



**NARRANDERA**  
**EX-SERVICEMEN'S CLUB LIMITED**

**75th**  
**Annual Report**

FOR THE YEAR ENDED  
30th JUNE, 2020



# Narrandera Ex-Servicemen's Club Limited

ACN 001 054 735 ABN 90 001 054 735

## Notice of Annual General Meeting

Notice is hereby given that the Seventy Fifth Annual General Meeting of the Narrandera Ex-Servicemen's Club Limited will be held in the Bolton Street Room at 10am, Sunday 11th October, 2020.

### AGENDA

1. Apologies
2. To receive and if thought fit - adopt the minutes of the Seventy Fourth Annual General Meeting held Sunday, 13th October, 2019
3. To receive the following financial reports and statements for the year ended June 30, 2020
  - a) The Directors Report.
  - b) The Statement by Directors.
  - c) The Auditor's Report on the Financial Report
4. Declaration of Core and Non-Core Property.
5. Declaration of the election of the Board of Directors.\*
6. **First Ordinary Resolution** to approve the Presidents Honorarium for the year 2020/2021
7. **Second Ordinary Resolution** to approve reasonable expenditure by the Club for Directors
8. General Business.

\* In the event that an election is required, ballot papers will be made available to all eligible members as follows:

- Thursday 24th September to Monday 28th September, 2020
- 3pm – 7pm weekdays                      12noon to 4pm weekends.

Pursuant to Rule 27.5 Any person who is elected or appointed to the Board, must, unless exempted, complete such mandatory training requirements for directors as required by the Regulations made under the Registered Clubs Act.



**R. Boller**  
**Secretary Manager**



## ***President's Report***

Members,

I am pleased to present your Annual Report for 2019/2020.

The past year has been extraordinary to say the least and to post a profit of \$248,540 is quite wonderful under the circumstances.

I am proud to report that I have served the members for the past 14 years as a Director and as President from 2012 to the present day, and whilst COVID 19 has been extraordinary – there have been some other events during this time that have challenged all of us which include economic downturns, road closures, floods and droughts.

Drought, Fires, COVID – what a year!

I take this opportunity to thank all the people who donated goods for the relief packages that were set up in the club. We can report that over \$4000 worth of goods were forwarded on your behalf. Thank you all for contributing.

In 2014 – the Board commissioned a new Constitution which was approved by the members. This allowed for a term of two (2) years for Directors. The outcome is that Directors (having completed mandatory training), are able to make decisions that have a more lasting effect on the Club.

The ability to plan for, to fund and to embark on longer term projects is a very important change in the way we conduct our business. Examples of this can be seen throughout the club including the new BISTRO furniture, the automatic disabled entrance, the stair lift up to the JB Driscoll room, new audio-visual units in the Main Lounge, TAB and the Bistro to name a few. The next two years promise to be very challenging and already the Board have plans in place that will add to the overall amenity of the Club.

The Directors Report details the length of service of each member of the Board with a combined total of 56 years' service. Your current Directors have held office since 2016 and are to be congratulated for ensuring that the business is run profitably on behalf of the members. These points are important in an election year and should be considered along with the results achieved by the Board over the past four years. I would like to thank each Director personally for their service over this period.

### **Covid-19 and mandatory closure.**

Hospitality businesses including ours – were forced to close on March 23, 2020 under mandatory closure rules, in an effort to curb the spread of Coronavirus (COVID 19). By the time restrictions were lifted we had been closed for 75 days.

From the outset, the Management team set about ensuring that the business was shut-down properly but always with a view to re-opening as soon as permissible.

Our focus was on the retention of staff and we were able to successfully place all eligible staff on JobKeeper and JobSeeker payments. Once re-opened, it was wonderful to be able to have all staff who chose to return back at work.

Negotiating this minefield was not easy and our thanks go to Manager Rick and Financial Controller Katrina for ensuring that we were in a position to re-open fully on July 1, and to retain all our staff once we did.

Thank you also to all our staff who remained supportive throughout and who have returned to the fold. It was wonderful to see you all again, even though the road is still a it bumpy.

It is wonderful to be able to report a profit for 2019/2020 and whilst we remain optimistic about our future, ongoing restrictions and changes to rules make trading a very difficult proposition. We will however continue to provide the highest level of service and amenities to our patrons and to uphold our RSL traditions by remembering and honouring those who made the ultimate sacrifice on our behalf.

A handwritten signature in black ink, appearing to read 'Neville Wortlehock', with a stylized flourish at the end.

**Neville Wortlehock**  
**President**

**Narrandera Ex-Servicemen's Club Limited**

ACN 001 054 735 ABN 90 001 054 735

~

**Board of Directors**



**Neville Wortlehook**  
President



**Geoff Roberts**  
Vice-President



**Kristen Clancy**  
Vice-President



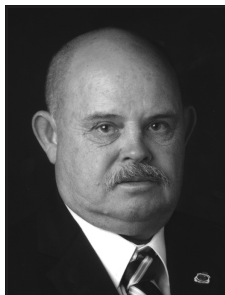
**Keith Smith**  
Director



**Kerry Sproston**  
Director



**Alan Taig**  
Director



**Robert Cahill**  
Director

# **Narrandera Ex-Servicemen's Club Limited**

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## **DIRECTORS REPORT**

Your Directors submit the financial accounts of the Company for the year ended 30 June, 2020.

