

# 2019/20

## 71<sup>st</sup> ANNUAL REPORT



 Energy West Social Club *End of Year Event 2019*

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## **BOARD MEMBERS**

### **PRESIDENT**

AARON BOWLING

### **VICE PRESIDENT**

EMMA BROWN

### **TREASURER**

NELLY SIMON

### **SECRETARY**

LAUREN SHAW

MILES JUPP

LIA PRZYMENSKA

ALBERT KOENIG

KATIE MCINTYRE

## **STAFF MEMBERS**

*As at June 30, 2020*

### **GENERAL MANAGER**

JACQUI SANZONE

### **SENIOR CLUB OFFICER**

DWAYNE WESCOMBE

### **ADMINISTRATION & CUSTOMER SERVICE**

INDIA BRADSHAW

SAMANTHA MANDERSON

## LIFE MEMBER HONOURS LIST

Awarded	No.	Name	Awarded	No.	Name
1961	1	John Kay	1979	19	Bert Trezise
1961	2	George Mell	1981	20	Alec Campbell
1962	3	Ray Axon	1981	21	Arthur Logue
1965	4	Roy Smith	1983	23	Bill MacArthur
1968	5	Norm Henry	1983	24	Ted Hannay
1968	6	Ted Usher	1983	25	Vic Lundberg
1969	7	Roy McLoughlin	1984	26	Dirk Harmsen
1969	8	Wally Crowd	1984	27	Len Darby
1970	9	Murray Jardine	1985	31	David Rubery
1970	10	Stan Criddle	1986	33	Alan Ridgwell
1972	11	Neville Armitage	1986	34	Denbigh Lintern
1973	12	George Gordon	1989	37	Ron Dent
1974	13	John Sullivan	1991	40	Basil Hawkins
1976	15	Jack Tunstill	1995	46	Ron Rogers
1978	16	Robert Nelson	2011	61	Harry Thomas

## CURRENT LIFE MEMBER HONOURS LIST

Awarded	No.	Name	Awarded	No.	Name
1976	14	Ron Jesson	1996	48	Neil Fry
1979	17	Shirley Davis	1996	49	Lorraine Tapper
1979	18	Cliff Sutton	1999	50	Wes Capenhurst
1982	22	Con Smith	1999	51	Peter Bali
1984	28	Alan Peskett	2000	52	Don Bower
1985	29	Neville Millar	2001	53	John Souter-Robertson
1985	30	Eric Briedis	2004	54	Val Brojanowski
1985	32	Leo De Angelis	2008	55	Nigel Perry
1988	35	Peter Hills	2008	56	Alex Papadopoff
1989	36	Charlie Casini	2009	57	Alec Jeffrey
1991	38	Bruce Gibbney	2010	58	Peter Richards
1991	39	Philip Craven	2010	59	Keith Weaire
1992	41	Neville Fry	2010	60	John Halliday
1993	42	Wayne Hayes	2012	62	Andrew Fraser
1993	43	Mario Piromalli	2017	63	Ron Croager
1993	44	Ron Harrison	2017	64	John Jendrzczak
1994	45	Neville Riches	2018	65	Harry Webster
1996	47	Gavin Muir			

## PRESIDENT'S REPORT

I would like to start by thanking our life members who built this great club. This is our 71st AGM and we are still going strong thanks to all of those who have helped build our wonderful club. It was a tough year for everyone due to the COVID-19 situation, but our club persevered and delivered some great results for our members which took a lot of hard work from Jacqui and her staff as well as the board.

I would like to thank each of our members as you are what makes this club great. Thank you to my fellow board members and the office staff as you all work very hard to ensure we offer the best possible service to our members. The Board (Nelly, Emma, Lauren, Katie, Lia, Al, and Miles) have worked with Jacqui and her team (Dwayne, India and Sam) to continue providing great benefits to our members and to ensure we maintain the quality of our holiday homes. Thank you to Ray Elvidge as well for serving as our chairperson for the constitution sub-committee. We created 2 new subcommittees this year to focus on our Holiday Homes (chaired by Miles Jupp) and to focus on our members (chaired by Lauren Shaw) and I want to thank both of them for chairing the committees and helping us achieve some great things in both areas in FY19/20. A special mention to the partners and families of the board members and the office staff as I know we demand a lot from everyone which impacts their home life, and your understanding and support is very important to every one of us.

I would like to thank our major sponsors Western Power and Synergy. Without their generous support a lot of what we provide would not be possible and we appreciate everything they have done for our club. We look forward to maintaining a key partnership with both of our wonderful sponsors in the future.

We renovated both of our Margaret River Properties this year which was a major project that turned out very good, and I want to thank Jacqui Sanzone, Emma Brown, Alison Strachan, Eve Green, Mandy Bowling, Al Koenig and Lia Przymenska for all their hard work on the project. The properties look wonderful and I think all of our members will be very happy with the outcome of this project. We also listed 2 of our Mandurah properties for sale and we have accepted an offer on one of the homes already.

We have continued to engage with our members through our regular communication via diverse platforms (email newsletters, Facebook, lift posters and tv screens etc), and we want to continue our focus on engaging our members and we want to return maximum value to all of our members.

Nelly Simon will be leaving the board and I will miss working with Nelly as she did a great job as our treasurer in FY19/20 and she helped us deliver a great financial result which is a credit to her and Jacqui. Jacqui has also left the club as our General Manager and I will miss working with Jacqui as she had a real passion for our members and our club. India Bradshaw also left our team in FY19/20 and Heidi Serong has joined the team. Dwayne Wescombe is our new General Manager, and I look forward to working with Dwayne and his team (Sam and Heidi) for many years to come and I think he will do a great job in the role as he has a passion for our members and our club and he brings a wealth of experience to the role. I look forward to working with the new board who will be announced tonight.

The Club's membership base as at 30<sup>th</sup> June 2020 is over 2,500 members strong, and our membership base is growing thanks to the marketing efforts from our staff through depot visits and social engagements. We will continue to work with our members to maintain our value for money offering and to continue improving our club in the future.

## GENERAL MANAGER'S REPORT

I find this an interesting report to write, partially because of the extraordinary year I am writing about, but also as I am writing about a year where I was not the General Manager.

The 2020 Financial Year created some large challenges for Energy West Social Club, just as it has for so many other organisations and individuals. Despite these challenges, particularly those posed by COVID-19, the Club has delivered a solid result and is positioned well moving forward into a positive future. The EWSC Board and staff are to be congratulated on being proactive, flexible, patient and bold during this period. Members are also to be congratulated on their patience and understanding as the EWSC team adjusted to a new environment and way of operating.

