

Gilgandra Services Club Co-Operative Limited

ABN: 98 155 304 481

Financial Statements

For the Year Ended 30 June 2021



GILGANDRA SEVICES CLUB
ANNUAL GENERAL MEEING
SUNDAY 28th NOVEMBER 2021 AT 10.30AM

1. Welcome to all members.
2. Apologies
3. Confirmation of Minutes of the previous Annual General Meeting
4. Business arising from Minutes
5. Receive, consider and if thought fit, adopt the Reports of:-
 - (a) Board of Directors;
 - (b) The President;
 - (c) The General Manager.
6. Receive, consider and if thought fit, adopt the profit and loss account and balance sheet for the twelve (12) months ending 30th June 2021 and the Auditors Report thereon.
7. Election of Office Bearers:
8. General Business:

MINUTES OF THE 73RD ANNUAL GENERAL MEETING OF THE
GILGANDRA SERVICES CLUB
HELD SUNDAY 27TH SEPTEMBER 2020

OPEN MEETING: 10.35am

ATTENDANCE: M Cooper (President), J Jones (General Manager), T Lacey (Auditor) and Twenty six (26) members as per the attendance sheet.

APOLOGIES: Darren Jackson
Moved John Higgins and Seconded Nan Nalder that:
The apologies be accepted. CARRIED

CONFIRMATION OF THE MINUTES OF THE PREVIOUS ANNUAL GENERAL MEETING HELD SUNDAY 29TH SEPTEMBER 2019:
Moved K O'Bryan and Seconded M Cooper that:
The minutes of the previous Annual General Meeting held Sunday 29th September 2019 as read be confirmed as a true and accurate record. CARRIED

BUSINESS ARISING FROM MINUTES: NIL

DIRECTORS REPORT:
Moved John Higgins and seconded K O'Bryan that:
The Directors Report as presented be adopted. CARRIED

PRESIDENT'S REPORT:
Moved M Robins and seconded W Ross that:
The President's Report as presented be adopted. CARRIED

GENERAL MANAGER'S REPORT:
Moved M Hayes and seconded W Ross that:
The General Manager's Report as presented be adopted. CARRIED

AUDITORS REPORT:
Moved P Ferguson and seconded P Byrne that:
The Auditor's Report as presented be adopted. CARRIED

GENERAL BUSINESS: NIL

MEETING CLOSED: 10.50am

General Manager's Report

It gives me great pleasure to present my report for the 2020/2021 Financial year.

The Club achieved an operating profit of \$999,141 and after charging out depreciation of \$274,351 a yearly profit of \$724,790. Contributing to this result was Covid-19 cashflow boost of \$63,000 and JobKeeper payments of \$132,736. This leaves a true profit figure of \$529,054 still a great result.

Poker Machine receipts were \$1,674,631 - an increase of \$666,421 or 66% on 2019/2020.

Bar Trading increased by \$155,173 or 28.7%.

The Bistro achieved a net profit of \$70,098 - an increase of \$62,312 or 800%.

Obviously the six weeks closure from the 12th August 2021 will have a big impact on this year's profit.

I would like to thank President Maelyn and the Board for their continuing support in overseeing the Clubs operations.

To my management team of Leanne, Quentin and Denise and their staff, many thanks for your efforts.

My sincere condolences to family and friends of members that have passed during the year.

In conclusion, we are in uncertain times with Covid restrictions, but with the continuing support of the members, I feel the Club is in a strong position.

J.D.Jones
General Manager

Gilgandra Services Club Co-Operative Limited

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Gilgandra Services Club Co-Operative Limited

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Director's Report

30 June 2021

The directors present their report on Gilgandra Services Club Co-Operative Limited for the financial year ended 30 June 2021.

Directors

The names of the directors in office at any time during, or since the end of, the year are:

Names	Position	Appointed/Resigned
Maelyn Cooper	President	
Peter Byrne	Vice President	
Michael Hayes		
Darren Jackson		
Keel O'Bryan		
Paul Morris		
Michael Kaltenbacher		

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activities

The principal activity of Gilgandra Services Club Co-Operative Limited during the financial year was the conduct of a licensed Club.

No significant changes in the nature of the Co-Operative's activity occurred during the financial year.

Operating results

The profit of the Co-Operative after providing for income tax amounted to \$724,790 (2020: profit of \$(50,737)).

Dividends paid or recommended

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

Review of operations

A review of the operations of the Co-operative during the financial year and the results of those operations found that during the year, the Club revenue and other income has increased \$1,050,731. The largest increases were bar sales \$155,173, restaurant sales \$166,390 and poker machine revenue \$666,421 when compared to the 30 June 2020 financial year. In addition the Club was in receipt of government grants which total \$195,736 for the period ending 30 June 2021. Government stimulus grants include a cash flow boost of \$50,000, Jobkeeper payments of \$132,736 and other grants which total \$13,000.

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Co-Operative during the year.

Gilgandra Services Club Co-Operative Limited

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Director's Report

30 June 2021

Events after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Co-Operative, the results of those operations or the state of affairs of the Co-Operative in future financial years.

