

**BINGARA RETURNED
SERVICEMEN'S CLUB LIMITED
ABN 17 001 028 002**

Financial Statements
For the year ended 30 June 2019

PHILIP MALTBY & CO
Chartered Accountant
86 Maitland Street
BINGARA NSW 2404

Phone: 02-67241305 Fax: 02-67241781

Presidents Report

On behalf of the Board I would like to present our report for 2018/2019.

The unforgiving drought has continued to impact on our Club both socially and economically but thank fully to the support of our members and the visitors to our town with have managed to introduce Ticket In Ticket Out to our poker machines and provide a new dining experience with the opening of Gwydir Lily.

We welcome the team of Gwydir Lily, the 4 person team brings a wide range of tastes and flavours from Malaysian, Thai, Chinese to Australian Cuisines. The Gwydir Lily offers an affordable lunch time menu starting at \$10 and the full menu offers exciting dishes full of flavour to suit all tastes.

Our poker machines were all fitted with ticket printers to enable Ticket In Ticket Out. A process in which the machine prints out a ticket that can be used in all machines and redeemed for cash by the player. This concept has been welcomed by our members and will enable the Club to keep up with modern gaming technology.

The club has been able to continue its participation in the community through donations to various organisations and community groups. In 2019 the Club became the major sponsor for Gwydir Rugby Club and offers support for Bingara Lions Club, Bingara MPS, Bingara Men's Shed, Bingara Central School, Bingara Minor League, Bingara Legacy and Bingara RSL Sub Branch.

The success of our club comes about due to the collaboration of our Board, Management, Staff, Caterers and our volunteers, their efforts this year and the years to come are greatly appreciated and I thank them all on your behalf.

See you at the club!

President
John Bancroft

BINGARA RETURNED SERVICEMEN'S CLUB LIMITED
ABN 17 001 028 002

Any financial member attending the Annual General Meeting who needs clarification on any matter pertaining to the financial statements contained therein, please put your questions in writing to the Secretary Manager no later than Monday 18th November, 2019 so that your queries may be answered at the meeting.

Nomination forms for the 2019/2020 Board of Directors are now available from the Club office. All forms must be returned by 6.00pm Sunday 17 November 2019.

BINGARA RETURNED SERVICEMEN'S CLUB LIMITED
ABN 17 001 028 002

C O N T E N T S

PAGE NO.

1.	Directors Report
5.	Auditors Independent Declaration
6.	Bar Trading & Dining Room Trading Accounts for the year ended 30th June, 2019
8.	Statement of Financial Performance for the year ended 30 th June, 2019.
9.	Profit & Loss Statement for the year ended 30th June, 2019.
12.	Balance Sheet as at 30 th June, 2019.
16.	Statement of Changes in Equity for the year ended 30 th June, 2019.
17.	Statement of Cash Flows for the year ended 30th June, 2019.
18.	Notes to the Financial Statements for the year ended 30th June, 2019.
27.	Directors Declaration
28.	Auditors Report

BINGARA RETURNED SERVICEMEN'S CLUB LIMITED

ABN 17 001 028 002

DIRECTORS REPORT

Your Directors submit the Financial Statements for the Club for the year ended 30th June, 2019.

DIRECTORS

The names of the directors who have been in office during the year and to the date of this report are:

J.P. Bancroft	M.J. Reading
J. Smith	J.M. Walker
G.J. Nichols	P.W. Blackney
G. McManus	C.M. Spence

COMPANY SECRETARY

The following person held the position of BINGARA RETURNED SERVICEMEN'S CLUB LIMITED secretary at the end of the financial year.

Mr Daniel Herringe

Mr Herringe has worked for Bingara Returned Servicemen's Club Limited for the past 25 years, performing management roles. Mr Herringe was appointed company secretary on 21st June, 1994.

PRINCIPAL ACTIVITY

The principal activity of the Club during the financial year was that of a licensed social club.

OPERATING RESULTS

The net operating loss after tax for the year ended 30th June, 2019 was (\$156,034.25).

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 Club during the year and the results of those operations are as follows:

Total Club receipts for the year amounted to \$951,861. The Club's expenditure for the year was \$1,107,895. Resulting in a net operating loss after tax (\$Nil) of \$(156,034). Poker Machine takings are the major source of Club revenue, contributing 55.9% of total income. Bar trading is the next largest source of revenue, making up 18.9% of income in 2019. Keno Commissions comprised 7.4% of total income followed by Catering Income at 6.2% of revenue. Members subscriptions were .003% of total income. Wages are the largest area of expenditure, 45.8%, whilst administration expenses represent 22.2% of total expenditure, marketing expenses are 22.2% of total expenditure and occupancy expenses are 9.3% of total expenditure. As shown in the Statement of Cash Flows, there was a net outflow of cash from operating activities of (\$98,358). Income from sale of non-core asset of \$177,500 and core assets of \$100,998. These funds were applied to the purchase of plant and equipment and payment of borrowings of \$80,164 and an increase in cash held of \$99,976.