Jacqui Sanzone was General Manager during this period, however recently decided to leave EWSC to pursue professional growth opportunities. During Jacqui's tenure she, in partnership with Club Treasurers Marat Blied and Nelly Simon, returned the Club to a solid financial footing, implemented strong processes and financial controls, and was instrumental in ensuring EWSC was compliant with our financial obligations. Amongst other achievements Jacqui was also the driver of the Member Benefits Card. We are currently in the final stages of employing someone with the necessary financial skills to ensure Jacqui's hard work is maintained.

India Bradshaw was also part of this team during this period, however left EWSC in June to pursue full time study. India was an amazing asset to the team, bringing strong marketing, events, and general administration skills. Heidi Serong has joined the team as Marketing and Administration Office and is settling into the role extremely well.

Both Jacqui and India are remaining as EWSC Members, demonstrating their interest and commitment to the Club.

Sam Manderson continues to be an amazingly strong, reliable, flexible and skilled member of the EWSC team who can turn her hand to just about any aspect of the Club. Her knowledge of the Club, and willingness to assist wherever possible, makes her an invaluable asset to the Club.

Our Holiday Home Caretakers are a committed group of people who often go above and beyond what they are paid to do. For those who have used the EWSC Holiday Homes I am confident that you have appreciated what they do with the homes.

I'm excited to have been appointed as the EWSC General Manager, and humbled that the Board have entrusted me with this responsibility. There is no doubt that we have some challenges moving forward, however I look forward to working with the Board, staff and members to make EWSC an even better and stronger Club.

Please find below a snapshot the 2020 Financial Year.

## GM Report - COVID-19

COVID-19 had such a significant impact on EWSC, members, and their families that I have included a separate section in this year's report.

During the initial stages of COVID-19 EWSC staff were kept extremely busy keeping members up to date, cancelling bookings and making refunds. The workload was exacerbated by a staff member having 3 weeks pre-organised leave to look after their spouse after surgery.

The negative financial impact on EWSC was two-fold the incoming revenue ceasing, while an outgoing revenue stream of refunds was created. To assist EWSC's cash flow a credit note system was implemented, giving members the option of EWSC holding their accommodation funds until restrictions were lifted, and member could again book accommodation. Some members were financially unable to take a credit during this period and refunds were provided. ***We thank those members who were able and willing to take a credit note – this assisted the Club greatly.***

Government incentives also assisted financially with \$9000 worth of Job Keeper and \$17,112 worth of PAYG and GST saving through the ATO Cash Flow Boost. The ATO Cash Flow Boost will also provide an additional \$13,926 into the 2021 Financial year.

Due to social distancing requirements, and additional safeguards put in place by Western Power, most EWSC staff worked from home from the start of March. Staff started returning to the office in mid-May with a maximum of 2 allowed at a time, and fully returned to office at end of June. Initially working from home led a lot of adaption with communication, time management and technology, however we have now proven it's possible to run the office remotely if need be.

Once Regional Travel Restrictions were removed, and it was obvious that interstate and international travel would not be possible for the foreseeable future, bookings for EWSC Holiday Homes skyrocketed. Increased Holiday Home revenue is expected to continue for most of the 2021 Financial Year.

Fortunately, EWSC has come through COVID-19 in good shape. Unfortunately, many organisations have not fared as well with some having to lay off staff, others having to close for a period, and others having to close permanently. ***We are very thankful for the loyalty, patience and understanding of our members during this very challenging time – the Club will be even stronger because of you.***

## GM Report - Membership

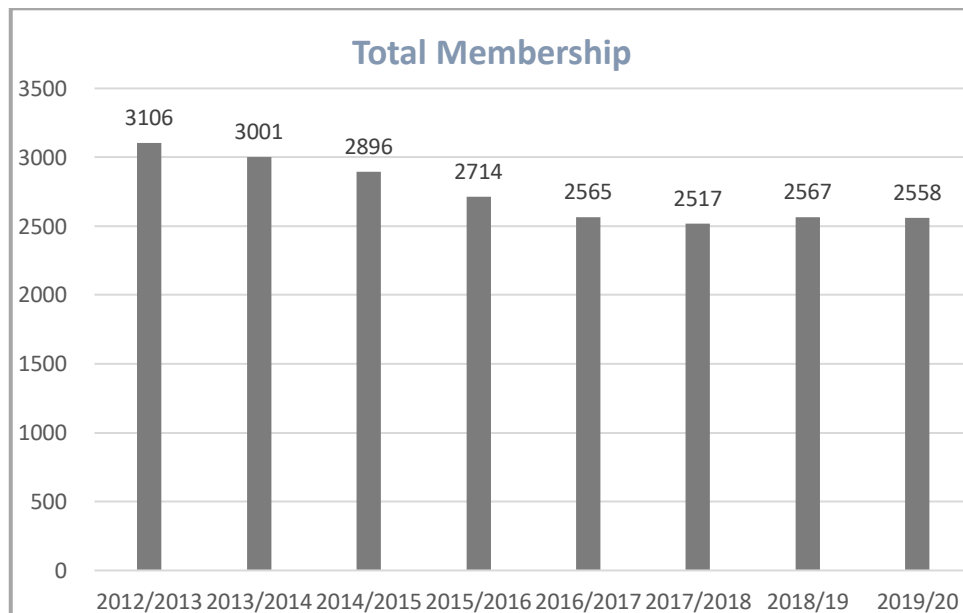
Serving our members is why we exist, and we are always excited to see new members register, become part of the EWSC family, and take advantage of the Club's benefits. Up unto the end of March 2020, the EWSC membership had increased by 48, however COVID-19 took a significant toll over the following 3.

As at June 30. 2020 Club membership had decreased by 9 from the previous year – the total membership as at that date being 2558.

Memberships for the 2021 financial year have started strong with an increase of 27 members to the end of August, some being members who resigned earlier in the year, but also including a lot of new members.

We will continue with the following to promote EWSC membership as they have proved to be successful over the past 2 years:

- Increasing our membership engagement, resulting in referrals from current members;
- Smart and savvy marketing and promotional material;
- Depot site visits;
- Face to face interactions at social events.