### **The names of Directors in office at the time of the report are:**

<b>Neville Wortlehook</b>	Retired	President	Director 14 Years
<b>Geoff Roberts</b>	Retired	Vice President	Director 7 years
<b>Kerry Sproston</b>	Business Proprietor	Vice President	Director 10 years
<b>Alan Taig</b>	Painting Contractor		Director 8 years
<b>Keith Smith</b>	Retired		Director 7 years
<b>Kristen Clancy</b>	Laboratory Manager		Director 6 years
<b>Robert Cahill</b>	Retired		Director 4 years

### **Principle Activities**

The principle activity of the club during the financial year is the operation of a licensed club, and that the income of the Club is directed towards the improvement and maintenance of the Club's facilities and the promotion of the social welfare of members, their guests and affiliated sub-clubs.

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

### **Objectives**

The company's short term objectives are to:

- Strive to achieve excellence in serving our community by providing exceptional customer service and quality facilities;
- Maintain a licensed Club under the Registered Clubs Act for the benefit of our members and their guests and;
- To maximise profit and minimise debt to ensure long-term financial flexibility and sustainability.

The long-term objectives of the Club are;

- Support the Narrandera RSL Sub Branch and maintain the Anzac tradition
- Support our affiliated sub-clubs, charities and community organisations, and continually improve the Clubs facilities in order to remain relevant to our members and the local community.

To achieve these objectives, the company has adopted the following strategies:

- ✓ Remain financially viable by adopting prudent financial management and best practice corporate standards.
- ✓ Continually develop and improve the assets of the company.
- ✓ Attract and retain quality staff and contractors who are committed to the company objectives.

# Narrandera Ex-Servicemen's Club Limited

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## DIRECTORS REPORT

### Key Performance Measures

The company measures its own performance through the use of quantitative and qualitative benchmarks. The benchmarks are used to assess the financial sustainability of the company and whether the company's short and long term objectives are being achieved.

### Members Guarantee

Narrandera Ex-Servicemen's Club Ltd is a company limited by guarantee. The Articles of Association provides that each member of the Club undertakes to contribute such amount as may be required not exceeding \$2.00 if the Club is wound up and the assets of the Club are insufficient to discharge the liabilities. This undertaking continues for a period of 12 months after the person ceases to be a member.

### Operating Results

The result of operations for the year after allowing for income tax and abnormal items was a profit of **\$248,540**

### State of Affairs

No significant changes occurred in the state of affairs of the company during the year.

### Review of Operations

The Clubs profit increased when compared to the 2019 year loss of \$15,221

### Events Occurring after Balance Date

COVID 19 restrictions and lockdowns, may have a significant effect on future profitability

### Directors Benefits

Since the end of the previous financial year, no director has received, or become entitled to receive, any benefit by reason of contract made by the company with a director or with a firm which a director is a member or a director has a substantial financial interest other than is disclosed in the financial statements.

### Auditor's Independence Declaration

The Directors have received an Auditor Independence Declaration for the financial year from our auditors - William Tomiczek & Associates.

### Signed in accordance with a resolution by the Board of Directors.



**N. Wortlehoek**  
12th Day of August 2020



**G. Roberts**



# **Narrandera Ex-Servicemen's Club Limited**

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## **STATEMENT BY THE DIRECTORS**

In the opinion of the directors of the company:

1. a) The accompanying profit and loss account gives a fair view of the company's profit and loss for the financial year ended 30th June 2020 and  
b) The accompanying balance sheet gives a true and fair view of the company's state of affairs at the end of the financial year.  
c) The statement of cash flow gives a true and fair view of the cash flow of the company for that financial year.
2. There are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.
3. The directors have not complied with accounting standard AASB 116 in that the buildings have not been depreciated. The directors decided that the application of the standard would not present a view of the result of operations or the state of affairs that is any more true and fair than is presented in the financial statements. The financial effect of this departure is that the operating profit and land and buildings are overstated by \$66,935 for this year.
4. The directors have reviewed the impact of the introduction of Australian Equivalents to International Financial Reporting Standards and advise that no material impact is anticipated from the introduction of these standards. The company's financial statements have been prepared in accordance with these standards.

The statement is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



**N. Wortlehock**  
12th Day of August 2020



**G. Roberts**

## **Narrandera Ex-Servicemen's Club Limited**

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### **Directors' Attendances 2019-20**

During the year July 1st, 2019 to June 30th, 2020 - there were fourteen (14) meetings held, being twelve (12) Ordinary Meetings and two (2) Special Meetings.

Attendance by those eligible to attend was as follows:

	<b>Eligible</b>	<b>Ordinary</b>	<b>Special</b>	<b>Total</b>
<b>Mr. Neville Wortlehook</b>	14	12	2	14
<b>Mr. Geoff Roberts</b>	14	12	2	14
<b>Mrs. Kerry Sproston</b>	14	12	2	14
<b>Mr. Alyn Taig</b>	14	10	2	12
<b>Mr. Keith Smith</b>	14	11	2	13
<b>Mrs. Kristen Clancy</b>	14	9	2	11
<b>Mr. Robert Cahill</b>	14	11	2	13

