

PRIDE OF OUR FOOTSCRAY LTD

ACN 618 613 095

**GENERAL PURPOSE FINANCIAL REPORT
FOR THE PERIOD ENDED 30 JUNE 2019**

**PRIDE OF OUR FOOTSCRAY LTD
ACN 618 613 095**

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FOR THE PERIOD ENDED 30 JUNE 2019**

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PRIDE OF OUR FOOTSCRAY LTD
ACN 618 613 095
DIRECTORS' REPORT

Your directors submit the financial statements of the company for the financial period ended 30 June 2019.

Directors

The names and details of the company's directors who held office during or since the end of the financial period:

Mathew Jordan O'Keefe

Director

Occupation: Trade Marks Attorney

Qualifications, experience and expertise: Mathew is a registered Trade Marks Attorney (AU TM Attorney 790). He worked in the brewing industry for nearly 15 years (Oct 2002 - April 2017) with Foster's/CUB (later taken over by SABMiller and lastly AB-InBev). He worked in the Legal (Intellectual Property) team within corporate for those 15 years. His job was made redundant when AB-InBev took over. From 2011 until his departure, he had global responsibility for CUB's portfolio of IP assets, including Trade Marks, Patents, Designs, Domain Names and Business Names. After leaving, he decided to use his knowledge of the brewing industry to stay in the industry via heading up Pride of our Footscray, as opposed to taking his IP skills to a corporation in a different field. He will be working full time in a hands on role as CEO of Pride of our Footscray Ltd, including working in the venue itself, pouring drinks, washing glasses and talking to customers.

Special responsibilities: Chief Executive Officer

Interests in shares: 75 Shares

Faizan Ali

Director (Resigned 6 March 2019)

Occupation: Accountant

Qualifications, experience and expertise: Faizan is a qualified accountant. He works fulltime on a project being managed by Deloitte and will not be working with Pride of our Footscray. He will be a non-executive Director but will oversee the monthly financial reports once the business begins trading.

Special responsibilities: Treasurer

Interest in shares: 9 Shares together with his Wife, Sara Faizan

Margaret Maud O'Keefe

Director

Occupation: Project Manager

Qualifications, experience and expertise: Maggie is a project officer, currently working on the modernization of IT systems within one of the Victorian court divisions and has a broad range of experience in project administration and project management. Maggie has also done volunteer work for the Asylum Seeker Resource Centre, taking minutes for their board. Maggie will be a non-executive Director

Special responsibilities: Secretary

Interest in shares: 8 Shares

Pauline Rebecka Diano

Director

Occupation: Program Director at the Supreme Court of Victoria

Qualifications, experience and expertise: Specialising in the planning and delivery of high risk, high value IT projects, Pauline is currently engaged as the Program Director at the Supreme Court of Victoria. Recognised in the market for leading the delivery of commercially and politically sensitive projects, and excellence in stakeholder engagement, Pauline's professional experience is in the management of multi-million dollar business transformation and information technology projects within the public and private sectors, including public-private partnership projects. Known for her passion and commitment, she combines strong leadership, organisational and change management skills to produce on time and on budget results, whilst always ensuring buy-in from stakeholders. Pauline will be a non-executive Director.

Special responsibilities: Nil

Interest in shares: 40 Shares

Directors were in office for this entire period unless otherwise stated.

No directors have material interests in contracts or proposed contracts with the company.

Company Secretary

The company secretary is Margaret Maud O'Keefe.

PRIDE OF OUR FOOTSCRAY LTD
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DIRECTORS' REPORT

Principal Activities

The company will operate a LGBTIQ+ friendly community bar in Footscray and will be owned by the community. Pride of Our Footscray or POOF will be a safe and vibrant LGBTIQ+ space in the city

Operating Results

The loss of the company for the financial period after provision for income tax was:

Period ended 30 June 2019	Period ended 30 June 2018
\$	\$
\$42,306	\$314,813

Remuneration Report

Directors' remuneration

The directors of the company receives remuneration for services as a company director.

Transactions with directors

Mathew O'Keefe advanced approx. \$165,805 (2018: \$161,804) to the company by period end.

