rate risk.

The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. Longer-term borrowings are therefore usually at fixed rates. At the reporting date, the Group is exposed to changes in market interest rates through its bank borrowings, which are subject to variable interest rates.

18 Key Management Personnel Remuneration

Key management personnel remuneration included within employee expenses for the year is shown below:

	2020	2019
	$	$
Short-term employee benefits	**110,964**	102,433
Termination benefits	**8,486**	9,610
	119,450	112,043

19 Auditors' Remuneration

	2020	2019
	$	$
Remuneration of the auditor [Hardwickes Chartered Accountants], for:)		
- auditing or reviewing the financial statements	**17,880**	17,880
Total	**17,880**	17,880

20 Interests in Subsidiaries

(a) Composition of the Group

	Principal place of business / Country of Incorporation	Percentage Controlled (%)* 2020	Percentage Controlled (%)* 2019
Subsidiaries:			
Croatia Deakin Football Club Inc	Australia	**100**	100

*The percentage of control interest held is equivalent to the percentage voting rights for all subsidiaries.

Notes to the Financial Statements
For the Year Ended 30 September 2020

21 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 September 2020 (30 September 2019:None).

22 Related Parties

Key management personnel - refer to Note 18.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

A number of Directors have provided sponsorship to the club through their respective companies. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.

23 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2020 $	2019 $
(Loss)/Profit for the year	**(295,865)**	200,776
Non-cash flows in profit:		
- depreciation	**382,758**	270,329
- net (gain) / loss on disposal of property, plant and equipment	**(1,751)**	(120,000)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	**91,470**	(214,264)
- (increase)/decrease in accrued income	**(42,500)**	-
- (increase)/decrease in inventories	**3,036**	28,684
- increase/(decrease) in income in advance	**8,333**	-
- increase/(decrease) in trade and other payables	**17,401**	(55,145)
- increase/(decrease) in employee benefits	**(11,516)**	14,564
Cashflows from operations	**151,366**	124,944

(b) Credit standby arrangements with banks

The following facilities were available at the end of the reporting period:

	2020 $
Unused at reporting date	
Bank overdraft	**40,000**
Bank loan	**188,900**
	228,900

Notes to the Financial Statements

For the Year Ended 30 September 2020

24 Events after the end of the Reporting Period

The financial report was authorised for issue on by the Board of Directors.

COVID-19

The COVID-19 outbreak has impacted the way of life in Australia. This has affected the ability of the Group to continue operations as usual and has impacted on its operating results. In accordance with National guidelines, the Group has implemented arrangements in response to government requirements and to ensure the wellbeing and safety of all employees and visitors.

The Group has determined that there are no going concern risks arising from the impact of the COVID-19 outbreak. The Directors have determined that the Group remains in a healthy cash position and retained stable revenue streams for the 2021 financial year.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

25 Parent entity

The following information has been extracted from the books and records of the parent, Croatia Deakin Soccer Club Limited and has been prepared in accordance with Accounting Standards.

The financial information for the parent entity, Croatia Deakin Soccer Club Limited has been prepared on the same basis as the consolidated financial statements except as disclosed below.

	2020 $	2019 $
Statement of Financial Position		
Assets		
Current assets	**366,552**	435,980
Non-current assets	**4,152,256**	4,277,430
Total Assets	**4,518,808**	4,713,410
Liabilities		
Current liabilities	**443,677**	335,515
Non-current liabilities	**8,238**	15,137
Total Liabilities	**451,915**	350,652
Equity		
Retained earnings	**2,874,203**	3,170,066
Revaluation surplus	**1,192,690**	1,192,690
Total Equity	**4,066,893**	4,362,756
Statement of Profit or Loss and Other Comprehensive Income		
Total profit or loss for the year	**(295,863)**	200,776
Total comprehensive income	**(295,863)**	200,776

Notes to the Financial Statements
For the Year Ended 30 September 2020

26 Statutory Information

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

Croatia Deakin Soccer Club Limited
3 Grose Street
Deakin ACT 2600

27 The Gaming Machine Act 2004: Disclosure

(a) Poker Machine Trading

GST amounts are included in the poker machine cash cleared and payout accounts only.