#### **Life Members:**

J. L. Moir*	J. B. Driscoll*	J. D. Mooney*
C. J. Aubusson*	T. Jackson*	E. A. Rea*
P. J. Hocking*	P. H. Smith*	J. L. Welsh*
A. J. Withers*	D. J. Sheather*	D. Doyle*
G. B. Warden*	M. Whitley*	E. S. Cameron*
A. A. Hutchins*	J. W. Sheather*	C. Lettie*
G. C. Dangar*	A. R. Black*	

*\*Denotes deceased*

# **Narrandera Ex-Servicemen's Club Limited**

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## **CLUB PROPERTY**

Pursuant to Section 41J (2) of the Registered Clubs Act for the financial year ended 30 June, 2020:

- (a) the following properties are core property of the Club:
  - (i) licensed premises at Bolton Street, Narrandera NSW 2700
  - (ii) car park facilities at the address in (i) above adjacent to the Main Club building.
  - (iii) car park facilities at the address in (i) above adjacent to the Club Inn Motel
- (b) the following properties are non-core property of the Club:
  - (i) the Club does not own any non-core property

## **Notes to Members**

1. Section 41J(2) of the Registered Clubs Act requires the annual report to specify the core property and non-core property of the Club as at the end of the financial year to which the report relates.
2. Core property is any real property owned or occupied by the Club that comprises:
  - (a) the defined premises of the Club; or
  - (b) any facility provided by the Club for use of its members and their guests; or
  - (c) any other property declared by a resolution passed by a majority of the members present at a general meeting of Ordinary members of the Club to be core property of the Club.
3. Non-core property is any other property (other than that referred to above as core property) and any property which is declared by the members at a general meeting of ordinary members of the Club not to be core property.
4. The significance of the distinction between core property and non-core property is that the Club cannot dispose of any core property unless:
  - (a) the property has been valued by a registered valuer within the meaning of the Valuers Act 2003; and
  - (b) the disposal has been approved at a general meeting of the ordinary members of the Club at which the majority of the votes cast support the approval;
  - (c) any sale is by way of public auction or open tender conducted by an independent real estate agent or auctioneer.

These disposal provisions and what constitutes a disposal for the purposes of section 41J are to some extent modified by regulations made under the Registered Clubs Act and by Section 41J itself.
5. Non-core property is not subject to the limitations referred to in paragraph 4 above and can be disposed of without the Club having to following the procedure referred to in paragraph 4 above.



## ***Secretary Manager's Report***

Members,

The following report provides some detail on the journey we have been on over the past year.

Despite mandatory closure between March 23 and June 5 as a result of COVID 19, we have posted a profit of \$248,540.

Decisions made in the previous 18 months laid the platform for a solid financial performance, which was borne out, particularly in the first six months to the end of December.

We experienced particularly strong growth of 8% in gaming machine income at the turn of the year as a result of investment in a range of new products. Bar trade also increased by 5% at the end of December - with all other accounts at slightly lower than expected levels.

We have maintained strict controls over operating expenses throughout the year and particularly during the COVID shutdown, which has contributed to the final result. Energy costs and insurances account for 7% and 6% of the total overhead costs respectively and whilst we will see some reductions in energy costs over the next 18 months, insurance costs have increased by up to 20%.

Whilst the balance sheet shows a reduction in net assets as a result of a revaluation of poker machine entitlements, the most pleasing areas are **an increase of 36% in current assets and a 20% decrease in liabilities**. At the end of the financial year our EBITDA was at 21.31% which places us in a solid financial position. The balance sheet shows a current ratio of 2.84:1 – also a pleasing result given the extraordinary year we have had.

Our budgeted profit for 2020/2021 of \$57k may seem low, but the un-certainty surrounding COVID 19 restrictions has meant that we cannot make bold predictions. Nonetheless – the Board and Management are working towards ensuring that we continue to trade profitably. We will continue to investigate new opportunities and to invest in new equipment and infrastructure as required with particular emphasis on changes that will assist in mitigating the spread of COVID 19.

**COVID 19 presented many hurdles, many of which we have not faced before.**

Mandatory closure on March 23 was sudden and lasted for 75 days. During this time all staff were stood down and put on JobKeeper as soon as it was introduced. For all of us – this was the support we needed as it allowed us to retain all of our staff and to use our resources in ensuring we could open fully once restrictions were lifted. Our goal from the outset was to re-open as soon as possible and to have all staff return to normal duties. After re-opening on June 5, we were finally able to recommence fully on July 1st and have continued to trade since then. It is wonderful to have our team back at work and I take this opportunity to thank them all for helping us to get back to some kind of normal.

**Government Support:**

In addition to JobKeeper – we received support in the form of a NSW Small Business Grant as well as ATO “Cash Boost” support. Without this – and continuing financial support from both the State and Federal Governments, our future was not assured.

We are proud that we have been able to navigate our way through the COVID 19 obstacles so far.

We are committed to standing on our own and limiting our liability as soon as possible and continuing to work towards that goal. We will continue to provide the highest level of service and hospitality that we can in trying times. We will continue to invest in new equipment and infrastructure for the benefit of our members and the wider community as and when we can.

We look forward to your continued support as we strive to achieve these goals.



**Rick Boller**  
**CEO**

# **Narrandera Ex-Servicemen's Club Limited**

ACN 001 054 735 ABN 90 001 054 735

## **ORDINARY RESOLUTIONS**

### **FIRST RESOLUTION:**

#### **President's Honorarium:**

That pursuant to the Registered Clubs Act 10 (6) (b):

"The Members hereby approve an amount of \$7,500 be paid to the President as an Honorarium for the 2020/2021 Financial Year."