Directors' shareholdings

	Balance at start of the Period	Changes during the Period	Balance at end of the Period
Mathew Jordan O'Keefe	71	(9)	62
Faizan Ali	9	-	9
Margaret Maud O'Keefe	8	-	8
Pauline Rebecka Diano	40	-	40

Dividends

	Period ended 30 June 2019		Period ended 30 June 2018	
	Cents	\$	Cents	\$
Final dividends recommended	-	-	-	-

Significant changes in the state of affairs

In the opinion of the directors there were no significant changes in the state of affairs of the company that occurred during the financial Period under review not otherwise disclosed in this report or the financial statements.

Events since the end of the financial Period

The key events since the start and after the end of the financial period are discussed in more details in Note 19.

PRIDE OF OUR FOOTSCRAY LTD
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DIRECTORS' REPORT

Environmental regulation

The company is not subject to any significant environmental regulation.

Indemnification and insurance of directors and officers

The company has indemnified all directors and the manager in respect of liabilities to other persons (other than the company or related body corporate) that may arise from their position as directors or manager of the company except where the liability arises out of conduct specifically excluded by their normal fiduciary duties as a director.

Directors' Meetings

	Board Meetings Attended	
	Eligible	Attended
Mathew Jordan O'Keefe	3	3
Faizan Ali	2	2
Margaret Maud O'Keefe	3	3
Pauline Rebecka Diano	3	3

Proceedings on behalf of the company

No person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the period.

Non audit services

The company may decide to employ the auditor on assignments additional to their statutory duties where the auditor's expertise and experience with the company are important. Details of the amounts paid or payable to the auditor (Frederik Eksteen) for audit and non audit services provided during the Period are set out in the notes to the accounts.

The board of directors has considered the position, in accordance with the advice received from the audit committee and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are satisfied that the provision of non-audit services by the auditor, as set out in the notes did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

All non-audit services have been reviewed by the audit committee to ensure they do not impact on the impartiality and objectivity of the auditor

None of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, including reviewing or auditing the auditor's own work, acting in a management or a decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risk and rewards.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 5.

Signed in accordance with a resolution of the board of directors at Footscray, Victoria.



Mathew Jordan O'Keefe
Chairperson

15 December 2020



**Collins & Co
Audit Pty Ltd**

127 Paisley Street
Footscray VIC 3011
Australia

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**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF
PRIDE OF OUR FOOTSCRAY LTD
ACN 618 613 095**

I declare that to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2019 there has 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 contravention of any applicable code of professional conduct in relation to the audit.

**Frederik Ryk Ludolf Eksteen CA
ASIC Auditor Registration Number 421448**

**Collins & Co Audit Pty Ltd
127 Paisley Street
FOOTSCRAY VIC 3011**

Dated this 18th day of December 2020

PRIDE OF OUR FOOTSCRAY LTD
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STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
Revenues from ordinary activities		-	943
Employee benefits expenses		(41,659)	(85,708)
Depreciation and amortisation expense	7	-	(359)
General administration expenses		(647)	(19,725)
Provision for non-recoverable loan		-	(208,540)
Loss before income tax expense		(42,306)	(313,389)
Income tax expense/(credit)	4	-	(1,424)
Loss after income tax expense		(42,306)	(314,813)
Total comprehensive income for the year attributable to members		(42,306)	(314,813)

PRIDE OF OUR FOOTSCRAY LTD
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STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	10	9
Trade and other receivables	6	32,422	62,354
TOTAL CURRENT ASSETS		<u>32,432</u>	<u>62,363</u>
NON CURRENT ASSETS			
Property, plant & equipment	7	-	-
Intangible assets	8	8,706	8,706
Investment in subsidiary	9	100	100
Deferred tax asset	10	-	-
TOTAL NON-CURRENT ASSETS		<u>8,806</u>	<u>8,806</u>
TOTAL ASSETS		<u>41,238</u>	<u>71,169</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	34,254	25,880
Provisions	12	-	-
TOTAL CURRENT LIABILITIES		<u>34,254</u>	<u>25,880</u>
NON-CURRENT LIABILITIES			
Trade and other payables	11	165,805	161,804
Provisions	12	-	-
TOTAL NON-CURRENT LIABILITIES		<u>165,805</u>	<u>161,804</u>
TOTAL LIABILITIES		<u>200,059</u>	<u>187,684</u>
NET ASSETS		<u>(158,821)</u>	<u>(116,515)</u>
EQUITY			
Issued share capital	13	202,050	202,050
Accumulated members funds/ (losses)		(360,871)	(318,565)
TOTAL EQUITY		<u>(158,821)</u>	<u>(116,515)</u>

PRIDE OF OUR FOOTSCRAY LTD
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STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2019

