

PRIDE OF OUR FOOTSCRAY LTD

ACN 618 613 095

**GENERAL PURPOSE FINANCIAL REPORT
FOR THE PERIOD ENDED 30 JUNE 2020**

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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 2020.

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: Chief Executive Officer

Former Occupation: Trade Marks Attorney

Qualifications, experience and expertise: Mathew came up with "Pride of our Footscray" ("Pride") as a name on 10 January 2017 and has been working on the project ever since, becoming a Shareholder, Director and CEO of Pride of our Footscray Ltd at its inception. He has overseen growth in Pride's revenues and reputation every year as Pride has worked to establish itself in its local and LGBTIQ+ communities. Prior to leading Pride, Mathew was a Trade Marks Attorney, with global responsibility for the Intellectual Property portfolio of Carlton & United Breweries "CUB"), overall working for CUB (and/or its owners including Foster's Group Ltd and SABMiller plc) in Intellectual Property roles from 2002 until 2017. Mathew is broadly educated, completing an undergraduate degree at Swinburne majoring in Software and Sociology and completing a Post Graduate Diploma in Law (Intellectual Property) at Monash. Mathew is a gay man with strong links within the local and LGBTIQ+ communities, including being on the committee of Bulldog Pride.

Special responsibilities: Chairman/ Chief Executive Officer

Interests in shares: 64 Shares

Margaret Maud O'Keefe

Director

Occupation: Project Manager

Qualifications, experience and expertise: Maggie is a project management professional with proven delivery success in the deployment of software applications. Maggie is currently working on the modernisation of IT systems within the Victorian courts, and has a broad range of experience in managing project budgets, schedules and resources.

Maggie is a non-executive Director.

Special responsibilities: Secretary

Interest in shares: 8 Shares

Pauline Rebecka Diano

Director

Occupation: Executive Adviser – Digital Innovation and Technology, Court Services Victoria

Qualifications, experience and expertise: Specialising in the planning and delivery of high risk, high value IT projects, Pauline is currently engaged as the Executive Adviser – Digital Innovation and Technology for Court Services Victoria. She is 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.

Matthew O'Keefe lend a substantial amount of funds to the Company as detailed in Note 11.

No other 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 through Pride of our Footscray Community Bar Pty Ltd operates a vibrant, fun and safe LGBTIQA+ friendly community bar in Footscray which provides quality live entertainment of all descriptions.

Operating Results

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

Period ended 30 June 2020	Period ended 30 June 2019
\$	\$
\$25,877	\$42,306

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. \$155,305 (2019: \$165,804) 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	62	2	64
Margaret Maud O'Keefe	8	-	8
Pauline Rebecka Diano	40	-	40

Dividends

	Period ended 30 June 2020		Period ended 30 June 2019	
	Cents	\$	Cents	\$
Final dividends recommended	-	-	-	-

The 2020 Financial Year activities were severely restricted by COVID-19, with the bar closed for the final 3.5 months of the financial year, resulting in a loss for the period and a requirement for the company to do everything in its power to survive. In the circumstances, no dividend could be contemplated.

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
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.

PRIDE OF OUR FOOTSCRAY LTD
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DIRECTORS' REPORT

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.

A handwritten signature in blue ink, appearing to read 'Mathew', with a long horizontal stroke extending to the right.

Mathew Jordan O'Keefe
Chairperson

TOWARDS A VISION SHARED



Collins & Co Audit Pty Ltd

127 Paisley Street
Footscray VIC 3011
Australia

Phone (03) 9680 1000
Fax (03) 9689 6605

www.collinsco.com.au

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 2020 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 26th day of July 2021

PRIDE OF OUR FOOTSCRAY LTD
ACN 618 613 095
STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
Revenues from ordinary activities		-	-
Employee benefits expenses		(26,345)	(41,659)
Depreciation and amortisation expense	7	-	-
General administration expenses		(8,752)	(647)
Provision for non-recoverable loan		9,220	-
Loss before income tax expense		(25,877)	(42,306)
Income tax expense/(credit)	4	-	-
Loss after income tax expense		(25,877)	(42,306)
Total comprehensive income for the year attributable to members		(25,877)	(42,306)