REAL PROPERTY

The core property of the Club as at the end of the financial year was:

- Clubhouse, Car Park and Memorial Park – 46-50 Finch Street
Lot 12 DP 46841, PLT 15-16, Lot 21, Lot 23 Sec 39 DP 758111,
SPE 67420, Lot 26 DP 821229.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

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

AFTER BALANCE DATE EVENTS

There are no other matters which have arisen since the end of the financial year which significantly affect the operations of the Club, the results of those operations, or the state of affairs of the Club in the financial years subsequent to the year ended 30th June, 2019.

LIKELY DEVELOPMENTS & RESULTS

The Directors do not foresee any significant changes in the operations of the Club in the current financial year.

ENVIRONMENTAL ISSUES

The Club's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

OPTIONS

No options over issued shares of interests in the Club were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

INFORMATION ON DIRECTORS

The following information is provided on the directors of the club:

JOHN PERCIVAL BANCROFT

(President)

Occupation – Entertainer

Tertiary Qualifications - None

Experience - Board member 25 years.

JILL SMITH

Occupation - House Wife

Tertiary Qualifications – None

Experience - Board member 24 years.

GREGORY JOHN NICHOLS

Occupation – Bus Driver

Tertiary Qualifications – None

Experience – Board Member 10 years.

GRAHAM McMANUS

Occupation – Council Worker

Tertiary Qualifications – None

Experience – Board member 9 years.

MICHAEL JOHN READING

Occupation – Pensioner

Tertiary Qualifications – None

Experience- Board member 3 years.

JOHNETTE MAREE WALKER

Occupation – Nurse

Tertiary Qualifications –Nursing Diploma

Experience – Board member 5 years.

PETER WESLEY BLACKNEY

Occupation – Retired

Tertiary Qualifications – None

Experience – Board member 7 months

CHERYL MARIE SPENCE

Occupation - None

Tertiary Qualifications – None

Experience – Board member 7 months

MEETINGS OF DIRECTORS

During the period, 13 meetings of directors were held.

	<u>Monthly Board Meetings</u>		<u>Special Meetings</u>	
	No. Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended
ATTENDANCES				
J.P. Bancroft	12	12	1	1
J. Smith	12	12	1	1
R.J. Cummins	4	3	1	1
G. McManus	12	8	1	1
G.J. Nichols	12	12	1	1
M.J. Reading	12	10	1	1
J.M. Walker	12	9	1	1
P.W. Blackney	7	6	0	0
C.M. Spence	7	7	0	0

INDEMNIFYING OFFICER OR 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 the Club.

PROCEEDINGS ON BEHALF OF THE CLUB

No person has applied for leave of court to bring proceedings on behalf of the Club or intervene in any proceedings to which the Club is a party for the purpose of taking responsibility on behalf of the Club for all or any part of those proceedings. The Club was not a party to any such proceedings during the year.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the year ended 30th June, 2019 has been received and can be found on page 5 of the director's report.

IMPORTANT INFORMATION FOR MEMBERS, IN A FORMAT APPROVED BY THE DIRECTOR OF LIQUOR AND GAMING

In accordance with Section 10(m) of the Registered Clubs Act (1976), the Directors advise;

- i. one employee received remuneration exceeding \$100,000.
- ii. no director or other relevant person had any financial interest in a hotel.
- iii. no director or employee travelled overseas acting on behalf of the Club.
- iv. total profits from the operation of approved gaming machines during the 12 month gaming machine tax period 1 December, 2017 to 30 November, 2018 totalled \$522,533.71.
- v. the amount applied to community development and support under Part 4 of the Gaming Machine Tax Act 2001 during the gaming machine tax period was \$nil.

In accordance with Section 41(h) of the Registered Clubs Act (1976), the Directors advise:

- i. there were no declarations of material personal interests by directors;
- ii. there were no gifts received by directors, top executives and employees;
- iii. there was one executive whose total remuneration is equal to or more than \$100,000 per annum;
- iv. there was no overseas travel by a director or employee of the club including costs wholly or partly met by the club for the director or employee and any other person;
- v. there was no loans in excess of \$1,000 (or which added to other loans amounts to \$1,000 or more) made to an employee of the club;
- vi. there was no controlled contracts entered into;
- vii. no consultant was paid \$30,000 or more;
- viii. no consultants were engaged by the club;
- ix. no settlement was made with a director of the club or an employee of the club as a result of any legal dispute;
- x. no legal fees were paid by the club on behalf of a director or any employee of the club.

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

DIRECTOR
JOHN PERCIVAL BANCROFT

DIRECTOR
JILL SMITH

Dated this 29th October, 2019.

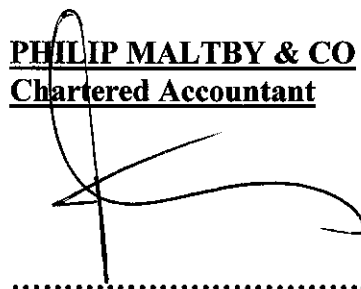
BINGARA RETURNED SERVICEMEN'S CLUB LIMITED
ABN 17 001 028 002

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE
CORPORATIONS ACT 2001 TO THE DIRECTORS OF BINGARA RETURNED
SERVICEMEN'S CLUB LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30th June, 2019 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.