#### **Directors' Educational and Seminar Expenses:**

That pursuant to the Registered Clubs Act:

- (a) "The Members hereby approve and agree to reasonable expenditure by the Club for the professional development and education of Directors until the next Annual General Meeting of the Club and being:
- (i) The reasonable cost of Directors attending the Clubs NSW Annual General Meeting.
  - (ii) The reasonable cost of Directors attending seminars, lectures, trade displays and other similar events as may be determined by the Board from time to time.
  - (iii) The reasonable cost of Directors attending other Registered Clubs or similar types of businesses for the purpose of observing their facilities and methods of operation provided such attendances are approved by the Board as being necessary for the betterment of the Club.
- (b) "The Members acknowledge that the benefits in paragraph (a) above are not available to Members generally but only to those who are Directors of the Club and those Members directly involved in the above activities."

### **NOTES TO MEMBERS**

#### **President's Honorarium**

The first ordinary resolution is to have Members in a General Meeting hereby approve the payment by the Club of an honorarium to the Chairman in the sum of \$7,500.00 in respect of his services as Chairman of the Club between the date of this meeting and the Annual General Meeting in 2020.

To be passed – the resolution must receive a simple majority of votes in its favour from those persons present at the meeting who are eligible to vote.

#### **Directors' Educational and Seminar Expenses**

The second ordinary resolution is to have Members in a General Meeting approve reasonable expenditure by the Club for Directors to attend seminars, lectures, trade displays and other similar events including the Clubs NSW Annual General Meeting and to visit other clubs to enable the Club's governing body to keep abreast of current trends and developments which may have a significant bearing on the nature and way in which the Club conducts its business.

To be passed – the resolution must receive a simple majority of votes in its favour from those persons present at the meeting who are eligible to vote.

#### **Explanatory Message**

Pursuant to the requirements of the Registered Clubs Act 1976, the Club is required at each Annual General Meeting to have approved by Ordinary Resolution, the benefits to be provided to the Directors of the Club. The purpose of this Resolution is to comply with the requirements of the Registered Clubs Act.

12 August 2020

The Directors  
Narrandera Ex-Servicemen's Club Ltd  
30-45 Bolton St  
Narrandera 2700

Dear Directors,

#### **Auditor's Independence Declaration**

In accordance with Section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to Narrandera Ex-Servicemen's Club Ltd

I declare that to the best of my knowledge there have been no contraventions of

- (1) the auditor independence requirements of the Corporation Act 2001, in relation to the audit; and
- (2) any applicable code of professional conduct in relation to the audit.

Yours truly,



William Tomiczek  
Registered Company Auditor 1425

# **Narrandera Ex-Servicemen's Club Limited**

ACN 001 054 735 ABN 90 001 054 735

## **AUDITORS REPORT TO THE MEMBERS OF NARRANDERA EX-SERVICEMENS CLUB LIMITED**

1. We have audited the accounts, being the Statement by the Directors, Balance Sheet, Profit and Loss Account and Notes to and forming part of the Accounts of the Narrandera Ex-Servicemen's Club Limited for the year ended 30th June 2020. The club's directors are responsible for the preparation and presentation of the accounts and the information they contain. We have conducted an independent audit of these accounts in order to express an opinion on them to the members of the club.
2. Our audit has been conducted in accordance with Australian Accounting Standards to provide reasonable assurance as to whether the accounts are free of material misstatement. Our procedures include examination, on a test basis, of evidence supporting the amounts and other disclosures in the accounts, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the accounts are presented fairly in accordance with Australian Accounting Concepts and Standards and statutory requirements so as to present a view of the company which is consistent with our understanding of their financial position and results of their operations.
3. The company has not complied with accounting standard AASB 116 in that buildings have not been depreciated.

### **Independence**

We are independent of the company and have met the independence requirements of Australian ethical pronouncements and the Corporations Act 2001. We have given to the directors of the company a written Auditor's Independence Declaration. In addition to our audit of the financial report, we were engaged to undertake the services disclosed in the notes to the financial statements. The provision of these services has not impaired our independence.

In our opinion, except for the departure mentioned in 3 above, the accounts of the Narrandera Ex-servicemen's Club Limited are properly drawn up:

- a) So as to give a true and fair view of
  - i) The state of affairs of the company as at 30th June 2020 and of the profit of the club for the year ended on that date; and
  - ii) The other matters required by division 4, 4A and 4B of part 3.6 of the Corporations Law to be dealt with in the financial statements;
- b) in accordance with the provisions of the Corporation Law; and
- c) In accordance with Statements of Accounting Concepts and applicable Accounting Standards

12th day of August 2020  
66 Emu Plains Rd  
Mt. Riverview NSW 2774.



