

# **Yass Soldiers' Club Limited**



**Annual Report**

**&**

**Financial Statements**

**2021 - 2022**

**YASS SOLDIERS' CLUB LIMITED**  
**A.B.N. 44 000 988 152**

**A Company Limited by Guarantee and Not Having Share Capital**

**ANNUAL GENERAL MEETING**

**NOTICE**

Notice is hereby given that the fiftieth Annual General Meeting of the Yass Soldiers' Club Limited will be held at the Registered Office of the Club, 86 Meehan Street, Yass on Thursday 24th November, 2022 at 7.30pm.

**BUSINESS**

1. To confirm minutes of previous Annual General Meeting held on 2nd December, 2021.
2. To receive, consider and adopt the Reports of the Directors and the Statement of Comprehensive Income for the year ended 30th June, 2022, the Statement of Financial Position at that date and the Auditors' Report thereon.
3. To complete the election of a Committee for the ensuing two years in accordance with the Articles of Association of the Company.
4. To deal with any other business of which due notice has been given.
5. To transact any other business that may be brought forward in accordance with the Articles of Association of the Company.

By order of the Board

Dated at Yass  
6th October, 2022

R. Packwood  
Secretary

# YASS SOLDIERS' CLUB LIMITED

A.B.N. 44 000 988 152

## PRESIDENT'S REPORT

It is with pleasure I present my report for the 2022 financial year for the Yass Soldiers' Club. It was another challenging year for the Club with COVID restrictions continuing to affect trade. Forced closures occurred on two separate occasions totalling almost 2 months (15%) of the financial year, and there were a further 2 months where the Club experienced significant disruption to trade following the Omicron strain of Covid-19 reaching Yass. The Club bounced back well though, resulting in a net profit of \$1,106,288 for the year. The capital expenditure figure was \$721,460, whilst the annual building improvements total was \$69,020 and finally the repairs and maintenance total amounted to \$70,854. The benefits returned to members for the year amounted to \$250,832, down slightly on last year. For the year our donations totalled \$99,019

It is also important to note that while patrons were impacted by the Covid pandemic, behind the scenes our staff have had to deal far with more to keep the venue operating and providing a safe environment for our patrons and each other. We have had to manage vast staff shortages, increased workloads, challenging patrons, and maintaining compliance with Government restrictions and Club policy and procedures. I thank everyone that worked throughout the year to keep the Club functioning, it is truly appreciated. We all should be extremely happy with our result this financial year. This result would not have been achievable without the combination of hard work and your support during the last twelve months.

At this stage I would like to make special mention of our General Manager, Robert Packwood. He has made a tireless effort over the last twelve months to deliver this result whilst ensuring the Club met its obligations for the everchanging public health orders to maintain a safe environment for our patrons. I would like to thank our staff for their efforts during the last twelve months, their efforts go towards making the Club an extremely pleasant place to visit, thank you.

Thanks, must also be issued to the team on the Board whose broad range of skills, experience and knowledge has only gone to help create an exceptional governing body and one I am very proud to be a part of. Of course, none of this would be possible without the ongoing support and patronage of you the member. Thank you for your contribution, without you we would not be where we are today. In the latter part of the year, we lost our previous President of 27 years, Bill Nesbitt, who moved to South Australia to be closer to family. Bill gave a lifetime of work to the Club, and we are indebted to his service. In closing I would like to once again Thank You and assure you with your continual support your club will continue to grow from strength to strength.

We have a fantastic Club with awesome facilities, so please use it, and let's look forward to another positive year.

Ross Webster  
President

6th October, 2022

**YASS SOLDIERS' CLUB LIMITED**  
**A.B.N. 44 000 988 152**

**REPORT OF THE DIRECTORS**

Your Directors present their report on the company for the year ended 30th June 2022.

