



  
HARMONIE GERMAN CLUB

# ANNUAL REPORT

FOR THE YEAR ENDING 29 FEBRUARY 2024



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## PRESIDENTS REPORT

Dear Members,

The Harmonie German Club is moving from strength to strength. Our membership numbers are the strongest ever and we have good patronage which is translating into health cash turnover for the club.

Our club has its own beer now on tap. I'm certain a prettier face could have been found for the label but ignoring that it tastes great. It is also special for the club to have its own beer brand staying true to traditional German styles and brewing techniques. There is a good return for the club, and it's a beer we can be proud of. We are working through some small batch speciality beers to partner with the club's flagship President's Brew, that will mark certain times of the year with special German beer styles.

The club's food catering trailer, the "Imbiss" has been a great success. You may be asking why the club needed or went with a mobile food trailer, but it was very simple. Diversification from the pokier machine as an income stream. We know that this income source will never be a substitute for gaming income, but it's certainly going to help as the Government puts more pressure on venues with gaming machines each year. In the warm months the Imbiss was used out in the community most weekends. Now it's cooler we're doing some modifications and upgrades ready for the warm months and taking the Harmonie Club to the Streets. Keep an eye on the club's social media to see where we'll be catering next.

I'll mention again as I did last year that none of this would be possible without the coherent and strong board we have had over the last 12 months. Nor would it be possible without the hard work of our CEO, Paul Berger in keeping everything running ship shape, and rectifying any issues the club has with professionalism. The management team in the club and the staff, always going above and beyond. You're the face of the club and who our members and patrons interact with, so a big thank you for representing our club so well. A big thank you to our members. You are our club and why we do what we do. Thank you for the time you have spent at our club over the last year, it's good to see so many people enjoying the space, events, food and fun.

As always, a massive thankyou to all the volunteers that help at the club. Putting in their personal time, effort and feeling into the club. It's something that is not able to be synthesised, replaced or replicated. The club wouldn't be the same without you, so from the board and staff, thank you to the volunteers. Personally, I'd like to thank outgoing board members Oliver Buecher and Ron Farmer for their support and input. You would be welcome back on the board if you have free time again.

The club is in a strong position and from the board, we thank members for their support.

Vielen Grüße

CHAIRMAN OF THE BOARD  
And CLUB PRESIDENT

Michael Fuller



## CEO REPORT

Dear Members

The past twelve months has been as challenging as ever, the club landscape is a difficult course to steer at the best of times, but the Harmonie Club keeps looking to improve year after year. The abundance of activities that would normally be outside of traditional club activities take up much of our time and can only be achieved with the help of our determined staff, volunteers and members of the board.

This year we brought Oktoberfest back to the Club, we purchased a Food Truck and started taking our hospitality on the road by attending many offsite events, we continued to support live music and the arts, we continued to support many cultural, community and sporting groups.

We are still featuring as a benchmark small cultural club and boast a fantastic reputation as an industry leader. We do have a niche that sets us apart and it is hard work protecting our reputation in casual dining, events, and community and cultural engagement. These areas of excellence could not be achieved without the great team around me.

Team Harmonie Club' including the management team, catering and restaurant team, our bar and gaming staff need to be recognised for their contribution to our success.

I would also like to take this opportunity to thank the board of directors for their support and counsel over the last twelve months, their entirely voluntary contribution is invaluable and appreciated.

The Club sourced some funding from the Diversification, Sustainability Support Fund to bolster our infrastructure to be able to manage Oktoberfest and other outdoor events onsite, we also used this funding to purchase a revenue generating food trailer. This food trailer, the "IMBISS" can be seen onsite on Market days and Oktoberfest but can also be seen around town at events like Skyfire, the Festival of Speed, and many other notable CBR events. I would like to thank the Chairman of the board and the Deputy Chair for their contribution to this part of the business. The enthusiasm that has been apparent is palpable.

The political landscape for ACT Clubs is only becoming more challenging, the local industry is bracing for some extremely disruptive changes. It is important that Clubs and Club members do everything they can to protect the Clubs model in the ACT. I urge our members to take an active interest in the politics surrounding clubs and speak up to protect what we have, Canberra is a unique place, if clubs close their doors what happens to the social fabric of this city!

To finish on a positive, we have an extremely optimistic events calendar on the horizon, our catering offerings are remaining strong and being well supported by you and your friends, our fantastic staff will continue to work hard to keep the Club performing strongly.

I look forward to seeing you around the Club very soon.

CEO

Paul Berger



## COMMITTEE REPORT



### Harmonie German Club Canberra Incorporated

ABN: 84 868 299 776

### Committee's Report For the Year Ended 29 February 2024

The Committee Members submit the financial report of the Association for the financial year ended 29 February 2024.