PHILIP MALTBY & CO
Chartered Accountant



.....
PHILIP C. T. MALTBY

BINGARA
28th October, 2019

THE BINGARA RETURNED SERVICEMEN'S CLUB LTD

ABN 17 001 028 002

Bar Trading Account

For the year ended 30 June 2019

	2019	2018
	\$	\$
Trading Income		
Sales - Bar	358,564.95	345,399.62
Total Trading Income	<u>358,564.95</u>	<u>345,399.62</u>
Cost of Sales		
Add:		
Opening Stock - Bar	14,756.65	21,264.84
Purchases - Bar	176,430.74	177,036.17
	<u>191,187.39</u>	<u>198,301.01</u>
Less:		
Closing Stock - Bar	13,090.82	14,756.65
	<u>13,090.82</u>	<u>14,756.65</u>
Cost of Sales	178,096.57	183,544.36
Gross Profit from Trading	<u><u>180,468.38</u></u>	<u><u>161,855.26</u></u>

THE BINGARA RETURNED SERVICEMEN'S CLUB LTD

ABN 17 001 028 002

Kitchen Trading Account

For the year ended 30 June 2019

	2019	2018
	\$	\$
Trading Income		
Sales - Kitchen	179,632.01	217,811.86
Total Trading Income	<u>179,632.01</u>	<u>217,811.86</u>
Cost of Sales		
Add:		
Opening Stock - Kitchen	5,188.49	6,377.07
Purchases - Kitchen	115,152.63	134,867.96
	<u>120,341.12</u>	<u>141,245.03</u>
Less:		
Closing Stock - Kitchen		5,188.49
		<u>5,188.49</u>
Cost of Sales	<u>120,341.12</u>	<u>136,056.54</u>
Gross Profit from Trading	<u>59,290.89</u>	<u>81,755.32</u>

THE BINGARA RETURNED SERVICEMEN'S CLUB LTD

ABN 17 001 028 002

Statement of Financial Performance - by Nature

For the year ended 30 June 2019

	2019	2018
	\$	\$
Classification of Expenses by Nature		
Revenues from ordinary activities	1,238,986.49	1,285,338.35
Changes in inventories of:		
Raw materials and consumables used	(299,952.62)	(318,058.62)
Borrowing costs expense	(0.91)	(4.87)
Depreciation and amortisation expenses	(80,831.00)	(98,163.00)
Other expenses from ordinary activities	<u>(1,014,236.21)</u>	<u>(1,006,093.95)</u>
Profit (loss) from ordinary activities before income tax	(156,034.25)	(136,982.09)
Income tax revenue relating to ordinary activities		
Profit (loss) from ordinary activities after income tax	(156,034.25)	(136,982.09)
Profit from extraordinary items after related income tax	<u>224,180.42</u>	
Net profit attributable to members of the company	<u>68,146.17</u>	<u>(136,982.09)</u>

BINGARA RETURNED SERVICEMEN'S CLUB LIMITED

ABN 17 001 028 002

STATEMENT OF FINANCIAL PERFORMANCE**FOR THE YEAR ENDED 30TH JUNE, 2019.**

	2019	2018
Sales Revenue		
Sales – Bar	358564.95	345399.62
Cost of Sales – Bar	(178096.57)	(183544.36)
Gross Profit from Trading – Bar	<u>180468.38</u>	<u>161855.26</u>
Sales – Kitchen	179632.01	217811.86
Cost of Sales – Kitchen	(120341.12)	(136056.54)
Gross Profit from Trading – Kitchen	<u>59290.89</u>	<u>81755.32</u>
Gross Profit from Trading	<u>239759.27</u>	<u>243610.58</u>
Other Revenue		
Poker Machine Income	532373.62	502393.99
Members Subscriptions	3330.91	6768.18
Club Keno Commission	70905.17	66182.45
Cigarette Machine Commission	237.27	428.18
ATM Machine Commission	8801.84	10383.29
Chocolate Factory Commission	337.73	0.00
TABcorp Commission	3718.20	3406.33
Bingo Income	24457.96	26978.81
Coffee Machine Income	5181.64	5847.45
Gaming Revenue Rebate	17180.00	17180.00
Insurance Recoveries	4496.00	0.00
Interest Received	1488.31	3182.14
Capital Profit/(Loss) on Sale of Assets	0.00	0.00
Profit/(Loss) on Sale of Assets	11312.10	(1011.91)
Sky Rebate	6000.00	6000.00
Donations Received	4000.00	0.00
Sundry Income	1510.45	3877.20
Write Back Staff Leave Provisions	16080.43	67158.85
	<u>711411.63</u>	<u>718774.96</u>
Grants/ Rebates Received		
Rebate Received	<u>0.00</u>	<u>0.00</u>
Rent Revenue		
Rent Received	<u>690.00</u>	<u>2340.00</u>
Total Income	<u>951860.90</u>	<u>964725.54</u>