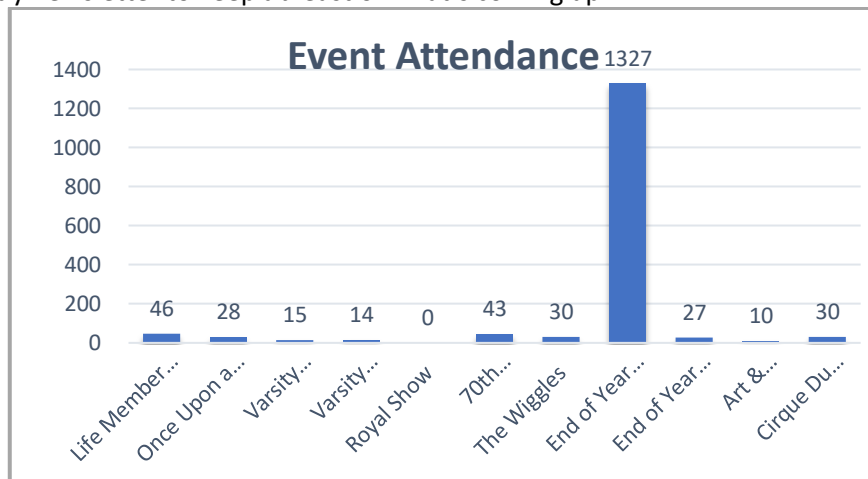
## GM Report - Events and Vouchers

COVID-19 impacted the number of events that EWSC ran throughout the 2020 Financial Year. A total of 1570 people attended a smaller than usual variety of events (*please note that the Royal Show provided tickets to EWSC members online with a discount code – despite undertaking to provide attendance figures they have been unable to do so*).

Ticketed events continue to be the most sought-after choice for members.

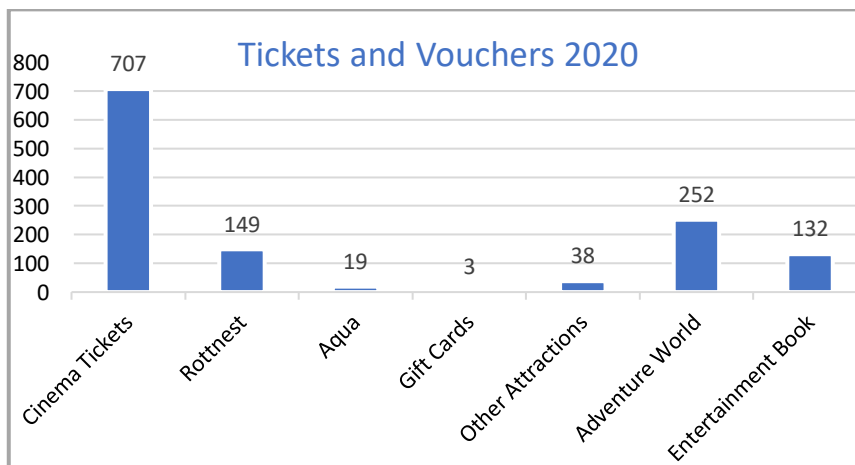
The success of the 2019 Family Fun Day had led to plans to run it again in 2020, however COVID-19 prevented this from occurring. This event will continue to be part of our plans moving forward.

As COVID-19 restrictions continue to be lifted we are starting to plan for future events. Please keep an eye on your fortnightly newsletter to keep abreast of what's coming up.



We continue to partner with Neat Ideas to provide a platform for our members to purchase a huge variety of discounted tickets and products. COVID-19 had a large impact these products with many of the venues and activities closed for a significant period. Most venues and activities have now reopened so members can once again obtain significant savings.

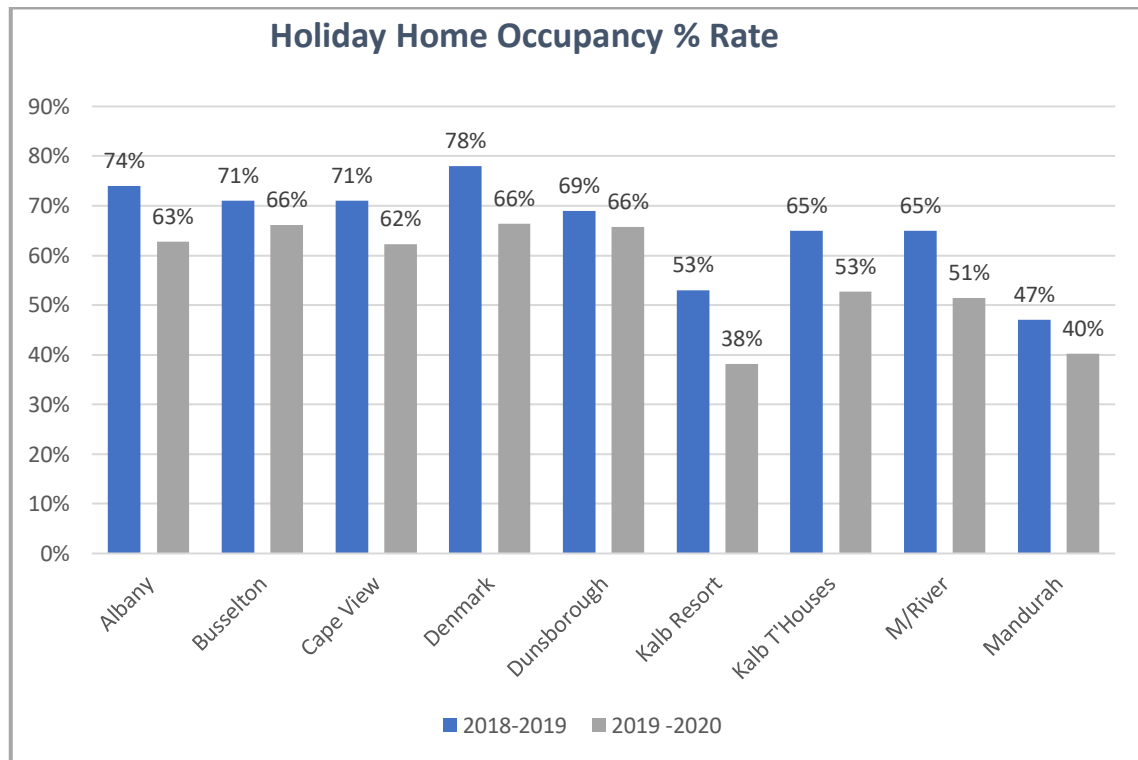
Cinema tickets, Rottneest Ferries, and Adventure World tickets remain the most popular products, however a wide variety of other products are also available. Neat Ideas have revamped their web site and are now providing a much broader variety of products. If you haven't had a look at the web site lately, I recommend that you do so.