#### 1. General information

##### Committee Members

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

- Michael Fuller (President and Chairman of the Board)
- Jean Scheckenbach (Vice- President and Deputy Chair)
- Kenyon Hopkins (Treasurer)
- Oliver Buecher (Public Officer)
- Ronald Geoffrey Farmer (Member of the Board)
- Roger Royal (Member of the Board)
- Peter Blyton (Member of the Board)

##### Principal activities

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

##### Significant changes

No significant change in the nature of these activities occurred during the year.

#### 2. Operating results

The (deficit)/surplus of the Association for the financial year after providing for income tax amounted to \$(219,396) (2023: \$720,324).

#### 3. Sign off information - Associations

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

Committee Member: *Ky Hopkins*

Committee Member: *J Scheckenbach*

Dated: *3/6/2024*

*3/6/24*



## FINANCIAL SUMMERY

## Harmonie German Club Canberra Incorporated

ABN: 84 868 259 776

## Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 29 February 2024

		2024	2023
	Note	\$	\$
Sales revenue	4	3,122,700	3,284,996
Cost of sales		(1,083,594)	(995,635)
Gross profit		2,039,106	2,289,361
Other revenue	4	524,073	1,132,772
Administrative expenses		(775,246)	(934,778)
Depreciation expense	11(a)	(449,158)	(222,661)
Employment costs	5	(1,125,718)	(949,162)
Finance costs	5	(95,345)	(74,883)
Other expenses		(316,527)	(437,395)
<b>(Deficit)/Surplus before income tax</b>		<b>(198,815)</b>	803,254
Income tax expense	2(a),6	(20,581)	(82,930)
<b>(Deficit)/Surplus for the year</b>		<b>(219,396)</b>	720,324
Other comprehensive income for the year, net of tax		-	-
<b>Total comprehensive income for the year</b>		<b>(219,396)</b>	720,324

## Harmonie German Club Canberra Incorporated

ABN: 84 868 259 776

## Statement of Changes in Equity

For the Year Ended 29 February 2024

## 2024

	Retained Earnings	Asset Revaluation Surplus	Total
	\$	\$	\$
Balance at 1 March 2023	1,761,329	904,372	2,665,701
(Deficit) for the year	(219,396)	-	(219,396)
Balance at 29 February 2024	1,541,933	904,372	2,446,305

## 2023

	Retained Earnings	Asset Revaluation Surplus	Total
	\$	\$	\$
Balance at 1 March 2022	1,041,005	904,372	1,945,377
Surplus for the year	720,324	-	720,324
Balance at 28 February 2023	1,761,329	904,372	2,665,701

## BALANCE SHEET

**Harmonie German Club Canberra Incorporated**

ABN: 84 868 259 776

**Statement of Financial Position**

As At 29 February 2024

	Note	2024 \$	2023 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	8	253,925	265,098
Trade and other receivables	9	1,600	603,633
Inventories	10	48,648	53,618
Other assets	12	38,467	2,090
<b>TOTAL CURRENT ASSETS</b>		<b>342,640</b>	<b>924,439</b>
NON-CURRENT ASSETS			
Property, plant and equipment	11	3,745,328	3,967,369
Deferred tax assets	7(a)	16,657	12,718
<b>TOTAL NON-CURRENT ASSETS</b>		<b>3,761,985</b>	<b>3,980,087</b>
<b>TOTAL ASSETS</b>		<b>4,104,625</b>	<b>4,904,526</b>
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	13	259,051	721,825
Borrowings	14	276,051	187,277
Employee benefits	16	125,472	104,259
Other liabilities	15	133,975	79,966
<b>TOTAL CURRENT LIABILITIES</b>		<b>794,549</b>	<b>1,093,327</b>
NON-CURRENT LIABILITIES			
Borrowings	14	778,235	1,045,197
Deferred tax liabilities	7(b)	79,356	92,031
Employee benefits	16	6,180	8,270
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>863,771</b>	<b>1,145,498</b>
<b>TOTAL LIABILITIES</b>		<b>1,658,320</b>	<b>2,238,825</b>
<b>NET ASSETS</b>		<b>2,446,305</b>	<b>2,665,701</b>
<b>EQUITY</b>			
Asset revaluation surplus		904,372	904,372
Retained earnings		1,541,933	1,761,329
<b>TOTAL EQUITY</b>		<b>2,446,305</b>	<b>2,665,701</b>