BINGARA RETURNED SERVICEMEN'S CLUB LIMITED
ABN 17 001 028 002
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30TH JUNE, 2019.
(Continued)

	2019	2018
	\$	\$
Marketing Expenses		
Advertising and Promotion	16075.21	15216.01
Bingo Trophies	29901.66	27850.66
Entertainment & Socials	134534.61	123829.02
Catering Expenses	7375.35	9738.08
Coffee Machine Expenses	2144.36	2542.99
TABcorp Expenses	7540.00	7508.55
Gaming Software Subscription	3300.00	0.00
Keno & Stationery Expenses	6089.85	6715.39
Poker Machine Expenses	25397.00	27987.66
Poker Machine Tax	0.00	0.00
Replacements – Glasses & Bar Aids	0.00	546.99
Replacements – Plant & Equipment <\$500	3865.92	738.48
Salaries – Ordinary	328039.32	325889.00
Staff Training	854.09	1615.54
Directors/ Staff Expenses	9363.09	8468.63
Staff Uniforms	0.00	1185.56
	574480.46	559832.56
Occupancy Expenses		
Laundry & Cleaning	2624.37	3265.80
Light & Power	60551.94	55276.92
Rates & Rent	8941.97	8534.56
Rates - Excess Water/Sewerage	9639.29	6633.62
Repairs & Maintenance	20738.41	18931.36
	102495.98	92642.26
Rental Expenses		
Insurance	0.00	571.82
Rates & taxes	760.63	2538.79
Repairs & Maintenance	0.00	1050.00
	760.63	4160.61

BINGARA RETURNED SERVICEMEN'S CLUB LIMITED
ABN 17 001 028 002
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30TH JUNE, 2019.
(Continued)

	2019	2018
	\$	\$
Borrowing Cost Expenses		
Bank Fees & Charges	3226.22	2008.57
Borrowing Expenses	0.00	0.00
Interest – Bank	0.91	4.87
Interest – Other Persons	0.00	0.00
	<u>3227.13</u>	<u>2013.44</u>
Administration Expenses		
Audit Fees	16400.00	16950.00
Auditor – Accounting & Taxation Services	7826.00	4122.00
Bad Debts Written Off	0.00	2007.50
Conference and Seminar Costs	0.00	0.00
Depreciation	80831.00	98163.00
Donations	12042.27	5641.44
Employee Leave – LSL Provided	0.00	8725.43
Employee Leave – Provision Sick Leave	0.00	0.00
Employee Leave – Annual Leave Provision	0.00	15551.73
Freight & Cartage	509.09	0.00
Filing Fees	475.00	330.00
Fines	0.00	840.00
Hire Plant & Equipment	4019.74	3907.03
Honorariums	5125.00	6645.00
Insurance	48304.26	39700.33
Legal Fees	0.00	0.00
Liquor Licence	532.92	520.99
Licences & Permits	2958.79	2027.02
Printing Stationery and Postage	9769.24	7390.46
Salaries – Ordinary	180096.13	171324.00
Subscriptions	4967.22	4804.76
Sundry Expenses	150.91	0.00
Superannuation	47426.14	48410.51
Telephone	5497.24	5997.56
Travel and Accommodation	0.00	0.00
	<u>426930.95</u>	<u>443058.76</u>
Total Expenses	<u>1107895.15</u>	<u>1101707.63</u>
Operating Profit/(Loss)	<u>(156034.25)</u>	<u>(136982.09)</u>

THE BINGARA RETURNED SERVICEMEN'S CLUB LTD**ABN 17 001 028 002****Detailed Statement of Financial Position as at 30 June 2019**

	2019	2018
	\$	\$
Current Assets		
Cash Assets		
Cash on Deposit	30,000.00	80,000.00
Regional Australia Bank - Business Acc	185,099.03	40,668.52
Regional Australia Bank - ATM Account	11,760.11	11,894.73
Regional Australia Bank - P/M Account	6,589.32	891.69
Regional Australia Bank - Keno Account	6,452.07	6,282.20
Regional Australia Bank - TAB Account	5,988.55	2,350.01
Regional Australia Bank - Visa Account	336.99	
Cash on hand	50,000.00	54,163.00
	<u>296,226.07</u>	<u>196,250.15</u>
Receivables		
Trade Debtors	6,705.63	7,873.00
Other Debtors - TABcorp Security	5,000.00	5,000.00
	<u>11,705.63</u>	<u>12,873.00</u>
Inventories		
Stock on Hand - Bar	13,090.82	14,756.65
Stock on Hand - Kitchen		5,188.49
Stock on Hand - Bingo Trophies	625.40	2,140.33
	<u>13,716.22</u>	<u>22,085.47</u>
Other		
Prepayments & Accrued Income	4,158.15	1,816.63
	<u>4,158.15</u>	<u>1,816.63</u>
Total Current Assets	<u>325,806.07</u>	<u>233,025.25</u>

THE BINGARA RETURNED SERVICEMEN'S CLUB LTD**ABN 17 001 028 002****Detailed Statement of Financial Position as at 30 June 2019**