Future developments and results

Likely developments in the operations of the Co-Operative and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Co-Operative.

Environmental issues

The Co-Operative's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Information on directors

Maelyn Cooper	President
Occupation	Retired
Peter Byrne	Vice President
Occupation	Council worker
Michael Hayes	
Occupation	Retail manager
Darren Jackson	
Occupation	Bank employee
Keel O'Bryan	
Occupation	Labourer
Paul Morris	
Occupation	Electrician
Michael Kaltenbacher	
Occupation	Manager

Meetings of directors

During the financial year, 11 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

Gilgandra Services Club Co-Operative Limited

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Director's Report

30 June 2021

Meetings of directors (continued)

Directors' Meetings	
Number eligible to attend	Number attended
Maelyn Cooper	11
Peter Byrne	11
Michael Hayes	10
Darren Jackson	8
Keel O'Bryan	10
Paul Morris	11
Michael Kaltenbacher	8

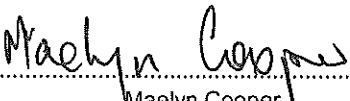
Indemnification and insurance of officers and auditor

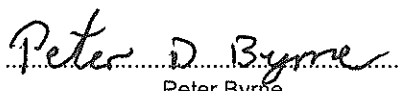
No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of Gilgandra Services Club Co-Operative Limited.

Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2021 has been received and can be found on page 4 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Director: 
Maelyn Cooper

Director: 
Peter Byrne

Dated 14 September 2021

PRINCIPALS

Kevin Rankmore B.Bus. CA, ACIS, ACSA, DipFP
Roger Estens B.Fin. Admin. CA, DipFP

administrator@ryanrank.com
www.ryanrank.com

Gilgandra Services Club Co-Operative Limited

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**Auditor's Independence Declaration under Section 307C of the
Corporations Act 2001 to the Directors of Gilgandra Services Club Co-
Operative Limited**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021, there have 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 contraventions of any applicable code of professional conduct in relation to the audit.

Ryan & Rankmore
Chartered Accountants

Kevin Rankmore
RCA 1656

113-115 Darling Street
DUBBO NSW 2830

Dated 14 September 2021

Gilgandra Services Club Co-Operative Limited

ABN: 98 155 304 481

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2021

		2021	2020
	Note	\$	\$
Revenue	4(a)	3,175,068	2,159,810
Cost of goods sold		(630,762)	(499,844)
		<u>2,544,306</u>	<u>1,659,966</u>
Other income	4(b)	249,688	214,033
Competitions and raffles		(179,612)	(144,758)
Council rates and water		(27,365)	(25,246)
Depreciation and amortisation expense	5	(274,351)	(297,965)
Electricity and gas		(92,660)	(104,190)
Employee costs		(1,011,889)	(989,533)
Entertainment and functions		(3,223)	(22,190)
Insurance		(47,740)	(37,136)
Other expenses		(113,750)	(116,371)
Poker machine expenses		(226,259)	(107,600)
Repairs and maintenance		(79,658)	(67,943)
TAB expenses		(12,697)	(11,804)
		<u>724,790</u>	<u>(50,737)</u>
Profit/(loss) before income tax		724,790	(50,737)
Income tax expense	17	-	-
		<u>724,790</u>	<u>(50,737)</u>
Profit/(loss) for the year		724,790	(50,737)
Other comprehensive income, net of income tax		-	-
		<u>-</u>	<u>-</u>
Total comprehensive income for the year		724,790	(50,737)

The accompanying notes form part of these financial statements.

Gilgandra Services Club Co-Operative Limited

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Statement of Financial Position

As At 30 June 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	1,429,207	504,770
Trade and other receivables	7	3,494	60,314
Inventories	8	40,787	30,179
Financial assets	9	2,000	2,000
Other assets	10	6,414	5,000
TOTAL CURRENT ASSETS		1,481,902	602,263
NON-CURRENT ASSETS			
Property, plant and equipment	11	2,338,811	2,399,140
Intangible assets	12	202,696	202,696
Right-of-use assets	13	24,250	-
TOTAL NON-CURRENT ASSETS		2,565,757	2,601,836
TOTAL ASSETS		4,047,659	3,204,099
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	14	187,289	109,163
Lease liabilities	13	7,306	21,860
Employee benefits	16	131,358	110,254
Other financial liabilities	15	10,121	-
TOTAL CURRENT LIABILITIES		336,074	241,277
NON-CURRENT LIABILITIES			
Lease liabilities	13	20,427	24,076
Employee benefits	16	41,071	43,262
TOTAL NON-CURRENT LIABILITIES		61,498	67,338
TOTAL LIABILITIES		397,572	308,615
NET ASSETS		3,650,087	2,895,484
EQUITY			
Retained earnings		3,650,087	2,925,297
TOTAL EQUITY		3,650,087	2,925,297

The accompanying notes form part of these financial statements.