**DIRECTORS**

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

Mr R Webster	Mr M J Valencic
Mr W J Nesbitt	Mr C B Medway
Mr M P McManus	Mrs A Tilley
Mr B G Cooke	Mr A J B Douglas
Mrs C L Swaffield	Mrs C Blyss
Mr B G Cooke	Mr G R Pryor

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

**COMPANY SECRETARY**

The following person held the position of company secretary at the end of the financial year:

Mr Robert Packwood was appointed company secretary on 25th November 2013 on his commencement as General Manager of the Club.

**PRINCIPAL ACTIVITIES**

The principal activities of the Club for the financial year were those of a Licensed Club and no significant change in the nature of those activities has taken place during that period.

**OPERATING RESULTS**

The operating profit after income tax amounted to \$1,106,288

**DIVIDENDS**

By its Memorandum and Articles of Association the Club is not permitted to declare dividends.

**REVIEW OF OPERATIONS**

The Club's financial statements record a net operating profit before tax of \$1,106,288 compared with a profit of \$1,377,906 for the previous year.

During the year the Club incurred capital expenditure on gaming machines and plant and equipment of \$721,460, expenditure on building improvements of \$69,020 and expenditure on repairs and maintenance of \$70,854

**SIGNIFICANT CHANGES**

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

**YASS SOLDIERS' CLUB LIMITED**  
**A.B.N. 44 000 988 152**

**REPORT OF THE DIRECTORS (CONTINUED)**

**AFTER BALANCE DATE EVENTS**

No matters have arisen since balance date that have or may have significant effect on the operation of the Club, the results of those operations or the state of affairs of the Club in subsequent financial years.

**SHORT-TERM AND LONG-TERM OBJECTIVES**

The short-term and long-term objectives of the company are to operate a licensed club for the benefit of its members. The company follows industry best practice for the management of the Club's operations, and for reviewing the Club's performance.

**CORE AND NON-CORE ASSETS**

In accordance with Section 41J of the Registered Clubs Act, the Club's property assets are classified as follows:

Core property: The land and building comprising the Club's licensed premises located at 88 Meehan Street, Yass NSW.

Non-core property: The residential property located at 78 Meehan Street, Yass NSW.

**INFORMATION ON DIRECTORS**

R.P. Webster	President - Retired. Elected to the Board on 18 December, 2014.
W.J. Nesbitt	Immediate Past President - Retired. Elected to the Board on 12 November, 1996.
M.P. McManus	Vice President - Technical Officer. Elected to the Board on 12 November, 1996.
C.B. Medway	Businessman. Elected to the Board on 1 July, 2008.
M.J. Valencic	Accountant. Elected to the Board on 31 October, 2013.
A. J. B. Douglas	Pharmacist. Elected to the Board on 31 July, 2017.
C.L. Blyss	Real Estate. Elected to the Board on 24 August, 2020.
A. Tilley	Corporate Projects Officer. Elected to the Board on 24 January 2022.
C. L. Swaffield	Lawyer. Elected to the Board on 27 June 2022.
D O'Brien	Retired. Elected to the Board on 26 September 2022.
G.R. Pryor	Bank manager. Resigned on 13 December 2021.
G. B. Cooke	Retired. Resigned on 26 April 2022.

**YASS SOLDIERS' CLUB LIMITED**  
**A.B.N. 44 000 988 152**

**REPORT OF THE DIRECTORS (CONTINUED)**

**DIRECTORS' MEETING ATTENDANCES**

	DIRECTORS' MEETINGS		
	Number eligible to attend	Number attended	Number of apologies
Mr R. P. Webster	10	10	-
Mr W. J. Nesbitt	10	7	3
Mr M. P. McManus	5	4	1
Mr. C. Medway	10	6	4
Mr M. J. Valencic	10	10	-
Mr A. J. B. Douglas	10	10	-
Mrs C. Blyss	10	5	5
Mrs A. Tilley	5	5	-
Mrs C. Swaffield	1	1	-
Mr G. B. Cooke	7	7	-
Mr G. R. Pryor	3	-	3

**AUDITOR'S INDEPENDENCE DECLARATION**

The auditor's independence declaration has been received for the year ended 30th June, 2022 and can be found on page 6 of this financial report.