	2019	2018
	\$	\$
Non-Current Assets		
Other Financial Assets		
At Cost - Coin Collection	3,728.10	3,728.10
	<u>3,728.10</u>	<u>3,728.10</u>
Property, Plant and Equipment		
At Cost - Memorial Park	3,125.05	3,125.05
At Cost - Maitland Street House		57,942.58
Less: Accumulated depreciation		(40,958.00)
At Cost - Plant & Equipment	1,251,819.60	1,318,262.39
Less: Accumulated depreciation	(939,067.09)	(991,592.09)
At Cost - Freehold L & B	721,842.26	721,842.26
Less: Accumulated depreciation	(444,400.42)	(429,996.42)
At Cost - Car Park	2,179.00	2,179.00
Less: Accumulated depreciation	(2,130.00)	(2,126.00)
At Cost - Furniture & Fittings	195,677.79	195,677.79
Less: Accumulated depreciation	(177,445.69)	(174,227.69)
	<u>611,600.50</u>	<u>660,128.87</u>
Intangible Assets		
Poker Machine Licences	353,493.00	324,000.00
	<u>353,493.00</u>	<u>324,000.00</u>
Total Non-Current Assets	<u>968,821.60</u>	<u>987,856.97</u>
Total Assets	<u>1,294,627.67</u>	<u>1,220,882.22</u>

THE BINGARA RETURNED SERVICEMEN'S CLUB LTD

ABN 17 001 028 002

Detailed Statement of Financial Position as at 30 June 2019

	2019	2018
	\$	\$
Current Liabilities		
Payables		
Unsecured:		
Trade creditors	37,360.33	34,624.14
Secured:		
Other creditors	175.54	
	<u>37,535.87</u>	<u>34,624.14</u>
Financial Liabilities		
Unsecured:		
Hire Purchase Creditor	20,440.04	24,816.00
	<u>20,440.04</u>	<u>24,816.00</u>
Current Tax Liabilities		
GST Control Account	14,510.11	11,757.66
	<u>14,510.11</u>	<u>11,757.66</u>
Provisions		
Provision - Annual Leave	56,491.53	63,002.42
Provisions - Long Service Leave	91,027.79	99,829.11
Provisions - Sick Leave	6,224.82	6,363.20
	<u>153,744.14</u>	<u>169,194.73</u>
Other		
Subscriptions Received in Advance	1,154.55	1,472.73
Accrued Expenses	10,890.00	10,175.00
	<u>12,044.55</u>	<u>11,647.73</u>
Total Current Liabilities	<u>238,274.71</u>	<u>252,040.26</u>

THE BINGARA RETURNED SERVICEMEN'S CLUB LTD
ABN 17 001 028 002

Detailed Statement of Financial Position as at 30 June 2019

	2019	2018
	\$	\$
Non-Current Liabilities		
Financial Liabilities		
Unsecured:		
Hire Purchase Creditor	841.67	10,340.00
Grant Liability - Poker Machine Licences	353,493.00	324,000.00
	<u>354,334.67</u>	<u>334,340.00</u>
Provisions		
Provision Long Service Leave	7,097.92	6,224.18
Provision Sick Leave	21,944.82	23,448.40
	<u>29,042.74</u>	<u>29,672.58</u>
Total Non-Current Liabilities	<u>383,377.41</u>	<u>364,012.58</u>
Total Liabilities	<u>621,652.12</u>	<u>616,052.84</u>
Net Assets	<u><u>672,975.55</u></u>	<u><u>604,829.38</u></u>
Equity		
Reserves		
Capital profit reserve	224,382.81	202.39
Retained profits / (accumulated losses)	448,592.74	604,626.99
Total Equity	<u><u>672,975.55</u></u>	<u><u>604,829.38</u></u>

BINGARA RETURNED SERVICEMEN'S CLUB LIMITED
ABN 17 001 028 002

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE, 2019.

	Retained Earnings	Capital Profit Reserve	Total
	\$	\$	\$
Balance at 1st July 2017	741609.08	202.39	741811.47
Profit/(Loss) attributable to members	<u>(136982.09)</u>	-	<u>(136982.09)</u>
Balance at 30th June 2018	604626.99	202.39	604829.38
Profit/(Loss) attributable to members	<u>(156034.25)</u>	224180.42	<u>68146.17</u>
Balance at 30th June 2019	<u>448592.74</u>	<u>224382.81</u>	<u>672975.55</u>

BINGARA RETURNED SERVICEMEN'S CLUB LIMITED
ABN 17 001 028 002

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE, 2019

	NOTE	2019 \$	2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers		1358522.51	1336440.75
Payments to suppliers and employees		(1459057.59)	(1431499.42)
		(100535.08)	(95058.67)
Rebate Received		0.00	0.00
Interest Received		1488.31	3182.14
Rent Received		690.00	2340.00
Interest Paid		(0.91)	(4.87)
Income Tax Paid		0.00	0.00
Borrowing Costs Paid		0.00	0.00
Net Cash Provided by (used in)			
Operating Activities	8b)	(98357.68)	(89541.40)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		278498.00	1609.09
Payment for property, plant & equipment		(66290.11)	(5589.23)
Net Cash provided by (used in)			
Investing Activities		212207.89	(3980.14)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Borrowing's		20200.08	0.00
Repayment of Borrowing's		(34074.37)	(41971.00)
Net Cash provided by (used in)			
Financing Activities		(13874.29)	(41971.00)
Net Increase/(Decrease) in cash held		99975.92	(135492.54)
Cash at 1st July, 2018	8a)	201250.15	336742.69
Cash at 30th June, 2019	8a)	301226.07	201250.15

Page 17

The above statement is to be read in conjunction with the
Notes set out on pages 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28 and 29.