Gilgandra Services Club Co-Operative Limited

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Statement of Changes in Equity

For the Year Ended 30 June 2021

2021

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2020	2,925,297	2,925,297
Profit/(loss) attributable to members of the Co-Operative	724,790	724,790
Balance at 30 June 2021	<u>3,650,087</u>	<u>3,650,087</u>

2020

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2019	2,976,034	2,976,034
Profit/(loss) attributable to members of the Co-Operative	(50,737)	(50,737)
Balance at 30 June 2020	<u>2,925,297</u>	<u>2,925,297</u>

The accompanying notes form part of these financial statements.

Gilgandra Services Club Co-Operative Limited

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Statement of Cash Flows For the Year Ended 30 June 2021

	2021	2020
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	3,202,380	2,175,838
Receipts from grants	255,200	140,000
Payments to suppliers and employees	(2,380,049)	(2,043,427)
Interest received	3,220	3,331
Interest paid	(1,240)	(1,329)
Net cash provided by/(used in) operating activities	22 <u>1,079,511</u>	<u>274,413</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of property, plant and equipment	31,220	-
Payments for property, plant and equipment	(168,091)	(242,511)
Net cash provided by/(used in) investing activities	<u>(136,871)</u>	<u>(242,511)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Lease payments	(18,203)	(67,285)
Net cash provided by/(used in) financing activities	<u>(18,203)</u>	<u>(67,285)</u>
Net increase/(decrease) in cash and cash equivalents held	924,437	(35,383)
Cash and cash equivalents at beginning of year	<u>504,770</u>	<u>540,153</u>
Cash and cash equivalents at end of financial year	6 <u><u>1,429,207</u></u>	<u><u>504,770</u></u>

The accompanying notes form part of these financial statements.

Gilgandra Services Club Co-Operative Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2021

The financial report covers Gilgandra Services Club Co-Operative Limited as an individual entity. Gilgandra Services Club Co-Operative Limited is a Co-operative under the Co-operatives National Law (NSW), incorporated and domiciled in Australia.

The functional and presentation currency of Gilgandra Services Club Co-Operative Limited is Australian dollars.

The financial report was authorised for issue by the Directors on 14 September 2021.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosure Standard, the Co-operatives National Law (NSW), and the *Corporations Act 2001*. The Co-Operative is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared on an accruals basis and are based on historical costs.

The amounts presented in the financial report have been rounded to the nearest dollar.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Co-Operative expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Co-Operative have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Gilgandra Services Club Co-Operative Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies (continued)

(a) Revenue and other income (continued)

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Co-Operative are:

Sale of goods

Revenue from the sale of goods comprises revenue earned from the provision of food, beverage and other goods and is recognised (net of rebates, returns, discounts and other allowances) at the point of sale or delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods.

Rental income

Revenue from rental receipts is recognised in the period the rental relates to and is recorded in accordance with the rental agreement.

Rendering of services

Revenue from rendering of services comprises revenue from gaming facilities together with other services to members and other patrons of the Club. Revenue from rendering of services is recognised when the services are provided.

Membership income

Revenue from membership subscription purchases by the members are deferred as unearned income and are brought to account evenly over the course of the membership period.

Dividend revenue

Dividends are recognised as income when the right to receive payment has been established.

Grant income

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligations is satisfied.

The performance obligations are varied based on the agreement. Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control. Within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.

Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

Where contracts are either not enforceable or do not have sufficiently specific performance obligations the income is recorded in accordance with AASB 1058.

Gilgandra Services Club Co-Operative Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies (continued)

(a) Revenue and other income (continued)

Amounts arising from the scope of AASB 1058 are recognised at the assets fair value when the asset is received. The Co-Operative considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

Once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received.

Interest

Interest revenue is recognised using the effective interest method.

Other income

Other income is recognised on an accruals basis when the Co-Operative is entitled to it.

(b) Income Tax

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

The calculation of current and deferred tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method. The carrying amounts of deferred tax are reviewed at the end of each reporting period and adjusted if needed.

Deferred tax assets are recognised to the extent it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Co-Operative's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantially enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

(c) Goods and services tax (GST)

Revenue, 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 Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payable are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the ATO is classified as operating cash flows.

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Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies (continued)

(d) Inventories

Inventories are measured at the lower of cost and net realisable value.

(e) Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment.

In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised in the statement of comprehensive income. A formal assessment of recoverable amount is made when impairment indicators are present.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Co-Operative and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Land and buildings

Land and buildings are measured using the cost model.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a reducing balance basis over the assets useful life to the Co-Operative, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Club buildings	5% - 20%
Plant and equipment	5% - 40%
Rental property	5%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

Gilgandra Services Club Co-Operative Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies (continued)

(f) Financial instruments

Financial instruments are recognised initially on the date that the Co-Operative becomes party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date the Co-Operative commits itself to either the purchase or sale of the asset.

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified at "fair value through profit or loss" in which case transaction costs are expensed to profit or loss immediately.

Trade receivables are initially measured at the transaction price.