	Issued Share Capital	Accumulated Losses \$	Total \$
Balance as at 1 July 2017	68,250	(3,752)	64,498
Total comprehensive income for the year	-	(314,813)	(314,813)
	<u>68,250</u>	<u>(318,565)</u>	<u>(250,315)</u>
Transactions with owners in their capacity as owners:			
Shares issued during period	133,800	-	133,800
Dividends provided for or paid	-	-	-
Balance at 30 June 2018	<u>202,050</u>	<u>(318,565)</u>	<u>(116,515)</u>
Balance as at 1 July 2018	202,050	(318,565)	(116,515)
Total comprehensive income for the year	-	(42,306)	(42,306)
	<u>202,050</u>	<u>(360,871)</u>	<u>(158,821)</u>
Transactions with owners in their capacity as owners:			
Shares issued during period	-	-	-
Dividends provided for or paid	-	-	-
Balance as at 30 June 2019	<u>202,050</u>	<u>(360,871)</u>	<u>(158,821)</u>

PRIDE OF OUR FOOTSCRAY LTD
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STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2019

		2019 \$	2018 \$
Cash Flows From Operating Activities			
Receipts from customers		-	-
Payments to suppliers and employees		(33,993)	(84,265)
Interest received		-	943
Income tax paid		-	-
Net cash generated from/ (used in) operating activities	14	<u>(33,993)</u>	<u>(83,322)</u>
Cash Flows From Investing Activities			
Payment for property, plant and equipment		-	-
Payment for intangible assets		-	-
Payment for formation expenses		-	-
Payment/ (refund) for business deposit		-	29,000
Payment for investment in subsidiary		-	(100)
Loan to related entity		29,994	(270,208)
Proceeds on disposal of property, plant and equipment		-	-
Net cash (used in)/ provided by investing activities		<u>29,994</u>	<u>(241,308)</u>
Cash Flows From Financing Activities			
Proceeds from borrowings		4,000	130,803
Proceeds from issue of share capital		-	133,800
Dividends Paid		-	-
Net cash used in financing activities		<u>4,000</u>	<u>264,603</u>
Net increase/ (decrease) in cash held		1	(60,027)
Cash and cash equivalents at beginning of financial year		9	60,036
Cash and cash equivalents at end of half-year	5	<u>10</u>	<u>9</u>

PRIDE OF OUR FOOTSCRAY LTD
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NOTES TO THE FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2019

Note 1. Statement of Significant Accounting Policies

The financial statements and notes represent those of Pride of Our Footscray Ltd, the Company.

Statement of Compliance

These financial statements are a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards.

Basis of Preparation

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. These areas involving a higher degree of judgement or complexities, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

Historical cost convention

The financial statements have been prepared under the historical cost convention on an accruals basis as modified by the revaluation of financial assets and liabilities at fair value through profit or loss and where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

Comparative figures

Where required by Australian Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial period.

Adoption of new and amended accounting standards

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2017, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

Revenue

Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the company and any specific criteria have been met. Interest and fee revenue is recognised when earned. The gain or loss on disposal of property, plant and equipment is recognised on a net basis and is classified as income rather than revenue. All revenue is stated net of the amount of Goods and Services Tax (GST).

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Income tax

Current tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred tax

Deferred tax is accounted for using the balance sheet liability method on temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit. Furthermore, a deferred tax liability is not recognised in relation to taxable temporary differences arising from goodwill.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities reflects the tax consequences that would follow from the manner in which the consolidated entity expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax and when the balances relate to taxes levied by the same taxation authority and the company entity intends to settle its tax assets and liabilities on a net basis.

Current and deferred tax for the period

Current and deferred tax is recognised as an expense or income in the statement of comprehensive income, except when it relates to items credited or debited to equity, in which case the deferred tax is also recognised directly in equity, or where it arises from initial accounting for a business combination, in which case it is taken into account in the determination of goodwill or excess.

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NOTES TO THE FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2019

Cash and cash equivalents

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

Property, plant and equipment

Plant and equipment, leasehold improvements and equipment under finance lease are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Depreciation is provided on property, plant and equipment, including freehold buildings but excluding land. Depreciation is calculated on a straight line basis so as to write off the net cost of each asset over its expected useful life to its estimated residual value. Leasehold improvements are depreciated at the rate equivalent to the available building allowance using the straight line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

Intangibles

Intangibles consist of trade mark cost and formation expenses.