William Tomiczek  
Registered Company Auditor 1425



# Narrandera Ex-Servicemen's Club Limited

ACN 001 054 735 ABN 90 001 054 735

## BALANCE SHEET FOR THE YEAR ENDING 30th JUNE, 2020

	30.06.2020	30.06.2019
<b>CURRENT ASSETS</b>		
Cash (3)	628,948	500,739
Receivables (4)	92,985	10,533
Inventories (5)	44,434	48,612
Other (6)	2,630	7,028
	<u>768,997</u>	<u>566,912</u>
<b>NON-CURRENT ASSETS</b>		
Property Plant & Equipment (7)	4,078,465	4,635,426
Other Asset-Loan	3,000	3,000
	<u>4,081,465</u>	<u>4,638,426</u>
<b>TOTAL ASSETS</b>	<b>4,850,462</b>	<b>5,205,338</b>
<b>CURRENT LIABILITIES</b>		
Creditors and Borrowings (8)	65,496	81,896
Provisions (9)	102,618	107,284
Accrued Expenses	95,981	75,078
Finance Loans Current (11)	6,336	74,088
	<u>270,431</u>	<u>338,346</u>
<b>NON-CURRENT LIABILITIES</b>		
Creditors and Borrowings (8)		
Provisions (9)		
Finance Loans Non- Current (12)		0
Catering Contract Bond	2,500	2,500
	<u>2,500</u>	<u>2,500</u>
<b>TOTAL LIABILITIES</b>	<b>272,931</b>	<b>340,846</b>
<b>NET ASSETS</b>	<u><b>4,577,531</b></u>	<u><b>4,864,492</b></u>
<b>MEMBERS FUNDS</b>		
Retained Profit	<u>4,577,531</u>	<u>4,864,492</u>

# Narrandera Ex-Servicemen's Club Limited

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## STATEMENT OF CASHFLOWS FOR THE YEAR ENDING 30th JUNE, 2020

	30.06.2020	30.06.2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	2,258,052	2,313,192
Payments to suppliers and employees	<u>-1,835,212</u>	<u>-2,041,169</u>
	422,840	272,023
Interest received	781	1,066
Interest and other costs of finance paid	0	-140
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (16)</b>	<b><u>423,621</u></b>	<b><u>272,949</u></b>
CASH FLOW FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment & Leased Assets	-242,521	-307,933
Loan Repayments	-67,752	0
Proceeds on sale of property plant and equipment	14,861	-4,656
<b>NET CASH OUTFLOW FROM INVESTING ACTIVITIES</b>	<b><u>-295,412</u></b>	<b><u>-312,589</u></b>
CASH FLOW FROM FINANCING ACTIVITIES		
Advances & Loans		
Finance Loans (net)	0	50,750
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b><u>0</u></b>	<b><u>50,750</u></b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>128,209</b>	<b>11,110</b>
Cash at the beginning of the financial year	500,739	489,629
<b>CASH AT THE END OF THE FINANCIAL YEAR (2020)</b>	<b><u>628,948</u></b>	<b><u>500,739</u></b>

# Narrandera Ex-Servicemen's Club Limited

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## INCOME STATEMENT FOR THE YEAR ENDING 30th JUNE, 2020

	30.06.2020	30.06.2019
Operating Profit before abnormal items and income tax (1 and 2)	248,540	-15,221
Operating profit after abnormal items and before income tax	<u>                    </u>	<u>                    </u>
Income tax attributable to operating profit		
Operating profit after abnormal items and income tax	<u>248,540</u>	<u>-15,221</u>
Retained profits at the beginning of the financial year	4,864,492	5,032,713
Revaluation Poker Machine entitlements	-535,501	-153,000
Retained profits at the end of the Financial year	<u><b>4,577,531</b></u>	<u><b>4,864,492</b></u>

# Narrandera Ex-Servicemen's Club Limited

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## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDING 30th JUNE, 2020

		<b>Retained Earnings</b>	<b>Retained Earnings</b>
		<b>2020</b>	<b>2019</b>
Balance	1/07/2019	4,864,492	5,032,713
Profit	2020	-286,961	-168,221
		<u><b>4,577,531</b></u>	<u><b>4,864,492</b></u>

# **Narrandera Ex-Servicemen's Club Limited**

ACN 001 054 735 ABN 90 001 054 735

## **NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDING 30th JUNE, 2020**

### **NOTE 1 - STATEMENT OF ACCOUNTING POLICIES**

The accounts have been prepared in accordance with Statements of Accounting Concepts, applicable Accounting Standards and the Corporations Law, including the disclosure requirements of Schedule 5. The accounts have also been prepared on the basis of historical cost and do not take into account changing money values, or, except where stated current valuations of non-current assets. The accounting policies have been consistently applied unless otherwise stated.

The following is a summary of the significant accounting policies adopted by the Company preparation of the accounts.

#### **a) Inventories**

Inventories are measured at the lower of cost or net realisable value

#### **b) Property, Plant and Equipment**

Property, plant and equipment are brought to account at cost, less, where applicable, any accumulated depreciation or amortisation.

The depreciable amount of all fixed assets including capitalised leased assets but excluding freehold land and buildings are depreciated over their useful lives commencing from the time the asset is held ready for use.

Poker Machine Entitlements are not valued at cost but at current market value as determined by the Directors.

#### **c) Leases**

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the company, are classified as finance leases. Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments. Including any guaranteed residual value. Leased assets are amortised over their estimated useful lives. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

#### **d) Employee Benefits**

Provision is made in respect of the company's liability for annual leave, and long service leave. Long service leave is accrued in respect of all employees with more than five years service with the Club.

Contributions are made by the club to an employee superannuating fund and are charged as expenses when incurred. The Club has no legal obligation to provide benefits to employees on retirement.