Financial assets

Financial assets are subsequently measured at:

- amortised cost; or
- fair value through other comprehensive income.

Financial assets comprising cash and cash equivalents, trade and other receivables and interest bearing deposits are subsequently measured at amortised cost as they meet the following conditions:

- the financial assets are managed solely to collect contractual cash flows; and
- the contractual terms within the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

Derecognition of financial assets

A financial asset is derecognised when the Co-Operative's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all the risks and rewards of ownership of the asset have been substantially transferred; and
- the Co-Operative no longer controls the asset.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a financial asset classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the financial asset reserve is not reclassified to profit or loss, but is transferred to retained earnings.

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Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies (continued)

(f) Financial instruments (continued)

Financial liabilities

Financial liabilities are subsequently measured at amortised costs using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or financial liability, that is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Impairment

The Co-Operative recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost.

A loss allowance is not recognised for investments measured at fair value through other comprehensive income.

Recognition of expected credit losses in financial statements

At each reporting date, the Co-Operative recognises the movement in the loss allowance as an impairment gain or loss in the statement of comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Financial assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at the end of the reporting period.

(g) Impairment of non-financial assets

At the end of each reporting period the Co-Operative determines whether there is an evidence of an impairment indicator for tangible and intangible assets. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Gilgandra Services Club Co-Operative Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies (continued)

(g) Impairment of non-financial assets (continued)

Where it is not possible to estimate the recoverable amount of an individual asset, the Co-Operative estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for intangible assets with indefinite useful lives.

(h) Intangibles

Poker machine entitlements

Poker machine entitlements represent entitlements purchased.

Recognition and measurement

Poker machine entitlements are not amortised as they are deemed to have an indefinite useful life. They have an indefinite useful life as they do not expire and under current government legislation there is no plan to remove such entitlements. As a result, poker machine entitlements are tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and are carried at cost less accumulated impairment losses.

Impairment tests for poker machine entitlements

At the end of the reporting period the Co-Operative assessed the recoverable amount of poker machine entitlement based on the value in use methodology. The Co-Operative used the pre-tax cash flows generated from the poker machines net revenues generated and calculated the present values of these future cash flows at an appropriate discount rate to arrive at the total value of these entitlements. The value thus arrived, was in excess of the carrying value and accordingly no impairment losses were recognised.

(i) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other financial institutions, other short-term highly liquid investments with original maturities of twelve months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

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Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies (continued)

(j) Leases

At inception of a contract, the Co-Operative assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Co-Operative has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Co-Operative has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

At the lease commencement, the Co-Operative recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Co-Operative believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Co-Operative's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Co-Operative's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Exceptions to lease accounting

The Co-Operative has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Co-Operative recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

Gilgandra Services Club Co-Operative Limited

ABN: 98 155 304 481

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies (continued)

(k) Employee benefits

Provision is made for the Co-Operative's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements.

(l) Adoption of new and revised accounting standards

The Co-Operative has adopted all standards which became effective for the first time at 30 June 2021, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Co-Operative.

General Purpose Financial Statements – Simplified Disclosures

AASB issued an amending standard (AASB 1060) that will require both for-profit and not-for-profit entities to transition from the reduced disclosure requirements (RDR) framework to the simplified disclosure standard (SDS) effective for financial years commencing on or after 1 July 2021.

The Co-Operative has early adopted AASB 1060 for the financial year ended 30 June 2021 and applied the following special transitional relief:

- Restatement of comparative information is not required for any changes as a result of applying full recognition and measurement for the first time.
- Comparatives for those note disclosures that were not previously required are not required.

New but not yet effective standards

At the date of authorisation of these financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the Australian Accounting Standards Board (AASB). None of these Standards or amendments to existing Standards have been adopted early by the Co-Operative.

The Directors anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Co-Operative's financial statements.

3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Gilgandra Services Club Co-Operative Limited

ABN: 98 155 304 481

Notes to the Financial Statements

For the Year Ended 30 June 2021

3 Critical Accounting Estimates and Judgments (continued)

Key estimates - impairment of intangibles, property, plant and equipment

The Co-Operative assesses impairment at the end of each reporting period by evaluating conditions specific to the Co-Operative that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Key judgments - COVID-19 impact on the financial statements

On 11 March 2020, the World Health Organisation declared a global pandemic in relation to the COVID-19 virus.

Compliance with Government Regulations designed to reduce the spread of COVID-19 have had a detrimental impact on the industry the Co-Operative operates in. However, due to government grants received during the financial year the COVID-19 virus has had very little impact on the operating result of the Co-Operative.

As of 30 June 2021, the Co-Operative had net working capital of \$1,145,828 and no long term debt.

The directors have prepared projected cash flow information for the twelve months from the date of approval of these financial statements taking into consideration the estimation of the continued business impacts of COVID-19. These forecasts indicate that, taking account of reasonably possible downsides, the Co-Operative is expected to continue to operate, with headroom, within available cash levels.