The Entertainment Book (now known just as Entertainment) decided during 2019 to become app. based only – i.e. they no longer have the option of a hard copy book. Many of our members preferred the hard copy book which has led to a large decline in the number of products sold. If you are unsure if the app. version of Entertainment is for you then please ask someone who has subscribed (including me) to demonstrate it to you – there are some big advantages to using the app.

## GM Report - Holiday Homes

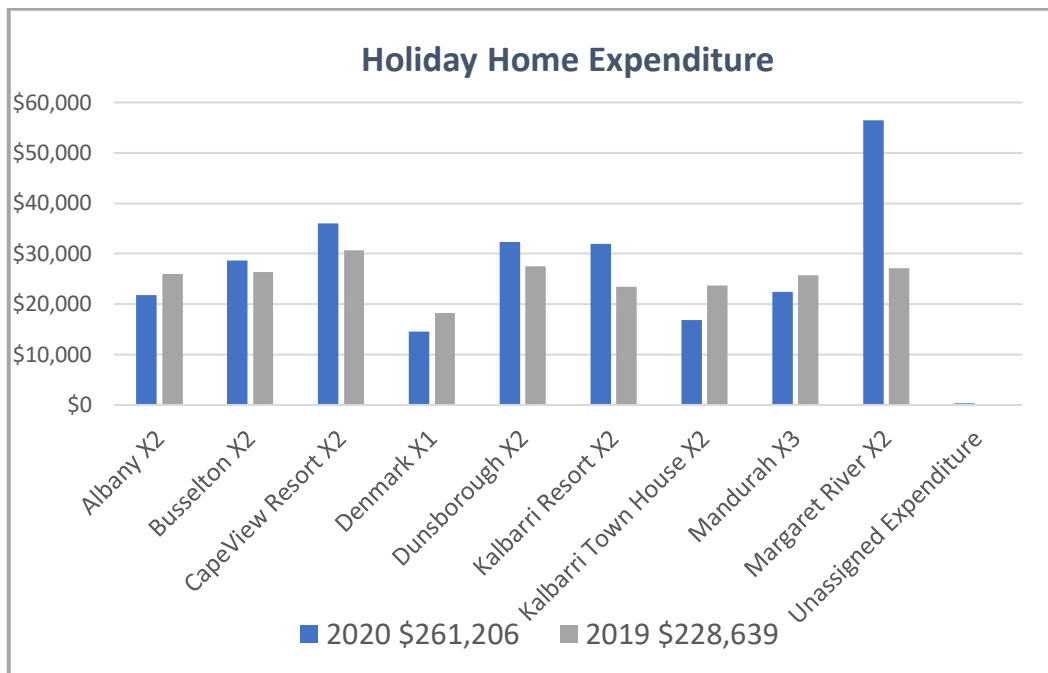
Average Holiday Home occupancy for 2020 was considerably reduced due to COVID-19. The first 8 months of the year averaged 65.1% occupancy, a small increase on the same period for the previous year, however the last 4 months of 2020 only averaged 33.9% occupancy (April 2020 recording an occupancy of 0.74% across 18 properties). EWSC revenues took a hit due to these reductions in bookings, however the good news is that since the Regional Restrictions have been lifted bookings have skyrocketed with near 100% occupancy across most properties during a period of traditional low occupancy.



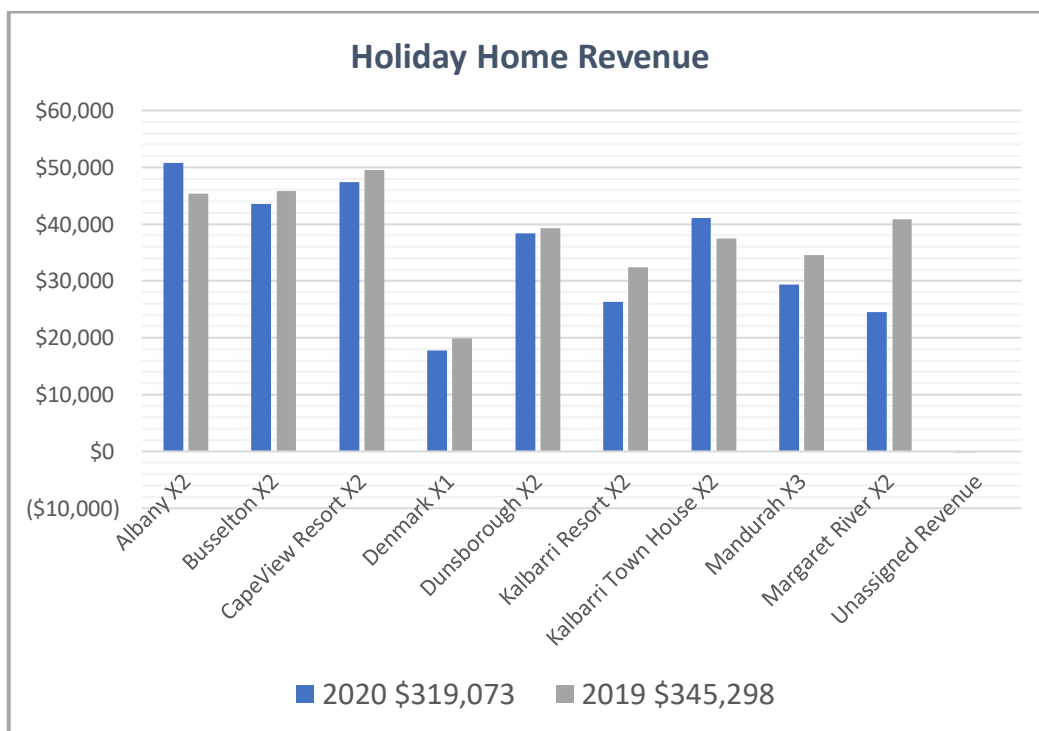
COVID-19 did provide EWSC with an opportunity to undertake both minor and major maintenance at many of our properties. Some of the major maintenance undertaken through 2020 included:

- Painting of 2 x Duke Street (Busselton) properties
- Repairs to 1 x Dunsborough gutters and some water damage to eaves
- Repairs to sagging ceilings in 2 x Dunsborough properties
- Installation of ceiling insulation in 2 x Dunsborough properties
- Painting of 2 x Dunsborough properties
- Major carport and retaining wall repairs for 2 x Margaret River properties.
- New queen beds for 2 x Busselton properties
- New lounges and coffee tables for 2 x Dunsborough properties

By far the largest undertaking for the year was renovating the 2 x Margaret River properties, including many new furnishings, new dish washer, and replacement of the king beds with queens. Most of this work was also undertaken during the COVID-19 period. These renovations were project managed by a team made up of Eve Green, Mandy Bowling, Emma Brown, Jacqui Sanzone, Lia Przmenska, and Al Koenig – thank you to each of you for the role you played in making these properties so lovely and comfortable. If you haven't already checked out the property have a look at the EWSC Web Site for some photos.