Signed in accordance with a resolution of the directors.

R. P. Webster  
Director

Yass  
6th October, 2022

M. P. McManus  
Director

**YASS SOLDIERS' CLUB LIMITED**  
**A.B.N. 44 000 988 152**

**AUDITOR'S INDEPENDENCE DECLARATION**  
**UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**  
**TO THE DIRECTORS OF YASS SOLDIERS' CLUB LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022 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.

**GREGORY & McCARTHY**  
Chartered Accountants

75 Lead Street, Yass.  
6th October, 2022

P H Twohill  
Director

**YASS SOLDIERS' CLUB LIMITED**  
**A.B.N. 44 000 988 152**

**DIRECTORS' DECLARATION**

The directors of the company declare that:

1. the financial statements and notes are in accordance with the 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, 2022 and of the performance for the year ended on that date;
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 declaration is made in accordance with a Resolution of the Board of Directors for and on behalf of the directors by:

R. P. Webster  
Director

Yass  
6th October, 2022

M. P. McManus  
Director



**YASS SOLDIERS' CLUB LIMITED**  
**A.B.N. 44 000 988 152**

**IMPORTANT INFORMATION FOR CLUB MEMBERS**

The reporting period for the Yass Soldiers' Club Limited (serial number 244504) is year ended 30th June 2022.

**1 Important Notes**

The Registered Club Act defines top executive as being an employee of the Club with total remuneration exceeding \$100,000.

**2 Disclosure of Interests of Directors and Employees in Contracts with the Club**

Club members may inspect the original of these disclosures and declarations by making written application to the Secretary.

The Registered Club Act requires directors who have material personal interest in matters that relate to the affairs of the Club to declare the interest at a Board meeting and display the declaration on the Club's notice board.

A contract is any commercial arrangement whether written or not.

In the reporting period there were no occasions when a director reported a material personal interest in a matter that related to the affairs of the Club.

**3 Interest in Hotels**

Club members may inspect the original of these disclosures and declarations by making written application to the Secretary.

In the reporting period there were nil occasions when directors reported an interest in a hotel in NSW.

In the reporting period there were nil occasions when top executives reported an interest in a hotel in NSW.

**4 Gifts to Directors and Staff**

Club members may inspect the original of these disclosures and declarations by making written application to the Secretary.

An affiliated body of the Club includes subsidiary clubs, and any body which the Club made a grant to within the previous 12 months.

A gift includes money, hospitality, or discounts.

A gift valued at more than \$500 must be disclosed; gifts from contractors must be disclosed if they total more than \$500 from an individual contractor in the reporting period.

**4.1 Directors**

In the reporting period a director received a gift on retirement which had a value of \$4,848.

In the reporting period there were nil occasions when directors of the Club reported receiving gifts from contractors.

**YASS SOLDIERS' CLUB LIMITED**  
**A.B.N. 44 000 988 152**

**IMPORTANT INFORMATION FOR CLUB MEMBERS (CONTINUED)**

**4.2** *Employees*

In the reporting period there were nil occasions when top executives of the Club reported receiving gifts from affiliated bodies.

In the reporting period there were nil occasions when top executives of the Club reported receiving gifts from contractors.

**4.3** *Value of Gifts*

The total value of all gifts that directors and top executives received from the club or affiliated bodies in the reporting period was \$4848.

The total value of all gifts that directors and top executives received from contractors in the reporting period was nil.

**5** **Top Executives**

In the reporting period one top executive received total remuneration above \$100,000.

**6** **Contracts Approved by the Board**

The Registered Club Act defines a controlled contract as being a Club contract:

- in which a director or top executive has a pecuniary interest;
- of employment of a top executive of the Club;
- for provision of professional advice relating to significant change of management structure or governance of the Club; significant change to the financial management of the Club, disposal of land, and the amalgamation of the Club.