BINGARA RETURNED SERVICEMEN'S CLUB LIMITED
ABN 17 001 028 002
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE, 2019

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES.

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report is for BINGARA RETURNED SERVICEMEN'S CLUB LIMITED as an individual company, incorporated and domiciled in Australia. BINGARA RETURNED SERVICEMEN'S CLUB LIMITED is a company limited by guarantee.

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

Basis of Preparation

Reporting Basis and Conventions:-

The financial report has been prepared on an accruals basis and is based on historical costs. It does not take into account changing money values or, except where stated, current valuations of non current assets. Cost is based on the fair values of the consideration given in exchange for assets.

Accounting Policies

a) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Grant revenue is recognised in the income statement when it is controlled. When there are conditions attached to grant revenue relating to the use of those grants for specific purposes it is recognised in the balance sheet as a liability until such conditions are met or services provided.

Donations are recognised as revenue when received unless they are designated for a specific purpose, where they are carried forward as prepaid income on the balance sheet.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax (GST).

b) Inventories

Inventories are measured at the lower of cost and current replacement cost.

BINGARA RETURNED SERVICEMEN'S CLUB LIMITED

ABN 17 001 028 002

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE, 2019

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES(Continued)

c) Property, Plant & Equipment

Each class of property, plant & equipment is carried at cost or fair values less, where applicable, accumulated depreciation and impairment losses.

Property

Freehold land and buildings are shown at their fair value, based on periodic, but at least triennial valuations by external independent valuers, less subsequent depreciation for buildings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the re-valued amount of the asset.

Freehold land and buildings that have been contributed at no cost or for nominal cost are valued at the fair value of the asset at the date it is acquired.

Plant & Equipment/Poker Machines/Furniture & Fittings

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal.

Increases in carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same classes of asset's are charged against fair value reserves directly in equity, all other decreases are charged to the income statement. Each year the difference between depreciation based on the re-valued carrying amount of the asset charged to the income statement and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

Depreciation

The depreciable amount of all fixed assets including buildings, but excluding freehold land, is depreciated on a straight-line basis over their useful lives to the economic entity commencing from the time the asset is held ready for use.

The depreciation Rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	5%
Plant & Equipment	10%
Poker Machines	30%
Furniture & Fittings	15%

Asset classes carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When re-valued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

BINGARA RETURNED SERVICEMEN'S CLUB LIMITED

ABN 17 001 028 002

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE, 2019

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES(Continued)

d) Financial Instruments

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets at fair value through the income statement

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at cost.

e) Impairment of Assets

At each reporting date, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. 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 Income Statement.

Where the future economic benefits of the asset are not primarily dependent upon the assets ability to generate net cash inflows and when the company would, if deprived of the asset, replace its remaining future economic benefits, value in use if depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an assets class, the company estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

f) Employees Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to Balance Sheet date. Employee benefits to be settled within one year together with benefits arising from wages which may be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related costs. Other employee benefits payable later than one year have been measured at the net present value.

Contributions are made by the Club to an employee superannuation fund and are charged as expenses when incurred.

BINGARA RETURNED SERVICEMEN'S CLUB LIMITED
ABN 17 001 028 002
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE, 2019.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES(Continued)

g) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts.

h) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

Cash flows are presented in the Cash flow Statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

i) Income Tax

Provision has been made in the accounts for income tax expense based on the principle of mutuality whereby the company's liability for tax is related to the proportion of non member income as calculated in accordance with a special formula laid down by the Taxation Department.

j) Economic Dependence

BINGARA RETURNED SERVICEMEN'S LIMITED is dependent on the current economic climates to continue to remain in business.

2. PROPERTY, PLANT AND EQUIPMENT

Movement in Carrying Amounts

	Land & Build @ Cost	Memorial Park @ Cost	Car Park @ Cost	House 12 Maitland Street @ Cost	Furn & Fittings @ Cost	Plant & Poker Machine Cost	Total
2018							
Balance as at 1/07/17	307007.84	3125.05	57.00	16991.35	25235.10	402907.30	755323.64
Additions at Cost	-	-	-	829.23	-	4760.00	5589.23
Disposal	-	-	-	-	-	(6365.00)	(6365.00)
Depreciation	(15162.00)	-	(4.00)	(836.00)	(3785.00)	(74632.00)	(94419.00)
Carrying as at 30/06/18	291845.84	3125.05	53.00	16984.58	21450.10	326670.30	660128.87
2019							
Balance as at 1/07/18	291845.84	3125.05	53.00	16984.58	21450.10	326670.30	660128.87
Additions at Cost	-	-	-	1813.06	-	73495.05	75308.11
Disposals	-	-	-	(59755.64)	-	(139937.84)	(199693.48)
Depreciation	(14404.00)	-	(4.00)	40958.00	(3218.00)	52525.00	75857.00
Carrying as at 30/06/19	277441.84	3125.05	49.00	0.00	18232.10	312752.51	611600.50

BINGARA RETURNED SERVICEMEN'S CLUB LIMITED
ABN 17 001 028 002
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE, 2019.