Due to declining occupancy a decision was made late last year to sell two Mandurah properties. 19 & 21 Stewart Street were subsequently put on the market and one of the properties has now sold (as at September 14, 2020). 30 Hall Street has been retained for those members wishing to stay in the Mandurah area.



In late 2018 the Kalbarri Resort came under new strata management. Since that time, we have been reaping the benefits of this change with gradual improvements at the resort, with many more improvements in the pipeline. Occupancy had started to drop at the Kalbarri resort, and we are hopeful recent and planned improvements will make these properties attractive to our members again.

Recent Kalbarri Resort changes include:

- All 8 BBQ's are now functional
- Gardens and lawns are now maintained well, and the reticulation has been repaired.

- Electrical works to accommodate future works and to ensure electrical compliance
- Laundry now operates 24 hours and all washing machines/dryers are working
- Pool works completed to ensure compliance
- Pool operating hours extended during peak time
- Spas now working and being managed as per compliance requirements
- Changes to parking and signage to make it easier and force boats/trailers/busses to use allocated bays
- Lighting, including security lighting, upgraded.

Other upcoming planned works include:

- Reverse cycle air conditioning installed in Unit 96 (September 2020) and Unit 44 (December 2020)
- Improvements to pool heating (blanket already purchased)
- Additional shade sails around the pool area
- Additional BBQ shelters
- Creation of a gymnasium
- Sauna to be repaired
- Installation of Wi-Fi

All Holiday Homes and caretakers, other than Kalbarri, were visited throughout the year. A Kalbarri visit was scheduled however COVID-19 prevented this from occurring.

Unfortunately, we have farewelled several caretakers over the past 12 months, and welcomed new caretakers into the team:

- Long serving Albany caretakers Donna and Phil Slade have left and Julia Marsh has joined the EWSC team.
- Denmark caretaker Gary Burford has left the team and we welcome Elisa Liston & Daniel Gething.
- Long serving Dunsborough caretaker Gerald Kalajzich left EWSC and John & Gillian Watts have joined the team. Prior to being the caretaker in Dunsborough Gerald was the Duke Street/Cape View caretaker.
- Bruce and Tynka Padgett have recently resigned and we are in the process of engaging Kathy & Martin McGinley (EWSC Members) as Mandurah Caretakers.

Our Caretakers are a critical part of the EWSC team, and they are to be congratulated on the work they undertake, often voluntarily and unpaid.

## GM Report - Marketing & Promotions

Our Marketing and Promotions were significantly hampered by COVID-19 however the following was able to be undertaken:

- Depot visits to Picton, Albany, Muja Power Station and Collie Hall, including Toolbox Meetings and presentations.
- Attendance at an Albany Country Group organised event.
- Attending Toolbox Meetings and providing presentations at many of the Perth depots.
- Continued relationship building with employer payroll and HR departments.
- Continued relationship development and building with other stakeholders including Member Benefits Card partners, Road Safety Commission, Clubs WA, Neat Ideas and other suppliers. The list of stakeholders and partners continues to grow, and we are looking forward to the full benefits of the work that has been undertaken.
- 40 e-Newsletters were sent to members.
- Our click rate (when a member clicks on one of the promotions in our e-Newsletter) improved from 6.21% to 6.25%. This is considerably higher than the average not-for-profit open rate of 2.57%
- Our recipient list went from 2,400 to 2,593 in FY 2020.
- The average open rate for our e-Newsletter closed at 60.28% which again is considerably higher than the average non-profit open rate of 24.11%.
- We gained 98 new Facebook Group members with a total of 597 as at 30<sup>th</sup> of June 2020.
- We ran promotions on TV screens throughout industry sites.
- Last minute holiday home cancellations were very successfully promoted in the e-Newsletter and on Facebook. This not only increases occupancy, but also assists members in receiving more of a refund.
- Events, holiday homes and memberships were promoted through e-Newsletter's, Facebook page, group and posters throughout industry sites.

## GM Report - Finances

Despite COVID-19 the Club was able to post a small Operating Surplus which is an amazing result given the circumstances.

Some of the financial highlights are listed below:

- Despite COVID-19 total revenue only decreased slightly compared to the previous year. Decreases in Holiday Home and events revenue were mostly offset by additional income from Job Keeper and the ATO's Cash Flow Boost.
- Holiday Home expenses increased due to 1) major repairs of the Margaret River carport and retaining walls, and 2) other property maintenance undertaken, taking advantage of the COVID-19 period.
- Financial reports include the current month and YTD, holiday home and event profit and loss reports, occupancy and membership movement reports, continue to be reviewed by the treasurer and submitted to the board on a monthly basis.
- All ATO and payroll liability's including all outstanding Company Tax returns have been prepared and lodged with the ATO.
- Reconciliations of all balance sheet items were completed on a monthly basis and a review and summary of movements of the profit and loss vs budget analysis were supplied to the treasurer for review before submitted to the board.
- The Margaret River properties show as the least performing properties. This is due to major maintenance works completed on the carports and retaining walls.
- Kalbarri Resort also shows as not performing well. This is partly due to the COVID-19 Regional Restrictions apply to the Mid-West Region for a longer period of time, and also additional Strata Levies being charged for a period of time for major electrical and air conditioning upgrades.

Many thanks to Keith Burke for undertaking the 2020 financial review. This requires a lot of work, and Keith undertook the review in a voluntary capacity.