PRIDE OF OUR FOOTSCRAY LTD
ACN 618 613 095
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	-	10
Trade and other receivables	6	84	32,422
TOTAL CURRENT ASSETS		84	32,432
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		8,806	8,806
TOTAL ASSETS		8,890	41,238
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	38,283	34,254
Provisions	12	-	-
TOTAL CURRENT LIABILITIES		38,283	34,254
NON-CURRENT LIABILITIES			
Trade and other payables	11	155,305	165,805
Provisions	12	-	-
TOTAL NON-CURRENT LIABILITIES		155,305	165,805
TOTAL LIABILITIES		193,588	200,059
NET ASSETS		(184,698)	(158,821)
EQUITY			
Issued share capital	13	202,050	202,050
Accumulated members funds/ (losses)		(386,748)	(360,871)
TOTAL EQUITY		(184,698)	(158,821)

PRIDE OF OUR FOOTSCRAY LTD
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STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2020

	Issued Share Capital	Accumulated Losses \$	Total \$
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 at 30 June 2019	<u><u>202,050</u></u>	<u><u>(360,871)</u></u>	<u><u>(158,821)</u></u>
Balance as at 1 July 2019	202,050	(360,871)	(158,821)
Total comprehensive income for the year	-	(25,877)	(25,877)
	<u>202,050</u>	<u>(386,748)</u>	<u>(184,698)</u>
Transactions with owners in their capacity as owners:			
Shares issued during period	-	-	-
Dividends provided for or paid	-	-	-
Balance as at 30 June 2020	<u><u>202,050</u></u>	<u><u>(386,748)</u></u>	<u><u>(184,698)</u></u>

PRIDE OF OUR FOOTSCRAY LTD
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STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2020

		2020 \$	2019 \$
Cash Flows From Operating Activities			
Receipts from customers		-	-
Payments to suppliers and employees		(30,406)	(33,993)
Interest received		-	-
Income tax paid		-	-
Net cash generated from/ (used in) operating activities	14	<u>(30,406)</u>	<u>(33,993)</u>
Cash Flows From Investing Activities			
Loan to related entity		40,897	29,994
Net cash (used in)/ provided by investing activities		<u>40,897</u>	<u>29,994</u>
Cash Flows From Financing Activities			
Proceeds from borrowings		(10,501)	4,000
Proceeds from issue of share capital		-	-
Dividends Paid		-	-
Net cash used in financing activities		<u>(10,501)</u>	<u>4,000</u>
Net increase/ (decrease) in cash held		(10)	1
Cash and cash equivalents at beginning of financial year		10	9
Cash and cash equivalents at end of half-year	5	<u><u>-</u></u>	<u><u>10</u></u>

PRIDE OF OUR FOOTSCRAY LTD
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NOTES TO THE FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2020

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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NOTES TO THE FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2020

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.

PRIDE OF OUR FOOTSCRAY LTD
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NOTES TO THE FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2020

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.

PRIDE OF OUR FOOTSCRAY LTD
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NOTES TO THE FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2020

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.

PRIDE OF OUR FOOTSCRAY LTD
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NOTES TO THE FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2020

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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NOTES TO THE FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2020

(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 2020

	2020 \$	2019 \$
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>
The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:		
Operating profit	<u>(25,877)</u>	<u>(42,306)</u>
Prima facie tax on profit from ordinary activities at 27.5%	(7,116)	(11,634)
Add tax effect of:		
- non-deductible expenses	-	-
- timing difference expenses	7,116	11,634
- other deductible expenses	-	-
	<u>-</u>	<u>-</u>
Current tax	-	-
Movement in deferred tax	-	-
	<u>-</u>	<u>-</u>
Note 5. Cash and cash equivalents		
Cash at bank and on hand	-	10
	<u>-</u>	<u>10</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	-	10
	<u>-</u>	<u>10</u>
Note 6. Trade and other receivables		
Loan to Related Entity - Pride of Our Footscray Community Bar Pty Ltd	199,319	240,215
Provision for Potential Non-Recoverable Loan	(199,319)	(208,539)
GST receivable	84	746
	<u>84</u>	<u>32,422</u>

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NOTES TO THE FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2020

Note 7. Property, plant and equipment

Computer equipment

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

Furniture & fittings

At cost	200	200
Less accumulated depreciation	(200)	(200)
	<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	-	-
Additions	-	-
Disposals	-	-
Less: depreciation expense	-	-
	<u>-</u>	<u>-</u>
Carrying amount at end	<u>-</u>	<u>-</u>
Total Written Down Value	<u>-</u>	<u>-</u>