3. INTANGIBLE ASSETS

	2018	Poker Machine Licenses
Balance as at 1/07/17		324000.00
Additions		0.00
Disposals		0.00
Amortisation		0.00
Revaluation		0.00
Balance as at 30/06/18		324000.00
	2019	
Balance as at 01/07/18		324000.00
Additions		0.00
Disposals		(100998.00)
Amortisation		0.00
Revaluation		130491.00
Balance as at 30/06/19		353493.00

4. PROVISIONS

	Annual Leave	Sick Leave	Long Service Leave	Work Cover Levy	Total
Opening Balance at 1/07/18	61346.08	29195.14	103265.14	5060.95	198867.31
Additional Provision raised	19789.21	6224.82	1138.98	774.44	27927.45
Amounts Used/Waived	(25859.82)	(7722.71)	(8390.71)	(2034.64)	(44007.88)
Balance at 30/06/2019	55275.47	27697.25	96013.41	3800.75	182786.88
Analysis					
Current	55275.47	6224.82	89068.28	3175.57	153744.14
Non-Current	-	21472.43	6945.13	625.18	29042.74
	55275.47	27697.25	96013.41	3800.75	182786.88

Provision for Long-term Employee Benefits

A provision has been recognised for employee entitlements relating to annual leave, sick leave and long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1 to this report.

5. CAPITAL GAIN ON SALE ASSETS

During the year the following assets were sold, resulting in a capital profit. These were:- 6 x Poker Machine Licences - \$100,998.00

House - 12 Maitland Street - \$123,182.42

The capital profit on these sales were transferred to capital profits reserve.

BINGARA RETURNED SERVICEMEN'S CLUB LIMITED
ABN 17 001 028 002
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE, 2019

	2019	2018
	\$	\$
6. CAPITAL COMMITMENTS		
Capital Expenditure contracted for:		
Property, Plant and Equipment Purchases	0.00	22220.00
Capital Expenditure Projects	0.00	0.00
	0.00	22220.00

	2019	2018
	\$	\$
7. DIRECTORS REMUNERATION:		
Income received by all Directors of the Club from the Club	7570	7786
Number of Directors whose income from the Club was within the following bands		
\$0 - \$ 9999	4	4

8. Related Party Disclosures

Transaction between related parties are on normal commercial terms and conditions, no more favourable than those available to other parties.

1) Directors Related Entities:	2019	2018
	\$	\$
Entertainment Services Provided as J & J Country		
J. Bancroft	2100	1750
J. Walker	1750	1225
Electrical Services Provided by Hayes Electrical Installations Pty Ltd – M.A. Hayes, Director	Nil	506
Honorarium Paid to J. Bancroft	3360	3360
Honorarium Paid to M.J. Reading	360	945

2) Key management personnel compensation

Key management personnel comprise directors and other persons having authority and responsibility for planning, directing and controlling the activities of the Company.

	2019	2018
	\$	\$
Short-term employee benefits	293630	299472

BINGARA RETURNED SERVICEMEN'S CLUB LIMITED
ABN 17 001 028 002
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE, 2019.

9. CASH FLOW INFORMATION

a) Reconciliation of Cash.

For purposes 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 overdrafts; and
- ii) investments in money market instruments maturing within less than two months.

Cash at the end of the financial period as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:

	2019	2018
	\$	\$
Cash on Hand	50000.00	54163.00
Cash at Bank - Business A/c	185099.03	40668.52
Community Mutual Group – ATM Account	11760.11	11894.73
Community Mutual Group – P/M Account	6589.32	891.69
Community Mutual Group – Keno Account	6452.07	6282.20
Community Mutual Group – TAB Account	5988.55	2350.01
Community Mutual Group – Visa Account	336.99	0.00
Cash on Deposit	30000.00	80000.00
TABcorp Security Deposit	5000.00	5000.00
	<u>301226.07</u>	<u>201250.15</u>

b) Reconciliation of Cash flow from Operations with Operating Profit After Income