#### **e) Cash flow**

For the purpose of the statement of cash flows, cash includes:

- i) Cash on hand and in at call deposits with banks or financial institutions, net of bank overdraft.

# Narrandera Ex-Servicemen's Club Limited

ACN 001 054 735 ABN 90 001 054 735

## SUPPLEMENTARY FINANCIAL INFORMATION NOTES TO THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 30th JUNE, 2020

NOTE 2 OPERATING PROFIT	30.06.2020	30.06.2019
Operating Profit before abnormal items and income tax has been determined after: Charging as expenses:		
	248,540	-15,224
Depreciation of Plant and Equipment	256,843	245,401
	<b>505,383</b>	<b>230,177</b>
Auditor's Remuneration For Auditing Accounts For other services		
	4,400	4,400
	4,700	4,400
	<b>9,100</b>	<b>8,800</b>
Crediting Income Sales Revenue Interest Received Profit sale of plant Other Revenue		
	510,414	643,983
	781	1,066
	14,861	-4,656
	1,493,177	1,672,011
<b>TOTAL REVENUE</b>	<b>2,019,233</b>	<b>2,312,404</b>
NOTE 3 CASH		
Cash on Hand	65,000	55,000
Bendigo Bank, Narrandera Cash Management Account /Mortgage Fund Current Account Keno Account Imprest Account TAB Account Building &Renovation Account		
	296,861	187,262
	98,291	87,949
	24,554	22,491
	13,391	24,503
	19,103	21,968
	111,748	101,566
	<b>628,948</b>	<b>500,739</b>

# Narrandera Ex-Servicemen's Club Limited

ACN 001 054 735 ABN 90 001 054 735

## SUPPLEMENTARY FINANCIAL INFORMATION NOTES TO THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 30th JUNE, 2020

	30.06.2020	30.06.2020
NOTE 4-RECEIVABLES		
Trade Debtors/Security Deposits	<u>92,985</u>	<u>10,533</u>
NOTE 5-INVENTORIES		
Stock on hand		
-Bar	37,884	45,611
-Monster Competition	6,550	3,001
Total	<u>44,434</u>	<u>48,612</u>
NOTE 6-OTHER CURRENT ASSETS		
Prepayments	<u>2,630</u>	<u>7,028</u>
NOTE 7-PROPERTY, PLANT & EQUIPMENT		
Freehold Land and Buildings-at cost <b>Core Property</b>	<u>3,065,957</u>	<u>3,065,957</u>
Plant and Furniture-at cost	4,404,664	4,297,610
Less Accumulation Depreciation	3,621,656	3,493,141
	<u>783,008</u>	<u>804,469</u>
Other non-current asset-Loan	3,000	3,000
Poker machine entitlements-at valuation (2020)	229,500	765,000
	<u>4,081,465</u>	<u>4,638,426</u>

# Narrandera Ex-Servicemen's Club Limited

ACN 001 054 735 ABN 90 001 054 735

## SUPPLEMENTARY FINANCIAL INFORMATION NOTES TO THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 30th JUNE, 2020

NOTE 8-CREDITORS & BORROWINGS	30.06.2020	30.06.2019
CURRENT		
Trade Creditors	65,496	81,896
Accruals	95,981	75,078
Total	<u>161,477</u>	<u>156,974</u>

### NOTE 9-PROVISIONS

CURRENT		
Provisions for Annual Leave	18,282	32,409
Provisions for Long Service Leave	84,336	74,875
	<u>102,618</u>	<u>107,284</u>

### NOTE 10-OTHER CREDITORS AND BORROWINGS

Subscription in advance	0	2,664
Accrued Expenses	95,981	72,414
Employee Tax and Super		
	<u>95,981</u>	<u>75,078</u>

### NOTE11-FINANCE LOANS CURRENT

Bank Loan	0	0
Finance lease	6,336	74,088
	<u>6,336</u>	<u>74,088</u>

### NOTE12-FINANCE LOANS NON CURRENT

Bank Loan		
Finance lease		
Catering Contract Bond	2,500	2,500
	<u>2,500</u>	<u>2,500</u>



# Narrandera Ex-Servicemen's Club Limited

ACN 001 054 735 ABN 90 001 054 735

## SUPPLEMENTARY FINANCIAL INFORMATION NOTES TO THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 30th JUNE, 2020

	30.06.2020	30.06.2020
NOTE 13-DIRECTOR Emoluments		
Remuneration received or due and Received by all directors of the club		
-Presidents allowance	7,529	7,509
-Other expenses	1,245	1,384
Number of directors whose income From the club fall within the Following band:		
\$0-\$9,999	1	1
NOTE 14-RELATED PARTIES		
During the financial year the following directors of the club, received amounts as consideration for services provided to the club	0	0

# Narrandera Ex-Servicemen's Club Limited

ACN 001 054 735 ABN 90 001 054 735

## SUPPLEMENTARY FINANCIAL INFORMATION NOTES TO THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 30th JUNE, 2020

NOTE 15 - RECONCILIATION OF OPERATING PROFIT **30.06.20** **30.06.19**  
AFTER INCOME TAX TO NET CASH INFLOW  
FROM OPERATING ACTIVITIES.