Based on these forecasts, the directors believe that it remains appropriate to prepare the financial statements on a going concern basis and the Directors have a reasonable expectation that the Co-Operative will remain a going concern for at least the next twelve months.

Gilgandra Services Club Co-Operative Limited

ABN: 98 155 304 481

Notes to the Financial Statements

For the Year Ended 30 June 2021

4 Revenue and Other Income

(a) Revenue from continuing operations

	2021	2020
	\$	\$
Bar sales	694,922	539,749
Bingo income	7,965	5,862
Commissions	95,893	67,247
Competitions and raffles	53,851	49,259
Courtesy bus	2,548	3,644
Functions	115	4,703
Membership	2,809	5,374
Poker machine takings	1,674,631	1,008,210
Restaurant sales	642,152	475,762
Room and equipment hire	182	-
	<u>3,175,068</u>	<u>2,159,810</u>

(b) Other income

Advertising income	-	300
COVID-19 cashflow boost	50,000	50,000
COVID-19 jobkeeper receipts	132,736	149,464
COVID-19 other government stimulus	13,000	-
Interest	3,220	3,331
Net gain on sale of property, plant and equipment	30,897	-
Other income	9,765	1,058
Rental income	10,070	9,880
	<u>249,688</u>	<u>214,033</u>

5 Result for the Year

The result for the year includes the following specific expenses:

Depreciation and amortisation

Club building	75,394	79,157
Plant and equipment	189,287	212,915
Rental property	4,107	4,324
Right-of-use assets	5,563	1,569
	<u>274,351</u>	<u>297,965</u>

Gilgandra Services Club Co-Operative Limited

ABN: 98 155 304 481

Notes to the Financial Statements

For the Year Ended 30 June 2021

6 Cash and Cash Equivalents

	2021	2020
	\$	\$
Cash on hand	128,900	109,200
Cash at bank	700,307	170,570
Short-term deposits	600,000	225,000
	<u>1,429,207</u>	<u>504,770</u>

7 Trade and Other Receivables

CURRENT

Trade receivables	1,916	148
Jobkeeper receivable	-	59,464
EFTPOS clearing account	1,578	702
	<u>3,494</u>	<u>60,314</u>

A receivable represents the Co-Operative's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components when they are recognised at fair value and subsequently measured at amortised cost using the effective interest method.

8 Inventories

CURRENT

At cost:

Stock on hand - bar	36,964	27,122
Stock on hand - kitchen	3,823	3,057
	<u>40,787</u>	<u>30,179</u>

Write downs of inventories to net realisable value during the year were \$ NIL (2020: \$ NIL).

9 Financial Assets

CURRENT

Listed shares in other corporations	2,000	2,000
	<u>2,000</u>	<u>2,000</u>

10 Other Assets

CURRENT

Prepayments	1,414	-
TAB Bond	5,000	5,000
	<u>6,414</u>	<u>5,000</u>

Gilgandra Services Club Co-Operative Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2021

11 Property, Plant and Equipment

	2021	2020
	\$	\$
Land		
At cost	23,526	23,526
Total land	<u>23,526</u>	<u>23,526</u>
Rental property		
At cost	86,473	86,473
Accumulated depreciation	(8,431)	(4,324)
Total rental property	<u>78,042</u>	<u>82,149</u>
Club buildings		
At cost	1,789,558	1,789,558
Accumulated depreciation	(362,582)	(287,188)
Total club buildings	<u>1,426,976</u>	<u>1,502,370</u>
Plant and equipment		
At cost	2,961,146	2,816,373
Accumulated depreciation	(2,150,879)	(2,025,278)
Total plant and equipment	<u>810,267</u>	<u>791,095</u>
Total property, plant and equipment	<u><u>2,338,811</u></u>	<u><u>2,399,140</u></u>

The Registered Clubs Act 1976 section 41E requires the financial statements of a registered club to specify the core property and non-core property of the Club as at the end of the financial year to which the financial statements relates.

Core property of a registered Club means any real property owned or occupied by the Club that comprises:

- the premises of the Club, or
- any facility provided by the Club for the use of its members and their guests, or
- any other property declared, by a resolution passed by a majority of the members present at a general meeting of the ordinary members of the club, to be core property of the Club.

Non-core property of a registered Club means any real property owned or occupied by the club that is not core property, or, property that has been declared, by a resolution passed by a majority of the members present at a general meeting of the ordinary members of the club, to be non-core property of the Club

At 30 June 2021 the balance of core property is \$1,450,502 and the balance of non-core property is \$78,042.

