



# ANNUAL REPORT

FOR THE YEAR ENDING 28 FEBRUARY 2021



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## PRESIDENTS REPORT

Hello members!

What a year it's been. This time last year, our AGM was cancelled with no end in sight to the Covid pandemic and instead was held in late August. We lost our long-standing committee members Susan and Geoff Davidson and Derek Sullivan, had new committee members elected (new blood injected!) Now, after less than 9 months, we're doing it again, and with a newly updated constitution.

As so many others will explain in their Yearly reports, we've had a very profitable year. It's been a result of some good management, and, with some very generous Government assistance we've done far better than any other club I've spoken to. Well done and a hearty thanks to our management and staff!

In the last few months, we've seen the Club engage with the German Community and businesses with our Harmonie Connect meetings. After initial bridges being built by Gunther Branstetter and Susan Davidson, this has evolved to a good discussion group ably guided by Michael Fuller. The first meeting in January was a great success, as should the next one in June.

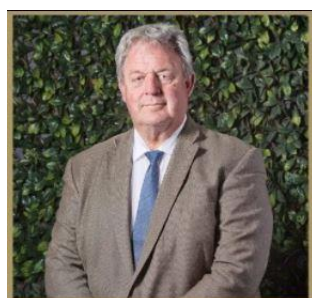
Our quarterly markets have been, lets say, a bit sporadic these last few months. These are a great way to meet and catch up, and there's some genuine bargains, too (especially when I'm behind the deli counter!) The next few months will see us settle into whatever the new normal will be, but please don't forget to attend or even volunteer, if you like.

Oktoberfest 2021 in Queanbeyan is all go. With recent discussions between the club and our good friends at the NSW Government and Queanbeyan/Palerang Council, the first steps to Oktoberfest 2021 have been made. This will be the first big event in the region since Covid restrictions were lifted, and because we didn't party last year, 2021 is shaping to be our biggest Oktoberfest EVER! It will just be for the Saturday and Sunday, so dust off those dirndls and lederhosen, the party's on! Drink the beer! Eat the pig! Dance the chicken!

During the last few months, our finances have been carefully audited and new loans have been drawn. The club will be continuing its renovation and upgrades, and improved services will be available to you, the members, tenders have been called for and works will progress within the next few months.

In signing off, my thanks go to the committees over the last 12 months, I thank you for your hard work, due diligence, and support. Again, thanks to our wonderful staff, the best in the business bar none. Thank you to our great band of volunteers, for showing up at 6am to load up the deli or bake cakes until 2am, or turn sausages, stack groceries, etc. All your fabulous efforts are greatly appreciated. And of course, you, our members. Thank you for your continued patronage and please, continue to enjoy your club.

Kevin Bramboeck  
President  
Harmonie German Club



## CEO REPORT

It gives me great pleasure to present the annual report for the 2020/21 financial year.

In what could have been a catastrophic year for the Club, this 60<sup>th</sup> anniversary year epitomises the grit and determination that has seen this club survive the test of time.

This year, as for all of us, was unprecedented. With strong leadership, financial stewardship, intuitive federal government support and a positive attitude from the entire team we managed to navigate our way through the turmoil and are still managing with a positive attitude under ongoing restrictions.

I would like to thank my Board of Directors for their unwavering support over the last twelve months. Our proud Club is truly moving in the right direction. We are more culturally aligned than we have ever been over recent years, our building plans are well under way to create a better space for members, our constitution is now representing a professional incorporated body and none of this is possible without a strong board and management working in harmonie.

To my staff and contractors, you have my utmost appreciation. This strong team has pushed through this year with unwavering determination. The administration, bar and gaming staff have been under pressure and scrutiny managing the Clubs everchanging covid plan and the Restaurant team have continually strived for improved results under extremely testing circumstances.

Going forward we are still restricted by the virus and its volatile consequences, this year we plan to get back to business as usual with Oktoberfest, Markets, Breakfasts, Multicultural festival and a range of in-house events and functions. We plan on working hard for the members like we have been doing for many years. God willing, we have seen the worst of the virus and the crippling restrictions that have resulted.



CEO  
Pau Berger



## COMMITTEE REPORT

**Harmonie German Club Canberra Incorporated**

ABN: 64 888 259 776


**Committee's Report**  
**For the Year Ended 28 February 2021**

The Committee Members submit the financial report of the Association for the financial year ended 28 February 2021.

**1. General information**
**Committee Members**

The names of Committee Members throughout the year and at the date of this report are:

Kevin Bramboeck (President)  
 Michael Fuller (Vice-President)  
 Nick Xirakis (Treasurer)  
 Aimee Dageveen (Assistant Treasurer) Resigned: 23 November 2020  
 Maria Hawthorne (Secretary)/(Public Officer)  
 Oliver Buecher (Committee Member)  
 Ron Farmer (Committee Member)  
 Adam Kaufhold (Committee Member)  
 Stephen Walter (Committee Member)  
 Roger Royal (Committee Member)  
 Angelika Fuller (Committee Member)

**Principal activities**

The principal activities of the Association during the financial year were the operation of a licensed social club in Canberra, ACT.