Note 8. Intangible assets

Trade Marks

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

Formation Expenses

At cost	7,806	7,806
Less: accumulated amortisation	-	-
	<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 2020

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>-</u>

Note 11. Trade and other payables

Current		
Trade creditors	-	1,178
Other creditors and accruals	38,283	33,076
	<u>38,283</u>	<u>34,254</u>
Non-Current		
Loan from Mathew O'Keefe (Director)	155,305	165,805
	<u>155,305</u>	<u>165,805</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 2020

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	(25,877)	(42,306)
<u>Non cash items:</u>		
- depreciation	-	-
- provision for non-recoverable loan	(9,220)	-
<u>Changes in assets and liabilities:</u>		
- increase/ (decrease) in payables	4,691	8,313
- (increase)/ decrease in deferred tax assets	-	-
Net cash flows provided by operating activities	<u>(30,406)</u>	<u>(33,993)</u>

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	6,000	-
- non audit services	-	-
	<u>6,000</u>	<u>-</u>

Note 16. Director and related party disclosures

Directors of the company receives remuneration for services as a company director.	-	-
Transactions with directors		
Loans advanced by Mathew O'Keefe to the company by period end.	155,305	165,805
Key Management Personnel Shareholdings		
Ordinary shares fully paid	<u>112</u>	<u>119</u>

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 2020

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	(25,877)	(42,306)
	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

- The 2020 Financial Year was very promising in many respects, with revenues for Pride of our Footscray Community Bar Pty Ltd up over 40% despite the bar being closed the final 3.5 months of the year due to COVID. Such revenue growth was required for the sustainability of the enterprise and it was a credit to all involved to have achieved it.

Finding a way through the emergency COVID lockdowns was also critical and a good effort given the company was still so early into its development, with the bar open only 26 months before having to close for COVID.

- The revenue growth was achieved through a number of means including;
 - Increasingly busy late night trading;
 - Outstanding entertainment across the board, particularly with some of Australia's best drag;
 - Strong results midweek with Drag Bingo;
 - Growing reputation as a fun, safe and friendly venue;
 - Respected and popular staff;
 - Valuable contributions from agents and organisers;
 - Increasing number of events and parties;
 - Good relationships within the local and LGBTIQA+ communities;
 - Successful special events like FOOTSCRAY DRAG RACE and running the bar at the Miss Gay and Miss Trans Australia pageant;
 - Improved results on the key night of Fridays with the combination of live music and drag;
 - Improvements made to the appearance of the venue;
 - Continued improvement in posters, graphics and advertising;
 - Better point of sale facilities with a move to Square;
 - Strong results over summer 2019/2020;
 - Strong leadership with no changes to the board and a bolstering of the management with the appointment of a Sales, Marketing and Events Manager;
 - Inspiring support from across the community during the COVID lockdown (described below), including amazing contributions from many locals, supporters, shareholders, regulars, employees, community leaders, performers and other community groups and traders.

PRIDE OF OUR FOOTSCRAY LTD
ACN 618 613 095
NOTES TO THE FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2020

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

COVID-19 CRISIS LOCKDOWN

- Pride's final night of trading was Saturday 14 March 2020, before closing due to COVID for the remainder of the 2020 Financial Year (and deep into the 2021 Financial Year, eventually being closed 10 days short of 8 months, with heavy COVID restrictions upon re-opening, only being allowed to re-open initially to cater for 20 people, as opposed to a liquor licence in regular times of 200).
- Pride's improved trading results in Financial Year 2020 prior to COVID enabled Pride to offer its casual staff some emergency assistance payments to assist with the sudden closure for COVID;
- To attempt to survive the COVID lockdown period, Pride immediately committed to doing all it could, including the below, and the response from the Pride community was fantastic;
 - Telethons;
 - Online drag shows;
 - Online drag bingo shows;
 - Other online shows such as chat shows, talent shows & poetry shows;
 - Facilitation of donations;
 - Merchandise sales;
 - Applying for government grants;
 - Advocacy on behalf of its industry and staff.
- The results of the above enabled Pride to survive through the rest of the 2020 Financial Year and to re-open in the 2021 Financial Year following a closure period due to COVID of approx. 8 months, without the loss of a single staff member, with the full timers secured and with all casuals making themselves available to return, an outcome that few venues were able to deliver;
- Pride's commitment to paying its staff award wages on the books meant five Pride staff were able to claim JobKeeper, helping them survive throughout the COVID crisis.
- The significant revenue growth and ability to survive the COVID shutdown period were the highlights of the 2020 Financial Year.
- Prior to the COVID shutdown, the bar was on track to achieve its first break even result or small profit, after losses in its first year and a half of trading, representing excellent progress. Ultimately, being unable to open for the last 3.5 months of the financial year due to COVID did result in an overall loss, something outside Pride's control.
- Pleasingly, the 2021 Financial Year performance once lockdown ended was strong and revenue has continued to grow, despite the bar not yet returning to its pre-COVID capacity of 200 patrons.