Payment terms

Receivables and payables are non interest bearing and generally have payment terms of between 30 and 90 days.

Financial instruments

Recognition and initial measurement

Financial instruments, incorporating financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial instruments are initially measured at fair value plus transaction costs. Financial instruments are classified and measured as set out below.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset.

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NOTES TO THE FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2019

Classification and subsequent measurement

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

(ii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

(iii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in the Statement of Comprehensive Income. Available-for-sale financial assets are included in non-current assets except where they are expected to be sold within 12 months after the end of the reporting period. All other financial assets are classified as current assets.

(iv) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

Impairment

At each reporting date, the entity assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the statement of comprehensive income.

Contributed equity

Ordinary shares are recognised at the fair value of the consideration received by the company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial period, adjusted for bonus elements in ordinary shares issued during the period.

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NOTES TO THE FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2019

Goods and Services Tax

Revenues, 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 taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet. Cash flows are included in the statement of cash flows on a gross basis.

The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Note 2. Financial risk management

The company's activities expose it to a limited variety of financial risks: market risk (including currency risk, fair value interest risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the entity. The entity does not use derivative instruments.

Risk management is carried out directly by the board of directors.

(i) Market risk

The company has no exposure to any transactions denominated in a currency other than Australian dollars.

(ii) Price risk

The company is not exposed to equity securities price risk as it does not hold investments for sale or at fair value. The company is not exposed to commodity price risk.

(iii) Credit risk

The company has no significant concentrations of credit risk. It has policies in place to ensure that customers have an appropriate credit history. The company's franchise agreement limits the company's credit exposure to one financial institution, being Bendigo and Adelaide Bank Limited.

(iv) Liquidity risk

Prudent liquidity management implies maintaining sufficient cash and marketable securities and the availability of funding from credit facilities. The company believes that its sound relationship with Bendigo and Adelaide Bank Limited mitigates this risk significantly.

PRIDE OF OUR FOOTSCRAY LTD
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(v) Capital management

The board's policy is to maintain a strong capital base so as to sustain future development of the company. The board of directors monitor the return on capital and the level of dividends to shareholders. Capital is represented by total equity as recorded in the balance sheet.

Note 3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Management has identified the following critical accounting policies for which significant judgements, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

Taxation

Judgement is required in assessing whether deferred tax assets and certain tax liabilities are recognised on the balance sheet. Deferred tax assets, including those arising from un-recouped tax losses, capital losses and temporary differences, are recognised only where it is considered more likely than not that they will be recovered, which is dependent on the generation of sufficient future taxable profits.

Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. These depend on estimates of future sales volumes, operating costs, capital expenditure, dividends and other capital management transactions. Judgements are also required about the application of income tax legislation.

These judgements and assumptions are subject to risk and uncertainty. There is therefore a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets and deferred tax liabilities recognised on the balance sheet and the amount of other tax losses and temporary differences not yet recognised. In such circumstances, some or all of the carrying amount of recognised deferred tax assets and liabilities may require adjustment, resulting in corresponding credit or charge to the statement of comprehensive income.

Estimation of useful lives of assets

The estimation of the useful lives of assets has been based on historical experience and the condition of the asset is assessed at least once per period and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

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NOTES TO THE FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2019

	2019	2018
	\$	\$
Note 4. Income tax expense/(credit)		
The components of tax expense comprise:		
- Current tax	-	-
- Movement in deferred tax	-	(1,424)
- Recoupment of prior period tax losses	-	-
	<u>-</u>	<u>(1,424)</u>
	<u>-</u>	<u>(1,424)</u>
The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:		
Operating profit	<u>(42,306)</u>	<u>(313,389)</u>
Prima facie tax on profit from ordinary activities at 27.5%	(11,634)	(86,183)
Add tax effect of:		
- non-deductible expenses	-	-
- timing difference expenses	11,634	87,606
- other deductible expenses	-	-
	<u>-</u>	<u>-</u>
Current tax	-	-
Movement in deferred tax	-	1,424
	<u>-</u>	<u>1,424</u>
	<u>-</u>	<u>1,424</u>
Note 5. Cash and cash equivalents		
Cash at bank and on hand	<u>10</u>	<u>9</u>
	<u>10</u>	<u>9</u>
The above figures reconcile to the amount of cash shown in the statement of cash flows at the end of the financial period as follows:		
Cash at bank and on hand	<u>10</u>	<u>9</u>
	<u>10</u>	<u>9</u>
Note 6. Trade and other receivables		
Loan to Related Entity - Pride of Our Footscray Community Bar Pty Ltd	240,215	270,208
Provision for Potential Non-Recoverable Loan	(208,539)	(208,539)
GST receivable	746	685
	<u>32,422</u>	<u>62,354</u>
	<u>32,422</u>	<u>62,354</u>