# TREASURER'S REPORT

## Financial Statements 2020

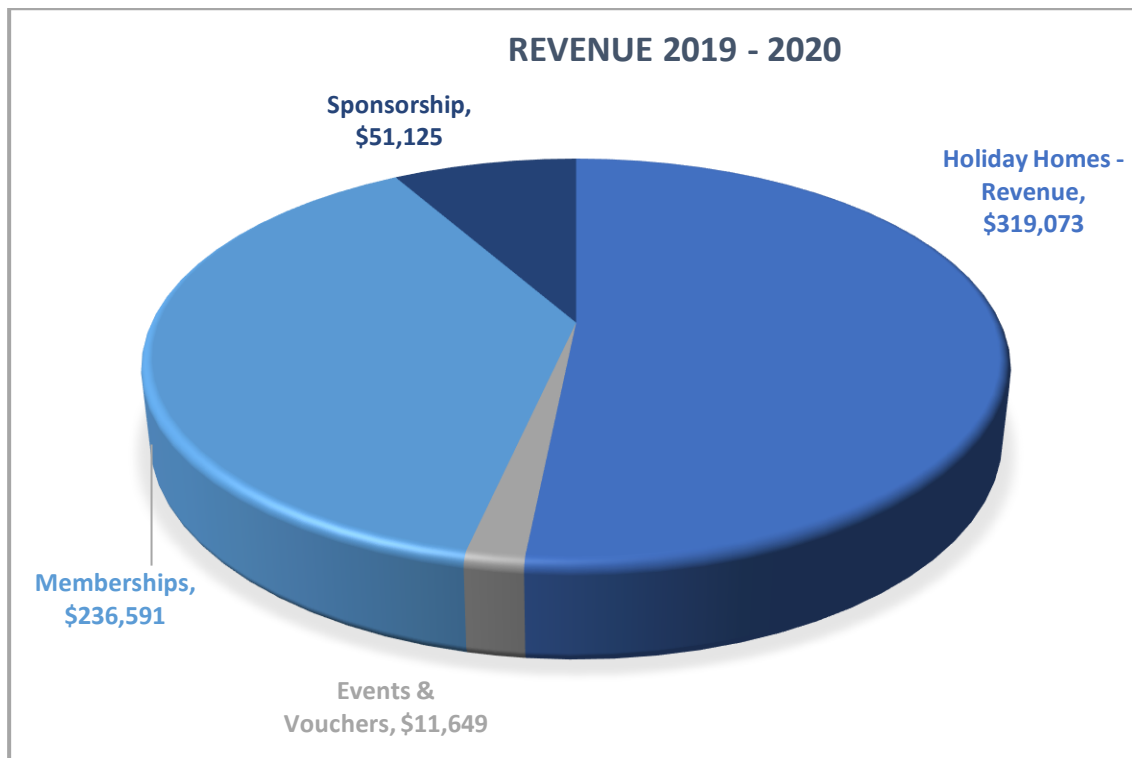
### Revenue and Expenditure Statement

	2019/20	2018/19
<b>REVENUE</b>		
Holiday Homes - Revenue	\$319,073	\$345,298
Events & Vouchers	\$11,649	\$22,667
Memberships	\$236,591	\$233,573
Sponsorship	\$51,125	\$51,125
Other Revenue	\$28,246	\$1,921
<b>TOTAL REVENUE</b>	<b>\$646,684</b>	<b>\$654,585</b>
<b>COST OF SALES</b>		
Holiday Homes	\$261,210	\$228,639
Tickets - Vouchers	\$2,146	\$5,931
Events	\$47,278	\$74,110
Membership	\$500	\$136
Country Allocations	\$51,607	\$56,296
<b>TOTAL COST OF SALES</b>	<b>\$362,737</b>	<b>\$365,112</b>
<b>GROSS PROFIT</b>	<b>\$283,947</b>	<b>\$289,472</b>
<b>EXPENSES</b>		
Employment	\$247,210	\$235,753
Administration Expenses	\$13,563	\$19,759
Insurances	\$16,038	\$17,003
Honorariums	\$1,940	\$0
AGM	\$664	\$664
Board Expenses	\$269	\$779
Marketing	\$947	\$1,309
<b>TOTAL EXPENSES</b>	<b>\$280,632</b>	<b>\$275,268</b>
<b>OPERATING PROFIT/(LOSS)</b>	<b>\$3,315</b>	<b>\$14,205</b>
<b>OTHER INCOME</b>		
Bank Interest Earnt	\$12,622	\$12,403
<b>TOTAL OTHER INCOME</b>	<b>\$12,622</b>	<b>\$12,403</b>
<b>OTHER EXPENSES</b>		
Depreciation	\$106,915	\$70,832
<b>TOTAL OTHER EXPENSES</b>	<b>\$106,915</b>	<b>\$70,832</b>
<b>NET PROFIT/(LOSS)</b>	<b>-\$90,977</b>	<b>-\$44,225</b>