Gilgandra Services Club Co-Operative Limited

ABN: 98 155 304 481

Notes to the Financial Statements

For the Year Ended 30 June 2021

11 Property, Plant and Equipment (continued)

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land	Rental Property	Club Buildings	Plant and Equipment	Total
	\$	\$	\$	\$	\$
Year ended 30 June 2021					
Balance at the beginning of year	23,526	82,149	1,502,370	791,095	2,399,140
Additions	-	-	-	208,782	208,782
Disposals	-	-	-	(323)	(323)
Depreciation expense	-	(4,107)	(75,394)	(189,287)	(268,788)
Balance at the end of the year	23,526	78,042	1,426,976	810,267	2,338,811

12 Intangible Assets

	2021	2020
	\$	\$
Poker machine entitlements		
Cost	202,696	202,696
	<u>202,696</u>	<u>202,696</u>

(a) Movements in carrying amounts of intangible assets

	Poker machine entitlements	Total
	\$	\$
Year ended 30 June 2021		
Balance at the beginning of the year	202,696	202,696
Closing value at 30 June 2021	202,696	202,696

13 Leases

The Co-Operative has applied AASB 16 using the modified retrospective (cumulative catch-up) method and therefore the comparative information has not been restated and continues to be reported under AASB 117 and related Interpretations.

The Co-Operative as a lessee

The Co-Operative has a lease over its office equipment.

The Co-Operative has chosen not to apply AASB 16 to leases of intangible assets.

Gilgandra Services Club Co-Operative Limited

ABN: 98 155 304 481

Notes to the Financial Statements

For the Year Ended 30 June 2021

13 Leases (continued)

Information relating to the leases in place and associated balances and transactions are provided below.

Terms and conditions of leases

The Club has a lease over a photocopier. The lease commenced April 2020 for 63 months with the first three months provided free of charge. Monthly payments for the lease are \$669.79 including GST. The lease payments are fixed during the lease term. The photocopier lease has terms of renewal but no purchase option or escalation clauses.

(a) Right-of-use assets

	Office Equipment \$	Total \$
Year ended 30 June 2021		
Balance at beginning of year	29,813	29,813
Depreciation expense	(5,563)	(5,563)
Balance at end of year	<u>24,250</u>	<u>24,250</u>

(b) Lease liabilities

	2021 \$	2020 \$
CURRENT		
Office equipment	7,306	7,306
Solar panels	-	14,554
	<u>7,306</u>	<u>21,860</u>
NON-CURRENT		
Office equipment	<u>20,427</u>	<u>24,076</u>
	<u>20,427</u>	<u>24,076</u>
Total lease liability	<u>27,733</u>	<u>45,936</u>

(c) Maturity analysis

Minimum undiscounted lease payments:

- not later than one year	7,306	21,860
- between one year and five years	<u>29,227</u>	<u>36,534</u>
Minimum lease payments	<u>36,533</u>	<u>58,394</u>

Gilgandra Services Club Co-Operative Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2021

14 Trade and Other Payables

	2021	2020
	\$	\$
CURRENT		
Trade payables	105,879	47,093
Accrued expenses	6,585	6,546
Credit cards	504	105
GST payable	41,919	14,243
Members draw	3,200	3,200
PAYG withholding payable	26,687	20,386
Wage accrual	2,515	17,590
	<u>187,289</u>	<u>109,163</u>

Trade and other payables are carried at amortised cost and represent the liabilities for goods and services received by the Co-Operative during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

15 Other Financial Liabilities

CURRENT		
Member subscriptions paid in advance	10,121	-
	<u>10,121</u>	<u>-</u>

16 Employee Benefits

CURRENT		
Long service leave	43,322	18,734
Annual leave	88,036	91,520
	<u>131,358</u>	<u>110,254</u>
NON-CURRENT		
Long service leave	41,071	43,262
	<u>41,071</u>	<u>43,262</u>

17 Tax assets and liabilities

Deferred tax assets have not been recognised in respect of the following:

Tax losses carried forward to later years	22,290	55,760
	<u>22,290</u>	<u>55,760</u>

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which Gilgandra Services Club Co-Operative Limited can utilise the benefits therein.

Gilgandra Services Club Co-Operative Limited

ABN: 98 155 304 481

Notes to the Financial Statements

For the Year Ended 30 June 2021

18 Key Management Personnel Remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Co-Operative, directly or indirectly, including any director (whether executive or otherwise) of that Co-Operative.

The total remuneration paid to key management personnel of the Co-Operative is \$310,178 (2020: \$310,510).

19 Auditors' Remuneration

	2021	2020
	\$	\$
Remuneration of the auditor Ryan and Rankmore Chartered Accountants for:		
- auditing the financial statements	15,250	15,000
Total	15,250	15,000

20 Contingencies

Contingent Liabilities

Gilgandra Services Club Co-Operative Limited had a \$5,000 (2020: \$5,000) secured performance guarantee for the autopay, TAB and business card facilities. This guarantee is not provided for in the financial statements.

21 Related Parties

(a) The Co-Operative's main related parties are as follows:

Key management personnel - refer to Note 18.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

(b) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Services were provided to the Club by Morris & Weir Electricians of which Paul Morris is an owner. All transactions were at an arm's length basis at normal business rates. Total paid to Morris & Weir Electricians during the financial year was \$1,268.

There have been no other transactions with related parties during the financial year.