Operating Profit after income tax and before abnormal items	248,540	-15,221
Profit on sale of fixed assets	-14,861	4,656
Depreciation and amortisation	256,843	245,401
Changes in operating assets and liabilities		
Increase in trade debtors	-82,452	-2,802
Decrease in inventories	4,178	663
Decrease in prepaid expenses	4,398	4,345
Increase in trade creditors and accruals	4,503	45,081
Decrease in other provisions	-4,666	-9,607
Total	<u>167,943</u>	<u>287,737</u>

### NOTE 17- RECONCILIATION OF CASH

The cash figure as shown in the balance sheet is reconciled to cash as at the end of the financial year as disclosed in the statement of cash as follows:-

Cash Bank and on hand	628,948	500,739
Balance as per statement of cash flows	<u>628,948</u>	<u>500,739</u>

# Narrandera Ex-Servicemen's Club Limited

ACN 001 054 735 ABN 90 001 054 735

## SUPPLEMENTARY FINANCIAL INFORMATION NOTES TO THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 30th JUNE, 2020

	30.06.2020	30.06.2019
Bar (1)	99,072	126,700
Poker Machines (2)	1,064,448	1,102,882
Sports Committee (3)	8,377	8,882
Monster Competition (4)	-1,507	1,486
Keno (6)	24,082	29,976
Other Income (7)	364,347	73,287
TAB (9)	-11,897	-21,049
Total	<u>1,546,922</u>	<u>1,322,164</u>
Less:		
Overhead Expenses (11)	<u>1,298,382</u>	<u>1,337,385</u>
Net Profit	<u>248,540</u>	<u>-15,221</u>

### NOTE ONE - BAR TRADING ACCOUNT

Sales - Bar	<u>424,099</u>	<u>518,158</u>
Less Cost of Sales:		
Opening Stock	45,611	44,831
Purchases	<u>177,320</u>	<u>224,335</u>
	223,931	269,166
Less Closing Stock	37,884	45,611
Cost of Sales	<u>185,047</u>	<u>223,555</u>
Gross Trading Profit	<u>239,052</u>	<u>294,603</u>
Gross Profit Percentage	56.37%	56.85%
Less Expenses:		
Bar Wastage	9,852	10,987
Bar Freight	5,369	6,747
Bar Requisites	5,807	6,695
Bar Wages	118,952	143,474
Total	<u>139,980</u>	<u>167,903</u>
Net Bar Profit/ (Loss)	<u>99,072</u>	<u>126,700</u>

# Narrandera Ex-Servicemen's Club Limited

ACN 001 054 735 ABN 90 001 054 735

## SUPPLEMENTARY FINANCIAL INFORMATION NOTES TO THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 30th JUNE, 2020

NOTE 2- POKER MACHINE PROFIT AND LOSS ACCOUNT	30/06/2020	30.06.2019
Poker Machine Proceeds	<u>1,431,270</u>	<u>1,526,420</u>
Less Expenses:		
Data Monitoring	22,221	26,614
Supplementary Tax	193,355	190,141
S I fees etc	5,611	10,722
Paging system		
Poker Machine Wages	111,273	152,729
Repairs and Maintenance	30,907	39,461
Poker Machine Promotions	2,399	2,818
Link Jackpot Provision		
Poker Machine Stationery	1,056	1,053
Total	<u>366,822</u>	<u>423,538</u>
Poker Machine Profit/(Loss)	<b>1,064,448</b>	<b>1,102,882</b>
NOTE 3- SPORTS COMMITTEE AND LOSS ACCOUNT		
Competition etc.	<b>41,248</b>	<b>51,804</b>
Less Expenses:		
Sports prize and Trophies	<u>32,871</u>	<u>42,922</u>
Sports committee Profit/ (Loss)	<u>8,377</u>	<u>8,882</u>
NOTE 4- MONSTER COMPETITION PROFIT AND LOSS ACCOUNT		
Ticket Sales	<u>45,067</u>	<u>65,730</u>
Less Expenses:		
Opening Stock	4,132	5,575
Purchases	<u>47,755</u>	<u>61,192</u>
Total	<u>51,887</u>	<u>66,767</u>
Less: Closing Stock	<u>6,550</u>	<u>4,132</u>
Total	<u>45,337</u>	<u>62,635</u>
Wages	<u>1,237</u>	<u>1,609</u>
Monster Competition Profit/ (Loss)	<u>-1,507</u>	<u>1,486</u>

# Narrandera Ex-Servicemen's Club Limited

ACN 001 054 735 ABN 90 001 054 735

## SUPPLEMENTARY FINANCIAL INFORMATION NOTES TO THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 30th JUNE, 2020

NOTE 6- KENO PROFIT AND LOSS ACCOUNT	30/06/2020	30.06/2019
Ticket Commission	<u>50,875</u>	<u>70,443</u>
Less expenses		
Keno Maintenance Expenses	1,665	2,274
Keno Wages	24,492	37,402
Keno Stationery	636	791
Total	<u>26,793</u>	<u>40,467</u>
Keno Profit/(Loss)	<u>24,082</u>	<u>29,976</u>

### NOTE 7- OTHER INCOME

GST rebate	17,180	17,180
Government Grant-Disability	72,550	0
Government Grant Cash Boost	62,500	0
Government Grant Job Keeper	144,000	0
Government Grant S.B. support	10,000	0
Utilities Contribution	9,622	11,468
Interest Revenue	781	1,066
Profit sale of Non Current Assets	14,861	-4,656
Subscriptions	8,507	13,202
Conference Fees	4,268	8,291
ATM income	12,554	15,880
Bar Rebate	7,524	5,913
Wage Subsidy	0	4,943
Total	<u>364,347</u>	<u>73,287</u>