**Significant changes**

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

**COVID-19**

The Club was forced to close on the 23rd March 2020. Once JobKeeper was secured for the Club staff we commenced a small takeaway food, beverage and German grocery operation until the 2nd June 2020 when dining was allowed with restricted patron numbers. Gaming remained closed until the 10th August 2020. Limits on patron numbers continued until the end of the financial year and have impacted the normal trading of the Club in all departments.

**2. Operating results**

The profit of the Association for the financial year after providing for income tax amounted to \$ 209,487 (2020: \$59,950).

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

Committee Member: .....

*Kevin Bramboeck*  
 KEVIN BRAMBOECK  
 PRESIDENT

Dated: 11 May 2021

Committee Member: .....

*Nicholas Xirakis*  
 NICHOLAS XIRAKIS

## FINANCIAL SUMMERY

## Harmonie German Club Canberra Incorporated

ABN: 84 868 259 776

## Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 28 February 2021

		2021	2020
	Note	\$	\$
Sales revenue	3	1,703,294	2,902,507
Cost of sales	4	(528,001)	(910,068)
Gross profit		1,175,293	1,992,439
Other revenue	3	651,120	318,358
Administrative expenses		(427,767)	(768,738)
Depreciation	11(a)	(157,848)	(170,095)
Employment costs		(770,168)	(800,560)
Finance costs	4	(48,904)	(48,506)
Other expenses		(203,235)	(479,095)
Profit before income tax		218,491	43,803
Income tax expense	1(a)	(9,004)	16,147
Profit for the year		209,487	59,950
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		209,487	59,950

## Harmonie German Club Canberra Incorporated

ABN: 84 868 259 776

## Statement of Changes in Equity

For the Year Ended 28 February 2021

2021

	Retained Earnings	Asset Revaluation Surplus	Total
	\$	\$	\$
Balance at 1 March 2020	452,018	904,372	1,356,390
Profit for the year	209,487	-	209,487
Balance at 28 February 2021	661,505	904,372	1,565,877

2020

	Retained Earnings	Asset Revaluation Surplus	Total
	\$	\$	\$
Balance at 1 March 2019	392,068	904,372	1,296,440
Profit for the year	59,950	-	59,950
Balance at 29 February 2020	452,018	904,372	1,356,390

## BALANCE SHEET

**Statement of Financial Position**  
**As At 28 February 2021**

	Note	2021 \$	2020 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	7	659,062	297,438
Trade and other receivables	8	15,143	132,556
Inventories	9	34,889	33,108
Other assets	10	-	9,266
<b>TOTAL CURRENT ASSETS</b>		<b>709,094</b>	<b>472,366</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	11	1,729,631	1,814,931
Deferred tax assets	6(a)	18,118	26,619
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,747,749</b>	<b>1,841,550</b>
<b>TOTAL ASSETS</b>		<b>2,456,843</b>	<b>2,313,916</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	247,787	315,749
Borrowings	13	67,696	82,548
Employee benefits	14	44,756	40,890
<b>TOTAL CURRENT LIABILITIES</b>		<b>360,239</b>	<b>439,187</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	13	500,417	495,966
Deferred tax liabilities	6(b)	15,352	14,849
Employee benefits	14	14,958	7,524
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>530,727</b>	<b>518,339</b>
<b>TOTAL LIABILITIES</b>		<b>890,966</b>	<b>957,526</b>
<b>NET ASSETS</b>		<b>1,565,877</b>	<b>1,356,390</b>
<b>EQUITY</b>			
Reserves		904,372	904,372
Retained earnings		661,505	452,018
<b>TOTAL EQUITY</b>		<b>1,565,877</b>	<b>1,356,390</b>

## CASHFLOW

**Statement of Cash Flows**  
**For the Year Ended 28 February 2021**

	2021	2020
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	2,740,658	3,203,680
Payments to suppliers and employees	(2,247,181)	(2,967,932)
Interest paid	(48,904)	(48,506)
Net cash provided by operating activities	19 <u>444,573</u>	<u>187,242</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment	11(a) <u>(72,548)</u>	<u>(169,734)</u>
Net cash (used in) investing activities	<u>(72,548)</u>	<u>(169,734)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Repayment of borrowings	<u>(10,401)</u>	171,817
Net cash (used in)/provided by financing activities	<u>(10,401)</u>	<u>171,817</u>
Net increase in cash and cash equivalents held	361,624	189,325
Cash and cash equivalents at beginning of year	<u>297,438</u>	<u>108,113</u>
Cash and cash equivalents at end of financial year	7 <u><u>659,062</u></u>	<u><u>297,438</u></u>



## NOTES TO FINANCIAL STATEMENTS

Notes not published in the annual report can be obtained from the office on request.