Gilgandra Services Club Co-Operative Limited

ABN: 98 155 304 481

Notes to the Financial Statements

For the Year Ended 30 June 2021

22 Cash Flow Information

(a) Reconciliation of result for the year to cash flows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2021	2020
	\$	\$
Profit for the year	724,790	(50,737)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	274,351	297,965
- net loss/(gain) on disposal of property, plant and equipment	(30,897)	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	56,820	(54,674)
- (increase)/decrease in other assets	-	1,724
- (increase)/decrease in prepayments	(1,414)	-
- (increase)/decrease in inventories	(10,608)	23,657
- increase/(decrease) in income in advance	10,121	-
- increase/(decrease) in trade and other payables	37,435	19,413
- increase/(decrease) in employee benefits	18,913	37,065
Cash flows from operations	<u>1,079,511</u>	<u>274,413</u>

23 Events Occurring After the Reporting Date

The financial report was authorised for issue on 14 September 2021 by the board of directors.

On 11 March 2020, the World Health Organisation declared a global pandemic in relation to the COVID-19 virus.

Compliance with Government Regulations designed to reduce the spread of COVID-19 are expected to have a continuing detrimental impact on the operations of the Co-Operative during the 2022 financial year. However, due to the uncertainty in relation to the extent of containment of the virus, it is not possible to reliably estimate the effect of this matter on the results of the operations of the Co-Operative in future financial years.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Co-Operative, the results of those operations or the state of affairs of the Co-Operative in future financial years.

24 Statutory Information

The registered office and principal place of business of the Co-Operative is:

Gilgandra Services Club Co-Operative Limited
33 Morris Street
Gilgandra NSW 2827

Gilgandra Services Club Co-Operative Limited

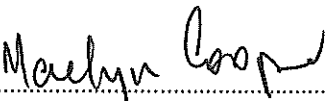
ABN: 98 155 304 481

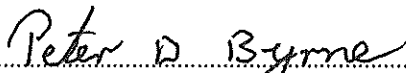
Directors' Declaration

The directors of the Co-Operative declare that:

1. The financial statements and notes, as set out on pages 5 to 26, are in accordance with the Co-Operatives National Law (NSW) and:
 - a. comply with Australian Accounting Standards - Simplified Disclosure Standard; and
 - b. give a true and fair view of the financial position as at 30 June 2021 and of the performance for the year ended on that date of the Co-Operative.
2. In the directors' opinion, there are reasonable grounds to believe that the Co-Operative will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director 
.....
Maelyn Cooper

Director 
.....
Peter Byrne

Dated 14 September 2021

Gilgandra Services Club Co-Operative Limited

Independent Audit Report to the members of Gilgandra Services Club Co-Operative Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Gilgandra Services Club Co-Operative Limited (the Co-Operative), which comprises the statement of financial position as at 30 June 2021, 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 a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Co-Operative is in accordance with the Co-Operatives National Law (NSW) and the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Co-Operative's financial position as at 30 June 2021 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Simplified Disclosure Standard and the *Corporations Regulations 2001*.

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 Co-Operative 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Co-Operative, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Other Information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is included in directors' report, the detailed profit and loss statement and the detailed trading accounts, (but does not include the financial report and our auditor's report thereon).

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Gilgandra Services Club Co-Operative Limited

Independent Audit Report to the members of Gilgandra Services Club Co-Operative Limited

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the Financial Report

The directors of the Co-Operative are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosure Standard, the Co-Operatives National Law (NSW) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Co-Operative'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 the directors either intend to liquidate the Co-Operative or to cease operations, or have no realistic alternative but to do so.

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 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 the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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 Co-Operative's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Gilgandra Services Club Co-Operative Limited

Independent Audit Report to the members of Gilgandra Services Club Co-Operative Limited

- Conclude on the appropriateness of the directors' 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 Co-Operative's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Co-Operative to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ryan & Rankmore
Chartered Accountants

Kevin Rankmore
RCA 1656

113-115 Darling Street
DUBBO NSW 2830

Dated 14 September 2021

PRINCIPALS

Kevin Rankmore B.Bus. CA, ACIS, ACSA, DipFP
Roger Estens B.Fin. Admin. CA, DipFP

administrator@ryanrank.com
www.ryanrank.com

Gilgandra Services Club Co-Operative Limited

ABN: 98 155 304 481

Disclaimer

For the Year Ended 30 June 2021

The additional financial data presented on pages 32 - 35 is in accordance with the books and records of the Co-operative which have been subjected to the auditing procedures applied in our statutory audit of the Co-operative for the year ended 30 June 2021. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Gilgandra Services Club Co-Operative Limited) in respect of such data, including any errors or omissions therein however caused.