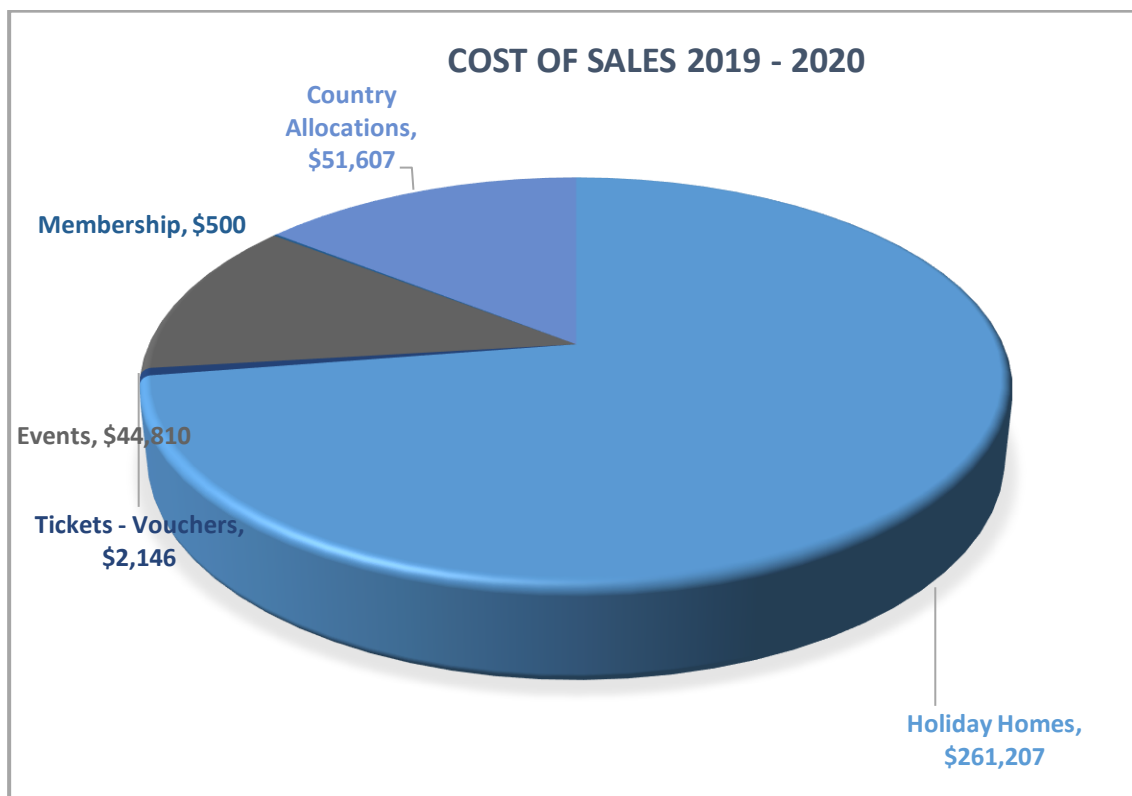
## Balance Sheet

	2019/20	2018/19
<b>GENERAL RESERVE</b>	\$6,724,467	\$6,815,444
<b>CURRENT ASSETS</b>		
Cash - Operating Accounts	\$321,302	\$168,536
Cash - Fixed Term	\$450,000	\$565,023
Prepayments	\$1000	-\$500
Stock on Hand	\$43	0
Electronic Clearing Account	-\$35	0
Petty Cash - Holiday Homes	\$198	\$263
Trade Debtors	-\$8449	\$0
<b>TOTAL CURRENT ASSETS</b>	<b>\$764,059</b>	<b>\$733,322</b>
<b>FIXED ASSETS</b>		
Assets at Cost	\$6,428,384	\$6,370,513
LESS Accumulated Deprec	-\$343,653	-\$236,738
<b>NON-CURRENT ASSETS</b>	<b>\$6,084,731</b>	<b>\$6,133,775</b>
<b>TOTAL ASSETS</b>	<b>\$6,848,791</b>	<b>\$6,867,096</b>
<b>CURRENT LIABILITIES</b>		
Trade Creditors	\$106,722	\$22,397
Accrued Expenses	\$0	\$0
Credit Card	-\$87	-\$653
GST Collected	\$6,731	\$7,886
GST Paid	-\$5,442	-\$1,938
ATO Integrated Client Account	-\$2906	\$0
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$105,018</b>	<b>\$27,693</b>
<b>PAYROLL LIABILITIES</b>		
PAYG	\$3,580	\$9,629
Superannuation	\$0	\$4,553
Employment Leave	\$15,726	\$9,777
<b>TOTAL PAYROLL LIABILITIES</b>	<b>\$19,306</b>	<b>\$23,959</b>
<b>TOTAL LIABILITIES</b>	<b>\$124,324</b>	<b>\$51,652</b>
<b>NET ASSETS</b>	<b>\$6,724,467</b>	<b>\$6,815,444</b>
<b>EQUITY</b>		
Asset Revaluation Reserve		\$4,025,445
Retained Reserves Pas Yrs.	\$6,815,444	\$2,834,224
Current Year Reserves	(\$90,977)	(\$44,225)
<b>TOTAL EQUITY</b>	<b>\$6,724,467</b>	<b>\$6,815,444</b>