During the reporting period no controlled contracts were approved by the Board that needed to be forwarded to the Director of Liquor and Gaming of which:

- nil such contracts related to contracts in which a director or top executive has a pecuniary interest.
- nil such contracts related to contracts of employment of the Club's top executives.
- nil such contracts related to the provision of professional advice.

These contracts fall into the following categories:

- significant change of management structure or governance of the Club.
- significant changes to the financial management of the Club.
- disposal of Club land.
- amalgamation of the Club.

**YASS SOLDIERS' CLUB LIMITED**  
**A.B.N. 44 000 988 152**

**IMPORTANT INFORMATION FOR CLUB MEMBERS (CONTINUED)**

**7 Employees Related to Directors and Top Executives**

A close relative is defined in Section 41B of the Registered Club Act and includes the immediate family.

In the reporting period, the Club employed 2 people who are close relatives of a top executive of the Club. Normal payrates applied to the hours worked by these people. The club did not employ any other persons who were a close relative of a director or a top executive of the club.

**8 Payments to Consultants**

During the reporting period there were no instances where the Club engaged a consultant other than payments made in connection with proposed building renovations.

**9 Details of Settlements Paid by the Club**

In the reporting period there were no instances where the Club made a legal settlement with either a director or staff member.

**10 Legal Fees Paid by the Club**

In the reporting period there were no instances where the Club paid legal fees for directors and employees except for legal fees which have been paid as a part of recruitment.

**11 Gaming Machine Profit**

Gaming machine profit is defined in the Gaming Machines Tax Act.

The reporting period is the financial year ending 30 November 2021 for the purposes of the Act.

The Club recorded a gaming machine profit of \$3,388,985 in the reporting period inclusive of GST.

**12 Amount Paid to Community Development**

Clubs earning in excess of \$1,000,000 p.a. in gaming machine profit are required to make donations to community development and support.

In the reporting period the Club's donations exceeded the required amount under the community development guidelines.

**YASS SOLDIERS' CLUB LIMITED**  
**A.B.N. 44 000 988 152**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**  
**YASS SOLDIERS' CLUB LIMITED**

**Opinion**

We have audited the accompanying financial report of Yass Soldiers' Club Limited (the company) which comprises the statement of financial position as at 30th June, 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the financial report of Yass Soldiers' Club Limited is in accordance with the Corporations Act 2001, including:-

- (i) giving a true and fair view of the company's financial position as at 30th June, 2022 and of its performance for the year ended on that date; and
- (ii) complying with Applicable Australian Accounting Standards 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 company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: Code of Ethics for Professional Accountants (the Code) that are relevant to 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 company, 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.

**Information Other than the Financial Report and Auditor's Report Thereon**

The directors are responsible for the other information. The other information comprises the information included in the company's annual report for the year ended 30 June 2022, 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. If, based on the work we have performed, 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.

**Directors' Responsibility for the Financial Report**

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards 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 is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company'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 company or to cease operations, or have no realistic alternative but to do so.

**YASS SOLDIERS' CLUB LIMITED**  
**A.B.N. 44 000 988 152**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**  
**YASS SOLDIERS' CLUB LIMITED (CONTINUED)**

**Auditor's Responsibility for the Audit of the Financial Report**

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

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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 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 company'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 company 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. 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.