PRIDE OF OUR FOOTSCRAY LTD
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NOTES TO THE FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2019

Note 7. Property, plant and equipment

Computer equipment		
At cost	159	159
Less accumulated depreciation	<u>(159)</u>	<u>(159)</u>
	<u>-</u>	<u>-</u>

Furniture & fittings		
At cost	200	200
Less accumulated depreciation	<u>(200)</u>	<u>(200)</u>
	<u>-</u>	<u>-</u>

Total Written Down Value	<u>-</u>	<u>-</u>
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Movements in carrying amounts:

Computer equipment and Furniture & fittings		
Carrying amount at beginning	-	359
Additions	-	-
Disposals	-	-
Less: depreciation expense	<u>-</u>	<u>(359)</u>

Carrying amount at end	<u>-</u>	<u>-</u>
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Total Written Down Value	<u>-</u>	<u>-</u>
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Note 8. Intangible assets

Trade Marks		
At cost	900	900
Less: accumulated amortisation	<u>-</u>	<u>-</u>
	<u>900</u>	<u>900</u>

Formation Expenses		
At cost	7,806	7,806
Less: accumulated amortisation	<u>-</u>	<u>-</u>
	<u>7,806</u>	<u>7,806</u>

Total Written Down Value	<u>8,706</u>	<u>8,706</u>
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Note 9. Investment in Subsidiary

The sole subsidiaries of Pride of Our Footscray Ltd is:

<u>Name of Subsidiary</u>	<u>% Shareholding</u>
Pride of Our Footscray Community Bar Pty Ltd	100%

PRIDE OF OUR FOOTSCRAY LTD
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NOTES TO THE FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2019

Note 10. Taxation

Provision for Income Tax	-	-
Deferred tax assets		
- accruals	-	-
- provision for non-recoverable loan	-	-
- tax losses carried forward	-	-
Total deferred tax assets	<u>-</u>	<u>-</u>
Deferred tax liability		
- accruals	-	-
- deductible prepayments	-	-
Total deferred tax liabilities	<u>-</u>	<u>-</u>
Net deferred tax asset	<u>-</u>	<u>-</u>
Movement in deferred tax charged to statement of comprehensive income	<u>-</u>	<u>(1,424)</u>

Note 11. Trade and other payables

Current		
Trade creditors	1,178	1,178
Other creditors and accruals	33,076	24,702
	<u>34,254</u>	<u>25,880</u>
Non-Current		
Loan from Mathew O'Keefe (Director)	165,805	161,804
	<u>165,805</u>	<u>161,804</u>

Note 12. Provisions

Current:		
Provision for annual leave	<u>-</u>	<u>-</u>
Non-Current:		
Provision for long service leave	<u>-</u>	<u>-</u>

Note 13. Contributed equity

417 Ordinary shares fully paid	202,050	202,050
	<u>202,050</u>	<u>202,050</u>

PRIDE OF OUR FOOTSCRAY LTD
ACN 618 613 095
NOTES TO THE FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2019

Note 14. Statement of cash flows

Reconciliation of profit from ordinary activities after tax to net cash provided by operating activities:

Profit from ordinary activities after income tax	(42,306)	(314,813)
<u>Non cash items:</u>		
- depreciation	-	359
- provision for non-recoverable loan	-	208,540
<u>Changes in assets and liabilities:</u>		
- increase/ (decrease) in payables	8,313	21,168
- (increase)/ decrease in deferred tax assets	-	1,424
Net cash flows provided by operating activities	(33,993)	(83,322)

Note 15. Auditor's remuneration

Amounts received or due and receivable by the auditor of the company for:

Frederik Eksteen & Collins & Co

- audit and review services	-	-
- non audit services	-	-
	-	-

Note 16. Director and related party disclosures

Directors of the company receives remuneration for services as a company director.	-	1,120
Transactions with directors		
Loans advanced by Mathew O'Keefe to the company by period end.	165,805	161,804
Key Management Personnel Shareholdings		
Ordinary shares fully paid	119	132

Detailed shareholding disclosures are provided in the remuneration report, included as part of the directors' report.