## REVENUE 2019 – 2020



## COST OF SALES 2019 – 2020

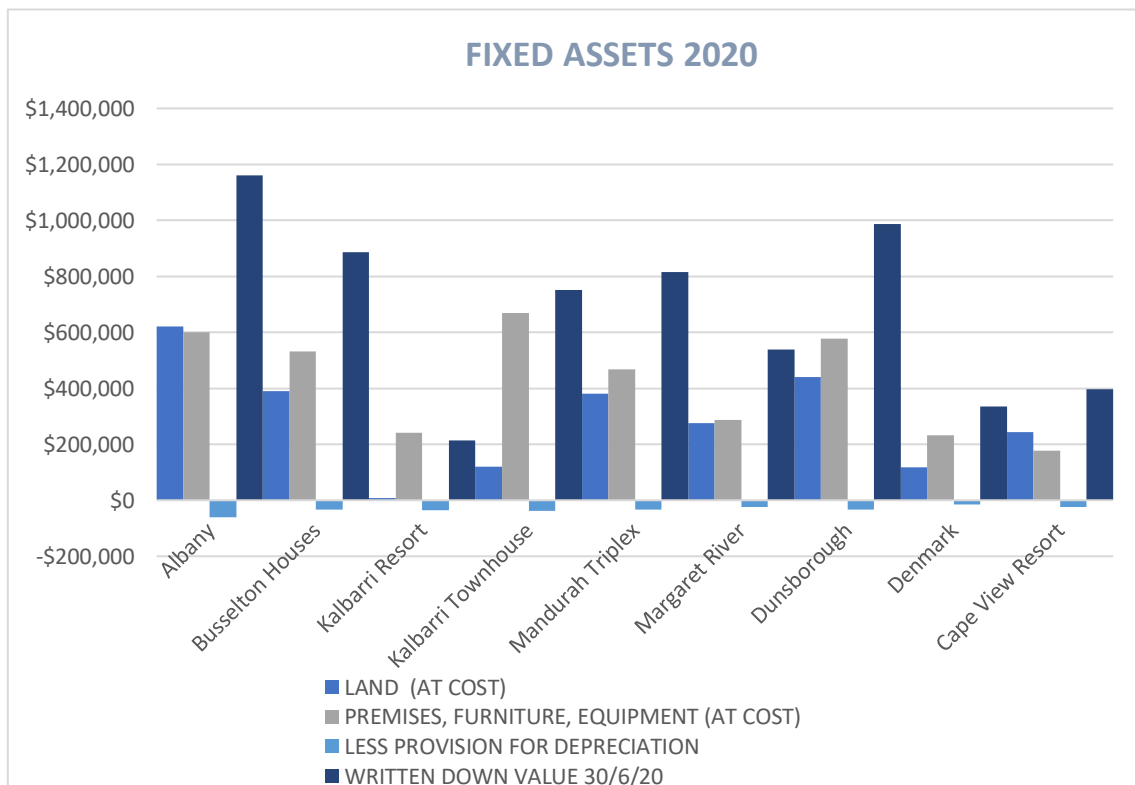


## Holiday Homes – Operations

LOCATION	Year	Revenue	Expenditure	Total Surplus
<b>Albany</b>	<b>19/20</b>	<b>50,724</b>	<b>21,792</b>	<b>28,932</b>
	<b>18/19</b>	45,362	25,926	19,436
<b>Busselton</b>	<b>19/20</b>	<b>43,562</b>	<b>28,593</b>	<b>14,969</b>
	<b>18/19</b>	45,855	26,352	19,503
<b>Cape View</b>	<b>19/20</b>	<b>47,400</b>	<b>36,021</b>	<b>11,379</b>
	<b>18/19</b>	49,547	30,738	18,810
<b>Denmark</b>	<b>19/20</b>	<b>17,727</b>	<b>14,542</b>	<b>3,185</b>
	<b>18/19</b>	19,868	18,204	1,665
<b>Dunsborough</b>	<b>19/20</b>	<b>38,417</b>	<b>32,377</b>	<b>6,039</b>
	<b>18/19</b>	39,332	27,485	11,847
<b>Kalbarri Resort</b>	<b>19/20</b>	<b>26,360</b>	<b>31,912</b>	<b>(5,551)</b>
	<b>18/19</b>	32,435	23,438	8,997
<b>Kalbarri Town House</b>	<b>19/20</b>	<b>41,126</b>	<b>16,887</b>	<b>24,239</b>
	<b>18/19</b>	37,500	23,634	13,867
<b>Mandurah</b>	<b>19/20</b>	<b>29,420</b>	<b>22,372</b>	<b>7,047</b>
	<b>18/19</b>	34,524	25,779	8,745
<b>Margaret River</b>	<b>19/20</b>	<b>24,538</b>	<b>56,431</b>	<b>(31,893)</b>
	<b>18/19</b>	40,874	27,084	13,790
<b>Unassigned Revenue</b>	<b>19/20</b>	<b>-\$200</b>	<b>\$279</b>	<b>(\$479)</b>
	<b>18/19</b>	\$0	\$0	\$0
<b>Total Holiday Home Revenue</b>	<b>19/20</b>	<b>\$319,073</b>	<b>\$261,206</b>	<b>\$57,866</b>
	<b>18/19</b>	\$345,298	\$228,639	\$116,659

## Fixed Assets 2019 | 2020

LOCATION	LAND (AT COST)	PREMISES, FURNITURE, EQUIPMENT (AT COST)	LESS PROVISION FOR DEPRECIATION	WRITTEN DOWN VALUE 30/6/19
Albany	\$620,000	\$601,241	-\$60,117	\$1,161,125
Busseton	\$390,000	\$531,333	-\$34,083	\$887,250
Cape View Resort	\$243,000	\$176,948	-\$23,873	\$396,075
Denmark	\$118,000	\$231,360	-\$14,910	\$334,450
Dunsborough	\$440,000	\$578,262	-\$32,262	\$986,000
Kalbarri Resort	\$8,463	\$240,669	-\$34,420	\$214,712
Kalbarri Townhouse	\$121,000	\$668,455	-\$37,104	\$751,825
Mandurah	\$380,000	\$467,112	-\$32,104	\$815,007
Margaret River	\$275,000	\$287,173	-\$23,885	\$538,287
Office Equipment - Software		\$50,368	-\$50,368	\$0
<b>TOTAL</b>	<b>\$2,595,463</b>	<b>\$3,832,920</b>	<b>-\$343,563</b>	<b>\$6,084,731</b>



# AUDITORS REPORT FOR FINANCIAL YEAR 2019-2020

Keith Burke – Tmp Program Manager, Western Power

## Review report – Energy West Social Club June 2020

### Background

Review services engaged for the financial year 30 June 2020. Purpose of review is to assess the Energy West Social Clubs financial reports for compliance with Australian Accounting Standards, including assessment in regards with the following;

- Internal controls and processes
- Obligation to keep and maintain financial records
- Contraventions of any applicable code of professional conduct

This report is prepared in accordance to the requirements of the *Associations Incorporation Act 2015*, Part 5 Divisions 3,5,6 and 7; and is subject to the Energy West Social Clubs management committee's annual declaration.

### Assumptions

Prior year financial reports are accurate and are used as a baseline to form this review

### Committee's responsibility for the financial report

The committee of the association is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Associations Incorporation Act 2015*. The committee determines that the internal control 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.

### Procedures

This review includes the following validation:

- a) Closing balances (30 June 2020) of all bank accounts to bank statements
- b) Credit card closing balance to credit card statements
- c) Opening (1 July 2018) and closing balances (30 June 2019) of all fixed assets to asset register and trial balance
- d) Closing balances of trade receivables, payables and prepayments
- e) GST and PAYG balances to activity statements
- f) Employee leave entitlement balance to employee leave register

In addition to the above validation, the following were also sighted:

1. Depreciation schedules, general ledger and trial balances
2. Independent valuations of land and buildings
3. Bank statements post year end
4. Budget/forecast for the year
5. Management accounts for July 2020

## Observations

1. Accounting records and books of entry are maintained to a high standard
2. There has been no change in the internal controls from the prior years with regards to the operation of bank accounts, processing payables and operations
  - a. Segregation of duties – invoices are entered by one employee, whilst supplier bank details are checked, and payments verified by another party
  - b. Financial authorisation
    - i. Payments >\$1,000 are approved by the treasurer excluding wages and caretaker payments
    - ii. Wages and caretaker payments are approved by General Manager
    - iii. Supplier payments <\$1,000 are approved by General Manager
    - iv. Bank Reconciliations are signed off by Treasurer
  - c. Financial Management – monthly profit and loss management reports are prepared and reviewed internally
  - d. Regular spot checks are conducted on holidays homes
3. Fair value basis has been applied to all non-current assets since last financial year with independent valuations completed in July 2019. As non-current assets don't fluctuate in value frequently, the board has agreed that revaluations will occur every five years.
4. Repairs and Maintenance cost year on year increased from 2% to 10% of revenue. This was largely due to the storm damage repairs at the Margaret River property and an increase of maintenance activity over the COVID-19 period taking advantage of property vacancy.

## Report on the financial report

A review of the financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Based on my review, which is not an audit, I have not become aware of any matter that makes me believe that the financial report of the association is not in accordance with the *Associations Incorporation Act 2015* including:

- a) giving a true and fair view of the entity's financial position as at 30 June 2020 and of its performance for the year ended on that date; and
- b) complying with Australian Accounting Standards.

Prepared by:



Keith Burke

Dated 4 September 2020

# CONTACT INFORMATION

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