### NOTE 8 - TAB

Commissions/Rebates	<u>11,032</u>	<u>12,475</u>
Less expenses		
TAB Expenses	12,552	17,555
Wages	10,377	15,969
Total	<u>22,929</u>	<u>33,524</u>
TAB Profit/Loss	<u>-11,897</u>	<u>-21,049</u>

# Narrandera Ex-Servicemen's Club Limited

ACN 001 054 735 ABN 90 001 054 735

## SUPPLEMENTARY FINANCIAL INFORMATION NOTES TO THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 30th JUNE, 2020

NOTE 10- OVERHEAD EXPENSES	30.06.2020	30.06.2019
Advertising	3,115	5,553
Auditors' Remuneration- Audit Services and Accounting	9,100	8,800
Anzac Commerations	601	2,936
Bank Charges	2,780	2,743
Bingo	4,815	6,348
Cash Shortages/returned cheques	77	1,755
Cleaning and laundry	21,684	28,047
Computer Expenses	8,941	8,609
Courtesy Bus Expenses	5,793	8,966
Depreciation	256,843	245,401
Donations/Sponsorship	18,422	17,039
Fuel and Electricity	92,368	112,942
-Annual Leave Paid	54,349	42,354
-Annual Leave Provided	-14,127	1,376
-Long Service Leave Paid	4,238	20,707
-Long Service Leave Provided	9,461	-10,983
-Sick Leave Paid	10,719	11,043
Insurance	79,705	71,551
Interest Bank Loan		140
Licenses and Subscriptions	13,538	12,879
Loan Fees Bank		330
Managers Expenses	134	1,254
Members Amenities	39,066	68,018
Payroll Tax		7,084
Postage	2,433	2,594
Printing and Stationary	9,736	9,908
Promotions/Raffles		
Rates and Taxes	20,818	18,897
President/Directors Expenses	8,774	8,893
Repairs and Maintenance	32,086	51,203
Staff Expenses	14,226	21,835
Staff Training	7,443	9,309
Security	5,700	5,742
Superannuation Contributions- Employees	73,757	84,548
Telephone	6,235	7,761
Wages- Administration	169,490	201,460
-Door	61,202	82,317
-Cleaning	74,504	104,820
-Courtesy Bus	30,607	48,038
Bingo	3,749	5,168
Job Keeper	156,000	
Workers compensation payments		
Total overhead expenses	<b><u>1,298,382</u></b>	<b><u>1,337,385</u></b>

# Narrandera Ex-Servicemen's Club Limited

ACN 001 054 735 ABN 90 001 054 735

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDING 30th JUNE, 2020

	2020	2019
Revenue	510,414	643,983
Other Revenue	1,830,871	1,673,077
Cost of Sales	<u>-255,731</u>	<u>-323,199</u>
	2,085,554	1,993,861
Other Income	14,861	-4,656
Administration Expenses	<u>-1,851,875</u>	<u>-2,004,426</u>
Operating loss before income tax	248,540	-15,221
Income tax attributable to operating profit	<u>0</u>	<u>0</u>
Operating Profit after income tax	<u><b>248,540</b></u>	<u><b>-15,221</b></u>

## Donations & Sponsorships: 2019/2020

### Approved CATEGORY ONE recipients were:

Narrandera RSL Sub Branch	\$4,000.00
CANASSIST	\$1,500.00
LEGACY (Narrandera Branch)	\$500.00
<b>Total Category One:</b>	<b>\$6,000.00</b>

### Approved CATEGORY TWO recipients were:

St Joseph's Primary School	\$2,000.00
Narrandera Rescue Squad	\$1,500.00
Narrandera Community Radio	\$650.00
Narrandera Nattering Nitters	\$500.00
L. Hewitt - Aust Schools Athletics Championships	\$250.00
Rotary Club of South Wagga (Circus Quirkus)	\$180.00
IDFA - 2 x tickets to the Children's Festival	\$120.00
Legacy - Rum Cup Charity Day	\$100.00
Dress for the Farmer Appeal	\$100.00
Narrandera Senior Citizens & Welfare Group	\$75.00
Narrandera Public School - school presentation	\$50.00
Narrandera High School - school presentation	\$50.00
<b>Total Category Two:</b>	<b>\$5,575.00</b>

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<b>Total Category's One &amp; Two</b>	<b>\$11,575.00</b>
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In-kind	\$7,887.00
Sponsorships	\$6,460.00
<b>TOTAL</b>	<b>\$25,922.00</b>

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# NARRANDERA

## EX-SERVICEMEN'S CLUB LIMITED

### Mission Statement

1. Narrandera Ex-Servicemen's Club is **committed to providing high quality services and amenities** to members, guests, visitors and the Narrandera community at large.
2. Our enthusiastic employees strive to build a progressive corporate identity within the community through **commitment to high levels of customer satisfaction.**
3. Narrandera Ex-Servicemen's Club is committed to conducting our business in compliance with the laws and regulations under which we operate and by following the **Registered & Licensed Clubs – Code of Practice.**

The requirements of the Code reflect the Club movements underlying values of honesty, fairness, integrity, mutuality, compassion and community.