PRIDE OF OUR FOOTSCRAY LTD
ACN 618 613 095
NOTES TO THE FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2019

Note 17. Dividends paid or provided

Dividends paid during the period	-	-
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Note 18. Earnings per share

(a) Profit attributable to the ordinary equity holders of the company used in calculating earnings per share	(42,306)	(314,813)
	Number	Number
(b) Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	417	417

Note 19. Events occurring during the financial year and after the reporting date

During 2019 Financial Year, the focus for the Company was to ensure its subsidiary Pride of Footscray Community Bar Pty Ltd ("PCB") improved its performance. With all the Company's resources tied up in its loan to PCB, the Company did not have the resources to seek alternative forms of revenue. Nor were bank loans an option. Only Mathew O'Keefe continued to lend the Company funds.

PCB's performance did improve with revenues up 38% but overall, that was not sufficient to ensure the ongoing sustainability of PCB.

The key event of 2019 Financial Year came at the end of February 2019, when the Victorian Commission for Gambling & Liquor Regulation issued PCB with a new liquor licence with the increased hours of 12pm until 3am (15 hours per day) replacing the old licence 5pm till 1am (8 hours per day). It is extremely difficult to obtain a new 3am liquor licence anywhere in Melbourne and the granting of one to PCB reflected both trust in the management of PCB and the Company but also some of the natural advantages of the venue's location, which is somewhat hidden away with few neighbours. Almost all other bars in Footscray must close by 1am, meaning people in the area now had to come along to Pride of our Footscray Community Bar if they wished to continue their nights past 1am. This was immediately and significantly beneficial for PCB and it also had the effect of curing some of the misconceptions about the venue, specifically it showed that queer people and heterosexual people could be together in the same venue whilst drag performers entertained them and everyone could have a good time without incident. This epiphany has been critical to the venue's sustainability and reputation.

Whilst the greatly improved liquor licence gave PCB a chance to be sustainable, trading conditions in Footscray continued to be difficult. Many of the residential developments continued very slowly with long delays, again slowing expected population increase into the area, meaning Footscray, our suburb next to the CBD (nothing in between except the docks) could still be eerily silent & empty at night. Some of these difficulties were possibly reflected in Footscray losing two of its iconic, long standing, venues in 2019 Financial Year, the Dancing Dog and the Reverence Hotel. Meanwhile another venue, The Creators Lounge, had to completely re-brand, becoming Chip's Loft. It appeared that few venues were doing things easily and it quite possible there were too many venues for too few people in the area. Another venue, The Cheeky Pint, had also opened in Footscray in 2019 Financial Year.

PRIDE OF OUR FOOTSCRAY LTD
ACN 618 613 095
NOTES TO THE FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2019

Note 19. Events occurring during the financial year and after the reporting date (continued)

There were more positives and fewer challenges overall for PCB compared to 2018 Financial Year, with the venue:

1. Establishing its popular Drag Bingo night (with Abril LaTrene hosting hilariously, often accompanied by Simon, one of the venue's popular Vietnamese bartenders);
2. Conducting a Drag Race around Footscray on Melbourne Cup Day that proved a lot of fun and was attended (with Abril LaTrene and Allanah Faye Magick hosting it well);
3. Developing a relationship with new music agency Exude who went on to organise several successful live music events at the venue in 2019 Financial Year;
4. Hosting several good live music gigs organised by Jess Harris;
5. Improving its mix of DJs, with DJ Adrian, DJ Travis, DJ Blazyn and DJ Lee, giving new life to the dancefloor and a reason for people to be at the venue;
6. Dramatically improving its posters and advertising with the help and talent of Adrian Prosen;
7. Receiving the donation of its iconic Lucky Cat wall by shareholders Bryan Wee and Jade Pearce;
8. Experiencing very low turn-over of staff, meaning core staff Mitchell, Jo, Minh, Simon, David, Jacinta & Kester remained and continued to help build and improve the venue;
9. Developing a relationship with Joslyn Bosoms who would later become a resident drag host for live music;
10. Hosting Midsumma Festival and Melbourne Comedy Festival events for the first time;
11. Becoming the host venue for the beautiful Showgirls cabaret, featuring many transgender performers;
12. Becoming the host venue for the iconic Anna GoGo Dance Academy;
13. Becoming a member of the Footscray Traders Association;
14. Playing host to several events for the "West Set" music festival;
15. Improving its look and feel with renovations and painting by staff members David Bullock and Mitchell Boothby.