Ryan & Rankmore
Chartered Accountants

Kevin Rankmore
RCA 1656

113-115 Darling Street
DUBBO NSW 2830

Dated 14 September 2021

Gilgandra Services Club Co-Operative Limited

ABN: 98 155 304 481

Detailed Profit and Loss Statement For the Year Ended 30 June 2021

	2021	2020
	\$	\$
Sales		
Bar	694,922	539,749
Restaurant	642,152	475,762
Total sales	1,337,074	1,015,511
Less: Cost of goods sold		
Opening stock	29,929	53,836
Purchases	641,371	476,187
Closing stock	(40,538)	(30,179)
Total cost of goods sold	(630,762)	(499,844)
Gross profit	706,312	515,667
Plus: Other income		
Advertising income	-	300
Bingo income	7,965	5,862
Commissions	95,893	67,247
Competitions and raffles	53,851	49,259
Courtesy bus	2,548	3,644
COVID-19 cashflow boost	50,000	50,000
COVID-19 jobkeeper receipts	132,736	149,464
COVID-19 other government stimulus	13,000	-
Functions	115	4,703
Gain on disposal of assets	30,897	-
Interest	3,220	3,331
Membership	2,809	5,374
Other income	9,765	1,058
Poker machine takings	1,674,631	1,008,210
Rental income	10,070	9,880
Room and equipment hire	182	-
Total other income	2,087,682	1,358,332
Less: Expenses		
Advertising	13,845	13,700
Auditors remuneration	15,250	15,000
Bank charges	7,036	4,969
Cleaning	35,066	18,125
Competitions and raffles	179,612	144,758
Computer expenses	13,858	15,414
Courtesy bus expenses	8,176	6,930
Data monitoring system	19,260	17,335
Depreciation and amortisation	274,351	297,965
Donations and sponsorship	6,517	7,470
Electricity	80,311	94,156
Entertainment	2,000	15,559
Freight	743	1,493
Functions	1,223	6,631

Gilgandra Services Club Co-Operative Limited

ABN: 98 155 304 481

Detailed Profit and Loss Statement

For the Year Ended 30 June 2021

	2021	2020
	\$	\$
Gas	12,349	10,034
Insurance	47,740	37,136
Interest paid	1,240	1,329
Meeting and conferences	3,827	5,006
Movements in employee benefits	18,914	37,064
Other poker machine expenses	1,819	2,063
Overs and unders	760	2,087
Payroll tax	(1,217)	3,379
Permits, licenses and fees	7,360	7,715
Poker Machine computer support	8,651	6,285
Poker machine link costs	997	17,499
Poker machine tax	195,532	64,418
Postage	1,229	381
Printing and stationery	2,734	3,763
Rates	27,365	25,246
Repairs and maintenance - club	13,223	22,514
Repairs and maintenance - plant and equipment	29,933	24,841
Repairs and maintenance - rental property	641	300
Repairs and maintenance - restaurant	795	2,163
Security costs	624	1,544
Staff and director amenities	8,395	4,698
Staff training	2,035	2,187
Subscriptions	7,845	7,111
Sundry expenses	801	466
Superannuation contributions	82,634	74,232
TAB expenses	12,697	11,804
Telephone and internet	13,269	15,699
Uniforms	241	1,596
Wages	882,218	859,437
Workers compensation insurance	27,305	13,234
	<u>2,069,204</u>	<u>1,924,736</u>
Profit before income tax	<u><u>724,790</u></u>	<u><u>(50,737)</u></u>

Gilgandra Services Club Co-Operative Limited

ABN: 98 155 304 481

Detailed Bar Trading Account

For the Year Ended 30 June 2021

	2021	2020
	\$	\$
Bar Trading		
Sales revenue		
Sales	693,532	538,143
Overs and unders	1,439	594
	<u>694,971</u>	<u>538,737</u>
Cost of sales		
Opening stock	26,872	49,524
Purchases	331,535	236,944
Closing stock	(36,715)	(27,122)
	<u>321,692</u>	<u>259,346</u>
Cost of goods sold		
	<u>373,279</u>	<u>279,391</u>
Gross profit		
	53.71 %	51.86 %
Gross profit (%)		
Less: Direct expenses		
Gas	3,089	2,176
Wages	216,768	175,889
	<u>219,857</u>	<u>178,065</u>
Net profit / (loss)	<u>153,422</u>	<u>101,326</u>

Gilgandra Services Club Co-Operative Limited

ABN: 98 155 304 481

Detailed Restaurant Trading Account For the Year Ended 30 June 2021

	2021	2020
	\$	\$
Restaurant Trading		
Sales revenue		
Sales	632,559	453,683
Catering	341	443
Functions	9,199	21,439
Overs and unders	53	197
	<u>642,152</u>	<u>475,762</u>
Cost of sales		
Opening stock	3,057	4,312
Purchases	296,546	226,848
Closing stock	(3,823)	(3,057)
	<u>295,780</u>	<u>228,103</u>
Cost of goods sold		
	<u>295,780</u>	<u>228,103</u>
Gross profit	<u>346,372</u>	<u>247,659</u>
Gross profit (%)	53.94 %	52.06 %
Less: Direct expenses		
Cleaning	6,605	9,004
Gas	9,260	7,858
General expenses	13,290	12,395
Repairs and maintenance	795	2,163
Wages	246,324	208,453
	<u>276,274</u>	<u>239,873</u>
Net profit / (loss)	<u>70,098</u>	<u>7,786</u>