	2020 $	2019 $
Poker Machine Trading		
Poker machine cash cleared	2,451,999	4,603,721
Poker machine payouts	(1,899,391)	(3,287,683)
Net GST remitted to ATO	(50,236)	(119,640)
Poker machine revenue	502,372	1,196,398
Less: Direct Costs		
Depreciation	120,288	138,171
Allocated wages & superannuation	88,000	167,809
Licenses	1,080	1,449
Poker machine tax	36,913	114,250
Repairs and maintenance	19,531	33,460
Total Direct Costs	265,812	455,139
	236,560	741,258

(b) Section 54(a) of the Gaming Machine Act 2004-contracts with influential persons:

There are no contracts with influential persons to report for the year ended 30 September 2019.

(c) Section 54(b) of the Gaming Machine Act 2004- contractual arrangements or consultancies greater than $99,999:

There are no contractual arrangement or consultancies greater than $99,999 during the year ended 30 September 2019.

(d) Section 54(c) of the Gaming Machine Act 2004 - remuneration which is equal to or more than $150,000:

There is no person receiving remuneration equal to or more than $150,000 during the year ended 30 September 2019.

(e) Section 54(d) of the Gaming Machine Act 2004- any benefits taken by a person during the financial year:

No benefits were taken by any persons during the financial year ended 30 September 2019.

Croatia Deakin Soccer Club Limited

ABN: 50 616 274 100

Directors' Declaration

The directors of the entity declare that:

1. The financial statements and notes, as set out on pages 5 to 33, are in accordance with the *Corporations Act 2001* and:

   (a) comply with Australian Accounting Standards; and

   (b) give a true and fair view of the financial position as at 30 September 2020 and of the performance for the year ended on that date of the entity.

2. In the directors' opinion, there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

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

Director .... Director ....

Dated 09 December 2020

Hardwickes
more than accounting

6 Phipps Close Deakin ACT 2600
PO Box 322 Curtin ACT 2605

T 02 6282 5999
F 02 6282 5933
E info@hardwickes.com.au

www.hardwickes.com.au

Hardwickes
ABN 35 973 938 183

Hardwickes Partners Pty Ltd
ABN 21 008 401 536

Croatia Deakin Soccer Club Limited

Independent Audit Report to the members of Croatia Deakin Soccer Club Limited

Report on the Audit of the Financial Report

Qualified Opinion

We have audited the financial report of Croatia Deakin Soccer Club Limited (the Company) and its subsidiaries (the Group), which comprises the statement of financial position as at 30 September 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 30 September 2020 and of its financial performance for the year ended; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Qualified Opinion

The board of the club is responsible for the maintenance of an accounting system that allows the preparation of true and fair financial statements. In relation to men's, women's and children's football, accounting records were supplied for inclusion in the financial statements but there was no external supporting documentation available for audit. We are, therefore, unable to obtain sufficient and appropriate audit evidence in relation to income and expenses for Football activities.

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 Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of Directors for the Financial Report

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

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

Hardwickes
more than accounting

6 Phipps Close Deakin ACT 2600
PO Box 322 Curtin ACT 2605

T 02 6282 5999
F 02 6282 5933
E info@hardwickes.com.au

www.hardwickes.com.au

Hardwickes
ABN 35 973 938 183

Hardwickes Partners Pty Ltd
ABN 21 008 401 536

Croatia Deakin Soccer Club Limited

Independent Audit Report to the members of Croatia Deakin Soccer Club Limited

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hardwickes

Hardwickes
Chartered Accountants

R Johnson

Robert Johnson FCA
Partner

Canberra
09 December 2020

CHARTERED ACCOUNTANTS
AUSTRALIA + NEW ZEALAND