**GREGORY & McCARTHY**

Chartered Accountants

P H Twohill  
Registered Company Auditor

75 Lead Street, Yass.  
6th October, 2022

**YASS SOLDIERS' CLUB LIMITED**  
**A.B.N. 44 000 988 152**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30TH JUNE 2022**

	Note	2022 \$	2021 \$
Revenue from bar trading, raffles and restaurant		2,522,991	2,432,089
Cost of sales		<u>(1,282,434)</u>	<u>(1,213,946)</u>
Gross profit - bar trading and restaurant		1,240,557	1,218,143
Gaming machine net takings		3,145,824	3,563,015
Other revenue from ordinary activities		157,839	164,520
Other income; Profit on disposal, Increase in Market Value of Investments		197,799	101,543
Covid 19 Australian Government Support		117,560	126,000
Gaming machine taxes, license fees and maintenance		(609,611)	(759,680)
Employee expenses		(1,769,761)	(1,708,087)
Depreciation expense		(425,243)	(419,170)
Member expenses		(250,832)	(262,933)
Other operating expenses		(697,844)	(645,445)
Profit from ordinary activities before income tax	2	<u>1,106,288</u>	<u>1,377,906</u>
Income tax attributable to operating profit	3	<u>-</u>	<u>-</u>
<b>Operating profit after income tax</b>		<b><u>1,106,288</u></b>	<b><u>1,377,906</u></b>

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30TH JUNE 2022**

	Retained Earnings \$	Asset Revaluation Reserve \$	Total \$
Balance at 1 July, 2020	7,452,895	1,839,827	9,292,722
Profit after tax attributable to the entity	1,377,906	-	1,377,906
Balance at 30 June, 2021	<u>8,830,801</u>	<u>1,839,827</u>	<u>10,670,628</u>
Profit after tax attributable to the entity	1,106,288	-	1,106,288
Balance at 30 June, 2022	<u>9,937,089</u>	<u>1,839,827</u>	<u>11,776,916</u>

*The accompanying notes form part of these financial statements*

**YASS SOLDIERS' CLUB LIMITED**  
**A.B.N. 44 000 988 152**

**STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2022**

	Note	2022 \$	2021 \$
<b>CURRENT ASSETS</b>			
Cash	5	5,316,755	4,354,330
Other Debtors and Prepayments	6	70,063	96,210
Inventories	7	164,133	121,966
<b>TOTAL CURRENT ASSETS</b>		<b>5,550,951</b>	<b>4,572,506</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	10	5,837,897	5,493,761
Investment property	11	585,000	450,000
Intangible Assets	12	799,489	799,489
<b>TOTAL NON-CURRENT ASSETS</b>		<b>7,222,386</b>	<b>6,743,250</b>
<b>TOTAL ASSETS</b>		<b>12,773,337</b>	<b>11,315,756</b>
<b>CURRENT LIABILITIES</b>			
Creditors and borrowings	8	575,540	467,041
Provisions	9	175,147	147,582
<b>TOTAL CURRENT LIABILITIES</b>		<b>750,687</b>	<b>614,623</b>
<b>NON - CURRENT LIABILITIES</b>			
Borrowings	8	208,020	-
Provisions	9	37,714	30,505
<b>TOTAL NON - CURRENT LIABILITIES</b>		<b>245,734</b>	<b>30,505</b>
<b>TOTAL LIABILITIES</b>		<b>996,421</b>	<b>645,128</b>
<b>NET ASSETS</b>		<b>\$11,776,916</b>	<b>\$10,670,628</b>
 <b>ACCUMULATED FUNDS</b>		 <b>\$11,776,916</b>	 <b>\$10,670,628</b>

*The accompanying notes form part of these financial statements*

**YASS SOLDIERS' CLUB LIMITED**  
**A.B.N. 44 000 988 152**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30TH JUNE 2022**