Tax		
Operating Profit/(Loss) after Income Tax	(156034.25)	(136982.09)
Non Cash Flows in Operating Profit		
Depreciation	80831.00	98163.00
(Profit)/Loss on Sale of Plant & Equipment	(11312.10)	1011.91
Capital Loss on Sale of Plant & Equipment	0.00	0.00
Changes in Assets & Liabilities		
(Increase)/Decrease in Prepayments	(2341.52)	1468.35
(Increase)/Decrease in Inventories	8369.25	6154.49
Increase/(Decrease) in Creditors	(3353.82)	(17392.11)
(Increase)/Decrease in Debtors	1167.37	1959.92
Increase/(Decrease) in Accruals	715.00	275.00
Increase/(Decrease) in Subscriptions in Advance	(318.18)	(1318.18)
Increase/(Decrease) in provisions for		
- Employee Entitlements	(16080.43)	(42881.69)
- Doubtful Debts	0.00	0.00
Increase/(Decrease) in Provision for		
Income Tax Payable	0.00	0.00
Cash Flows from Operating Activities	<u>(98357.68)</u>	<u>(89541.40)</u>

BINGARA RETURNED SERVICEMEN'S CLUB LIMITED
ABN 17 001 028 002
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE, 2019

10. FINANCIAL INSTRUMENTS

a) Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable. The company does not have any derivative instruments at 30th June, 2019.

b) Interest Rate Risk

The company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:-

	Weighted Average Interest Rate	Floating Interest Rate		Fixed Interest Rate Maturity Within 1 Year		Mature within 1 - 2 years		Non-Interest Bearing	
		2019	2018	2019	2018	2019	2018	2019	2018
FINANCIAL ASSETS	%								
Cash at Bank	.05	216226.07	62087.15	-	-	-	-	-	-
Cash on Hand		50000.00	54163.00	-	-	-	-	-	-
Cash on Term Deposit	2.4	-	-	30000.00	85000.00	-	-	-	-
Debtors	-	-	-	-	-	-	-	6705.63	7873.00
TOTAL FINANCIAL ASSETS		266226.07	116250.15	30000.00	85000.00	-	-	6705.63	7873.00
FINANCIAL LIABILITIES									
Trade and Sundry Creditors		-	-	-	-	-	-	52045.98	46381.80
Hire Purchase Creditors		-	-	-	-	-	-	21281.71	35156.00
TOTAL FINANCIAL LIABILITIES		-	-	-	-	-	-	73327.69	81537.80

c) Net Fair Values

The net fair values of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

Aggregate net fair values and carrying amounts of financial assets are financial liabilities at balance date.

BINGARA RETURNED SERVICEMEN'S CLUB LIMITED
ABN 17 001 028 002
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE, 2019

11. COMPANY DETAILS

The registered office of the Company is:
Bingara Returned Servicemen's Club Limited
46-50 Finch Street
BINGARA NSW 2404

The principal place of business is:-
Bingara Returned Servicemen's Club Limited
46-50 Finch Street
BINGARA NSW 2404

12. MEMBERS GUARANTEE

The company is limited by guarantee. If the company is wound up, the articles of association state that each member is required to contribute a maximum of \$2.00 each towards meeting outstanding obligations of the company. At 30th June, 2019 the number of members was 741.

BINGARA RETURNED SERVICEMEN'S CLUB LIMITED
ABN 17 001 028 002
DIRECTORS' DECLARATION

The directors of the company declare that:

- 1) The financial statements and notes, as set out on pages 6 to 29, are in accordance with Corporations Act 2001:
 - (a) comply with Accounting Standards and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the financial position as at 30th June 2019 and performance for the year ended on that date of the company.
- 2) In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

DIRECTOR
JOHN PERCIVAL BANCROFT

DIRECTOR
JILL SMITH

Dated this 29th day of October, 2019.

REF:

**AUDITORS REPORT TO THE MEMBERS
OF
BINGARA RETURNED SERVICEMEN'S CLUB LIMITED
ABN 17 001 028 002**

REPORTING ON THE FINANCIAL REPORT

I have audited the financial statements set out on pages 6 to 29 of BINGARA RETURNED SERVICEMEN'S CLUB LIMITED the company, which comprises the balance sheet as at 30th June, 2019 and the income statement, statement of recognised income and expenditure and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the director's declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. The responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Club's preparation and fair presentation of the financial report 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 Club's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting my audit, I have complied with the independence requirements of the Corporations Act 2001. I confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of BINGARA RETURNED SERVICEMEN'S CLUB LIMITED on 28th October, 2019, would be in the same terms if provided to the directors as at the date of this auditor's report.

Page 28

MOREE

"CRITERION CENTRE"
147 BALO STREET MOREE
P.O. Box 20 Moree NSW 2400
Telephone: (02) 6752 2777
Facsimile: (02) 6751 1042

BINGARA

86 MAITLAND STREET
BINGARA NSW 2404
Telephone: (02) 6724 1305
Facsimile: (02) 6724 1781

TAMWORTH

85 KERONGA HEIGHTS ROAD
CALALA NSW 2340
Telephone: (02) 6760 9409
Facsimile: (02) 6760 9606

Auditor's Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of the BINGARA RETURNED SERVICEMEN'S CLUB LIMITED as at 30th June, 2019, and its financial performance and cash flows for the year then ended in accordance with the Corporations Act 2001 and the Australian Standards (including Australian Accounting Interpretations).

86 Maitland Street
BINGARA
30th October, 2019.

PHILIP MALTBY & CO.
Chartered Accountant.

.....
PHILIP C. T. MALTBY