## CASHFLOW

**Harmonie German Club Canberra Incorporated**

ABN: 84 868 259 776

**Statement of Cash Flows  
For the Year Ended 29 February 2024**

	2024	2023
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	4,946,397	3,885,401
Payments to suppliers and employees	(4,413,882)	(3,395,557)
Interest paid	(117,829)	(93,090)
Net cash provided by operating activities	<u>414,686</u>	<u>396,754</u>
	21	
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of plant and equipment	<u>(247,671)</u>	<u>(935,278)</u>
Net cash (used in) investing activities	<u>(247,671)</u>	<u>(935,278)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
(Payments of)/Proceeds from borrowings	<u>(178,188)</u>	<u>270,069</u>
Net cash provided by financing activities	<u>(178,188)</u>	<u>270,069</u>
Net (decrease) in cash and cash equivalents held	(11,173)	(268,455)
Cash and cash equivalents at beginning of year	<u>265,098</u>	<u>533,553</u>
Cash and cash equivalents at end of financial year	<u>8</u> <u>253,925</u>	<u>265,098</u>



## KEY NOTES TO FINANCIAL STATEMENTS

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

**Harmonie German Club Canberra Incorporated**

ABN: 84 868 259 776

**Notes to the Financial Statements**

**For the Year Ended 29 February 2024**

**4 Revenue and Other Income**

	2024	2023
Note	\$	\$
Sales revenue		
- Bar sales	1,774,779	1,727,950
- Poker Machines	709,890	695,872
- Special event trading	415,056	493,771
- Oktoberfest income	192,181	337,906
- Member subscriptions	21,119	21,328
- Club shop	9,675	8,169
	<u>3,122,700</u>	<u>3,284,996</u>
Other revenue		
- Grant income	204,030	108,666
- Rebates & commission income	89,079	69,350
- Event income	173,701	178,226
- Insurance recovery	1,803	639,123
- Insurance recovery - solar	-	81,179
- Other income	26,551	27,865
- Restaurant lease income	28,909	28,363
	<u>524,073</u>	<u>1,132,772</u>
<b>Total Revenue and other income</b>	<u><u>3,646,773</u></u>	<u><u>4,417,768</u></u>

**14 Borrowings**

	2024	2023
Note	\$	\$
<b>CURRENT</b>		
Bank loans	276,051	187,277
	<u>276,051</u>	<u>187,277</u>
<b>NON-CURRENT</b>		
Bank loans	778,235	1,045,197
	<u>778,235</u>	<u>1,045,197</u>

## INDEPENDENT AUDITOR'S REPORT



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Standards Legislation

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

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Harmonie German Club Canberra Incorporated (the Association), which comprises the statement of financial position as at 29 February 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and the statement by members of the committee.

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

- (i) giving a true and fair view of the Association's financial position as at 29 February 2024 and of its financial performance and its cash flows for the year ended; and
- (ii) complying with the Associations Incorporation Act (ACT) 1991.

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Association in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

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

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

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





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

### Auditor's Responsibilities for the Audit of the Financial Report

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

  
Hardwickes  
Chartered Accountants



Bhaumik Bumia CA  
Partner

Canberra

3 JUNE 2024

## PROFIT AND LOSS ACCOUNT

## Harmonie German Club Canberra Incorporated

ABN: 84 868 259 776

For the Year Ended 29 February 2024

## Profit and Loss Account

	2024	2023
	\$	\$
<b>Income</b>		
Bar Trading	1,126,210	1,069,706
Poker Machine Trading	455,387	532,986
Special Events	187,987	189,163
Oktoberfest	(6,357)	(19,718)
Member subscriptions	21,119	21,328
Other	289,331	275,441
Restaurant lease income	28,909	28,363
Insurance recovery	1,803	639,123
Insurance recovery - solar	-	81,179
Grant received	204,030	108,666
<b>Total Income</b>	<b>2,308,419</b>	<b>2,926,237</b>
<b>Less: Expenses</b>		
Advertising	30,881	34,426
Audit & other service fees	17,750	19,300
Bookkeeping	27,101	24,286
Cleaning, laundry & Waste removal	73,419	68,052
Club promotions	37,920	48,990
Community contributions	14,688	3,700
Computer expenses	19,096	15,435
Depreciation expense	311,634	198,622
Electricity, gas & water	54,894	69,359
Employment costs	1,181,396	1,000,509
Entertainment	188,732	213,989
Equipment rental	56,705	57,850
Fees and Permits	27,926	28,982
Finance costs	117,829	93,090
General expenses	21,830	80
Insurance	102,990	55,723
Legal fees	11,371	2,500
Motor vehicle expenses	3,733	-
Members Amenities	46,084	57,036
Other	34,342	15,255
Pest control	6,803	3,623
Printing, postage & Stationery	11,390	11,633
Repairs and maintenance	46,457	48,846
Subscriptions	42,706	30,305
TAB & Keno expenses	16,274	16,792
Telephone and fax	3,283	4,600
<b>Total Expenses</b>	<b>2,507,234</b>	<b>2,122,983</b>
<b>(Deficit)/Surplus before income tax</b>	<b>(198,815)</b>	<b>803,254</b>

## CONTACT INFORMATION



**Paul Berger**

CEO/ Club Secretary

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