	Note	2022 \$	2021 \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Receipts from members and visitors		6,356,486	6,766,617
Payments to suppliers and employees		(4,895,505)	(5,114,996)
Interest received		4	244
Net cash provided by operating activities	13	1,460,985	1,651,865
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Building improvements		-	-
Building renovations		(69,020)	(78,489)
Purchase of plant and equipment		(123,768)	(159,689)
Purchase of gaming machines		(597,692)	-
Purchase of gaming machine entitlements		-	-
Proceeds from disposal of assets		83,900	-
Net cash used in investing activities		(706,580)	(238,178)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from finance contract - Aristocrat		249,624	-
Repayment of borrowings and finance contracts		(41,604)	(21,900)
Net Cash provided/(used in) financing activities		208,020	(21,900)
<b>NET INCREASE IN CASH HELD</b>		962,425	1,391,787
<b>CASH AT START OF YEAR</b>		4,354,330	2,962,543
<b>CASH AT END OF YEAR</b>		<b>\$5,316,755</b>	<b>\$4,354,330</b>

*The accompanying notes form part of these financial statements*



**YASS SOLDIERS' CLUB LIMITED**  
**A.B.N. 44 000 988 152**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 2022**

**NOTE 1 - STATEMENT OF ACCOUNTING POLICIES**

The financial statements cover Yass Soldiers' Club Limited as an individual entity incorporated and domiciled in Australia. Yass Soldiers' Club Limited is a company limited by guarantee and is a not-for-profit entity.

The financial report is a general purpose report which has been prepared in accordance with the Accounting Standards - Simplified Disclosures of the Australian Accounting Standards Board and the Corporations Act 2001.

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

**(a) Basis of Preparation**

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets for which the fair value basis of accounting has been applied.

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

Property, plant and equipment are included at cost or at independent valuation. All fixed assets, including buildings but excluding freehold land, are depreciated over their estimated useful lives commencing from the time the asset is held ready for use. The depreciation rates for each class of assets are as follows:

	Depreciation Rate
Buildings	1.50%
Gaming Machines - Poker Machines	25% - 40%
Plant and equipment	15% - 40%

Land and buildings are shown at fair value based on either external valuations or valuation reviews undertaken by the directors to ensure that the carrying value of land and buildings does not exceed the recoverable amount. Where the carrying amount exceeds the recoverable amount an impairment adjustment is recognised.

**(c) Income Tax**

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items and application of the mutuality principle. It is calculated using the tax rates that have been enacted by the balance sheet date.

**(d) Inventory**

Stock on hand is valued at the lower of cost and net realisable value.

**(e) Employee Benefits**

Provision is made in respect of the Company's liability for annual leave and long service leave including applicable on costs. Long service leave is accrued in respect of employees with more than five years service with the Company.

**(f) Superannuation**

The Company makes contributions to superannuation funds on behalf of its employees. The company has no legal obligation to cover any shortfall that may occur in the obligation of the funds to provide benefits to employees on retirement.

**YASS SOLDIERS' CLUB LIMITED**  
**A.B.N. 44 000 988 152**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 2022**

**NOTE 1 - STATEMENT OF ACCOUNTING POLICIES (CONTINUED)**

**(g) 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 the 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.

**(h) Members' Undertaking**

The Club was incorporated on 5th April, 1972 and is limited by guarantee. In the event of the company being wound up, every member undertakes to contribute an amount not exceeding Two Dollars(\$2) pursuant to Clause 4 of the Memorandum of Association.

**(i) Statement of Cash Flows**

For the purpose of the Statement of Cash Flows, cash includes cash on hand and in at call deposits with banks and financial institutions.

**(j) Poker Machine Licenses**

The Club operates a total of 94 poker machines. Twenty machine entitlements were acquired in 2018 for a cost of \$580,000. Four poker machine entitlements were acquired in 2016 for a cost of \$75,217 and eight machine entitlements were acquired in 2015. The balance comprising 62 entitlements were acquired at no cost in years subsequent to when the club was established. As no consideration was originally paid, an intangible asset for these 62 licences on hand has not been recognised in the Club's statement of financial position.

Although there is an active market for poker machine entitlements, the market is highly regulated and as such this regulation significantly affects the ability to sell such an asset. If the regulator allows the sale of entitlements the estimated current market value is \$61,000 per lot of 3. Poker machine licenses are not amortised as they have indefinite useful lives.