From a board perspective, the Company lost Director Faizan Ali on 6 March 2019, who had to resign due to his responsibilities with his fulltime professional employer. The board was grateful for Faizan's contribution over 2017, 2018 & 2019 Financial Years.

Performance wise, the Company reduced its losses by almost 90% compared to 2018 Financial Year, but the primary need for PCB to improve its performance remained.

Note 20. Registered office/ Principal place of business

The entity is a company limited by shares, incorporated and domiciled in Australia.
The registered office and principal place of business is:

Registered Office	Principal Place of Business
49 Hewitt Avenue FOOTSCRAY VIC 3011	Level 1 86 - 88 Hopkins Street FOOTSCRAY VIC 3011

PRIDE OF OUR FOOTSCRAY LTD
ACN 618 613 095
NOTES TO THE FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2019

Note 21. Going Concern

I draw attention to the financial report, which indicates that the Company incurred a net loss of \$42,306 during the year ended 30 June 2019 and, as of that date, the Company's total liabilities exceeded its total assets by \$158,821.

The Company's largest unsecured lender, Mr Matthew O'Keefe, has provided an undertaking to continue to support the activities of the Company and its subsidiary for the next twelve months and not to demand the repayment of their loan in that time.

**PRIDE OF OUR FOOTSCRAY LTD
ACN 618 613 095
DIRECTORS' DECLARATION**

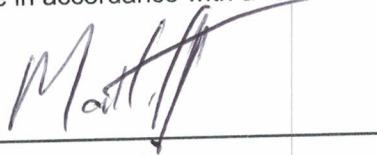
In accordance with a resolution of the directors of Pride of Our Footscray Ltd, we state that:

In the opinion of the directors:

1. The financial statements and notes are in accordance with the Corporations Act 2001 including:
 - (a) giving a true and fair view of the financial position of the company as at 30 June 2019 and of its performance, as represented by the results of its operations and cash flows for the Period ended on that date;
 - (b) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
3. the audited remuneration disclosures set out in the remuneration report section of the directors' report comply with Accounting Standard AASB124 Related Party Disclosures and the Corporations Regulations 2001.

This declaration is made in accordance with a resolution of the board of directors.

Chairman



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

^{18th}
Dated this day of December 2020.



PRIDE OF OUR FOOTSCRAY LTD
ACN 618 613 095
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

Opinion

I have audited the accompanying financial report of Pride of Our Footscray Ltd (the company), which comprises the statement of financial position as at 30 June 2019, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the statement by the Board of Directors.

In my opinion, the accompanying financial report of Pride of Our Footscray Ltd is in accordance with the Corporations Act 2001, including:

- i. giving a true and fair view of the company's financial position as at 30 June 2019 and of its performance and cash flows for the year ended on 30 June 2019; and
- ii. complying with Australian Accounting Standards and the Corporations Act 2001.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the Company 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 my audit of the financial report in Australia. I have also fulfilled our other ethical responsibilities in accordance with the Code.

I confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company would be on the same terms if given to the directors as at the time of this auditor's report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter - Basis of Accounting and Restriction on Distribution

I draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Pride of Our Footscray Ltd to meet the requirements of the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose. My opinion is not modified in respect of this matter.

Emphasis of Matter - Going Concern

Without qualification to the opinion expressed above, attention is drawn to the following matter. As indicated in Note 21 - Going Concern, the Company's financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

I draw attention to the financial report, which indicates that the Company incurred a net loss of \$42,306 during the year ended 30 June 2019 and, as of that date, the Company's total liabilities exceeded its total assets by \$158,821. The Company's largest unsecured lender, Mr Matthew O'Keefe, has provided an undertaking to continue to support the activities of the Company and its subsidiary for the next twelve months and not to demand the repayment of their loan in that time.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. These matters were addressed in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have determined that there are no other key audit matters to communicate in my report.



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

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the applicable legislation and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Report

My 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 Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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 registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the responsible entities.
- Conclude on the appropriateness of the responsible entities 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 registered entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the registered entity 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.

TOWARDS A VISION SHARED



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I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that I identify during my audit.

Frederik Ryk Ludolf Eksteen CA
ASIC Auditor Registration Number 421448

Collins & Co Audit Pty Ltd
127 Paisley Street
FOOTSCRAY VIC 3011

Dated this 18th day of December 2020