**Notes to the Financial Statements**

**For the Year Ended 28 February 2021**

**3 Revenue and Other Income**

	Note	2021 \$	2020 \$
Sales revenue			
- Bar		934,620	1,347,085
- Poker Machines	21	498,078	593,106
- Member subscriptions		15,847	23,019
- Oktoberfest		-	468,201
- Special event trading		227,199	457,657
- Club shop		27,550	13,439
		<u>1,703,294</u>	<u>2,902,507</u>
Other revenue			
- Other income		192,034	279,358
- Lease restaurant income		13,636	39,000
- JobKeeper subsidy		345,450	-
- Cash flow boost		100,000	-
		<u>651,120</u>	<u>318,358</u>
<b>Total Revenue</b>		<u><b>2,354,414</b></u>	<u><b>3,220,865</b></u>

**4 Result for the Year**

The result for the year includes the following specific expenses:

	Note	2021 \$	2020 \$
Cost of sales		528,001	910,068
Depreciation	11(a)	157,848	170,095
Finance costs		48,904	48,506

**13 Borrowings**

	Note	2021 \$	2020 \$
<b>CURRENT</b>			
Bank loans		67,696	82,548
<b>Total current borrowings</b>	15	<u>67,696</u>	<u>82,548</u>
<b>NON-CURRENT</b>			
Bank loans		500,417	495,966
<b>Total non-current borrowings</b>	15	<u>500,417</u>	<u>495,966</u>

The Club obtained a bank loan of \$494,000 @ 6.65% p.a. for the period of 3 years to undertake renovation of Club facilities and install solar panels, \$80,000 @ 5.68% pa for the period of 5 years to assist repairs and maintenance of car park and \$150,000 for the period of 5 years to assist air-conditioning repair/upgrade. Interest is charged on a monthly basis for both the loans.

Bank loans are secured by first ranking charge over all present and after acquired property and first registered mortgage over non residential real property located at 49 Jerrabomberra Ave Narrabundah ACT 2605.

## INDEPENDENT AUDITOR'S REPORT



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## Independent Audit Report to the members of Harmonie German Club Canberra Incorporated

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Harmonie German Club Canberra Incorporated (the Association), which comprises the statement of financial position as at 28 February 2021, 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 statement by members of the committee.

In our opinion, the accompanying financial report presents fairly, in all material respects, including:

- (i) giving a true and fair view of the Association's financial position as at 28 February 2021 and of its financial performance and its cash flows for the year ended; and
- (ii) complying with the Associations Incorporation Act (ACT) 1991.

#### 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 Association in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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.

#### Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with the Associations Incorporation Act (ACT) 1991, and for such internal control as management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Association'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 management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association'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.





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 approved under Professional  
 Standards Legislation

## Independent Audit Report to the members of Harmonie German Club Canberra Incorporated

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 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 of the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's 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 of the Association'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, 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, if future events or conditions may cause the Association to cease as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management regarding, among other matter, 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

Date: 11 May 2021



## PROFIT AND LOSS ACCOUNT

## Harmonie German Club Canberra Incorporated

ABN: 84 868 259 776

For the Year Ended 28 February 2021

## Profit and Loss Account

	2021	2020
	\$	\$
<b>Income</b>		
Bar Trading	480,274	512,171
Poker Machine Trading	385,413	454,775
Special Events	81,183	281,433
Oktoberfest	-	(62,041)
Member subscriptions	15,847	23,019
Other	190,512	279,358
Restaurant lease income	13,636	39,000
Job Keeper Subsidy	345,450	-
ATO Cash Flow Boost	100,000	-
<b>Total Income</b>	<b>1,612,315</b>	<b>1,527,715</b>
<b>Less: Expenses</b>		
Advertising	37,354	69,844
Audit Fees	19,200	21,350
Bookkeeping	5,606	-
Cleaning, laundry & Waste removal	33,254	53,666
Community contributions	6,473	20,073
Computer expenses	34,594	26,188
Depreciation	127,926	132,693
Electricity, gas & water	54,140	43,771
Employment costs	342,713	567,496
Employment costs - Jobkeeper	342,646	-
Entertainment	71,155	155,003
Equipment rental	57,412	90,347
Fees and Permits	18,542	50,420
Finance costs	48,904	46,365
General expenses	4,311	1,374
Income tax expense	9,004	(16,147)
Insurance	55,382	47,591
Legal fees	8,260	8,761
Magazines, journals and periodicals	-	1,197
Members Amenities	24,081	31,917
Pest control	3,139	3,160
Printing, postage & Stationery	11,475	16,661
Repairs and maintenance	58,230	51,757
Security	-	6,159
Subscriptions	11,806	15,355
TAB & Keno expenses	11,563	20,793
Telephone and fax	4,947	1,971
Other	711	-
<b>Total Expenses</b>	<b>1,402,828</b>	<b>1,467,765</b>
<b>Profit before income tax</b>	<b>209,487</b>	<b>59,950</b>

## CONTACT INFORMATION



**Paul Berger**

CEO

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NARRABUNDAH A.C.T. 2604

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**Maria Hawthorne**

Club Secretary and Public Officer

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