PRIDE OF OUR FOOTSCRAY LTD
ACN 618 613 095
NOTES TO THE FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2020

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

- During the 2020 and 2021 Financial Years, Director Mathew O'Keefe personally extended further loans to help maximise the chances Pride would survive the COVID lockdown and post-lockdown restrictions. These loans brought the total amount owed by the company to him to over \$209,000, an increasingly large debt becoming unsustainably high. Therefore, Mathew accepted a board resolution to cut the debt to approximately \$50,000 and to swap the remaining \$158,600 owed to him for equity so Pride would not have to pay back that \$158,600. The equity was issued at the price of \$650 per share, which was the last price that shares were available to the public, to protect the integrity of that price. After Mathew accepted the equity, \$158,600 of debt was immediately wiped from Pride's balance sheet, which will be reflected in the company's Statement of Financial Position in the Report for the Period ended 30 June 2021. ASIC was advised of this debt for equity swap on 13 May 2021.
- During the 2020 and 2021 Financial Years, the company's accountant, Minh Nguyen also lent Pride money to help it survive COVID, with loans totalling approximately \$6,000. Minh has also accepted a board resolution to reduce the loan through the issuance of one share at the value of \$650. Pride will repay the remainder of the money that it owes Minh and formally thanks Minh for the loan during a very difficult time, which was critical in helping ensure Pride's survival. ASIC was advised of this debt to equity swap on 7 June 2021.
- On 4 June 2021, Director Pauline Diano sold the shares she owned in the company to Director Mathew O'Keefe. ASIC was advised of this change on 7 June 2021. Pauline has made a valuable contribution as a Director and will remain on the board until further notice.
- As at 7 June 2021, the company had 197 shareholders.
- Pride looks forward to continuing to entertain locals and visitors alike and hopes to return to its capacity of 200 people as soon as the situation with COVID is under control sufficient enough to allow the government to ease restrictions.

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

Note 21. Going Concern

I draw attention to the financial report, which indicates that the Company incurred a net loss of \$25,877 (2019: \$42,306) during the year ended 30 June 2020 and, as of that date, the Company's total liabilities exceeded its total assets by \$184,698 (2019: \$158,821).

The Company's largest unsecured lender, Director Mathew O'Keefe, has provided an undertaking that he will continue to support the activities of the Company and its subsidiary for the next twelve months. Indeed, as at 5 June 2021, he has already agreed to accept equity in the Company in exchange for the Company not repaying \$158,600 of the money that it owes him. Accepting this to support the Company has significantly and immediately improved the Company's Balance Sheet and financial position, which will be reflected in the Company's Financial Report for the period ended 30 June 2021, which will likely show an approx.\$200,000 improvement in the Company's Statement of Financial Position.

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 2020 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



Dated this day of

23 July 2021



Collins & Co Audit Pty Ltd

127 Paisley Street
Footscray VIC 3011
Australia

Phone (03) 9680 1000
Fax (03) 9689 6605

www.collinsco.com.au

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 2020, 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 2020 and of its performance and cash flows for the year ended on 30 June 2020; 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 \$25,877 (2019: \$42,306) during the year ended 30 June 2020 and, as of that date, the Company's total liabilities exceeded its total assets by \$184,698 (2019: \$158,821).

The Company's largest unsecured lender, Director Mathew O'Keefe, has provided an undertaking that he will continue to support the activities of the Company and its subsidiary for the next twelve months. Indeed, as at 5 June 2021, he has already agreed to accept equity in the Company in exchange for the Company not repaying \$158,600 of the money that it owes him. Accepting this to support the Company has significantly and immediately improved the Company's Balance Sheet and financial position, which will be reflected in the Company's Financial Report for the period ended 30 June 2021, which will likely show an approx.\$200,000 improvement in the Company's Statement of Financial Position.



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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.

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 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.

TOWARDS A VISION SHARED



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- 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.

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 26th day of July 2021