**NOTE 2 - SPECIFIC ITEMS**

	2022	2021
Operating profit has been determined after:	\$	\$
<b>(a) Crediting as revenue:</b>		
Sales and other trading revenue	5,811,147	6,148,770
Members subscriptions	17,497	12,851
Rent	12,954	13,696
Interest - other persons	3	243
Covid 19 - Australian Government Support	117,560	161,500
Total revenue	\$5,959,161	\$6,337,060
Other income		
Profit on sale of plant and equipment	61,816	-
Movement in market value of investment property	135,983	101,543
Total other income	\$197,799	\$101,543

**YASS SOLDIERS' CLUB LIMITED**  
**A.B.N. 44 000 988 152**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 2022**

	2022	2021
	\$	\$
<b>NOTE 2 - SPECIFIC ITEMS - Cont'd</b>		
(b) Charging as expense:		
Depreciation of property, plant and equipment	425,243	419,170
Auditor's remuneration:		
- auditing the accounts	17,000	16,000
- other services; assistance with preparation of financial statements and preparation of income tax return	6,500	6,491
Presidents Honorarium	5,000	5,000
Transfers to/(from) provisions:		
- annual leave and sick leave	2,857	(36,673)
- long service leave	7,203	4,566

**NOTE 3 - INCOME TAX**

Income tax expense varies from the prima-facie tax payable on the operating profit before tax. This is due to the application of the mutuality principle of Clubs whereby tax is assessed on net non-member income and net investment income.

Operating profit before income tax	1,106,288	1,377,906
Income tax at 25.00% (2021: 26%)	242,576	358,256
Tax effect of:		
Net effect of mutuality principle applied in accordance with taxation regulations and tax losses.	(242,576)	(358,256)
Income tax attributable to operating profit after recoupment of losses	\$ -	\$ -

The company has tax losses carried forward which have not been brought to account as an asset as realisation is not virtually certain.

**NOTE 4 - SEGMENT REPORTING**

The company's operation involves a single industry segment as a registered club. The operations are confined to the State of New South Wales in Australia.

**NOTE 5 - CASH**

Cash on hand	185,005	160,005
Cash at bank	5,121,470	4,184,049
Interest Bearing Deposits	10,280	10,276
	\$5,316,755	\$4,354,330

**NOTE 6 - OTHER DEBTORS AND PREPAYMENTS**

TAB security deposits	5,000	5,000
ILG Shares	750	750
Prepayments; insurance and other	9,023	71,622
Other debtors	55,290	18,838
	\$70,063	\$96,210

**NOTE 7 - INVENTORIES**

Bar inventories and poker machine prizes	116,232	85,227
Restaurant	47,901	36,739
	\$164,133	\$121,966

**YASS SOLDIERS' CLUB LIMITED**  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 2022**

	2022	2021
	\$	\$
<b>NOTE 8 - CREDITORS AND BORROWINGS</b>		
<b>Current</b>		
Trade creditors	293,812	283,766
Accrued charges	145,877	73,238
GST payable	137,378	109,797
GST adjustment	(1,527)	240
	<u>\$575,540</u>	<u>\$467,041</u>
<b>Non - current</b>		
Aristocrat finance contract	208,020	-
	<u>\$208,020</u>	<u>-</u>
	<u>\$208,020</u>	<u>-</u>
<b>NOTE 9 - PROVISIONS</b>		
<b>Current</b>		
Annual leave	68,960	66,103
Long service leave	31,166	31,172
Link Jackpot	35,387	20,957
Unearned Income - Subscriptions in advance	35,339	25,055
Unearned Income - Gaming Machine Tax rebate	4,295	4,295
	<u>\$175,147</u>	<u>\$147,582</u>
<b>Non - current</b>		
Long service leave	37,714	30,505
	<u>\$37,714</u>	<u>\$30,505</u>
	<u>\$37,714</u>	<u>\$30,505</u>
<b>NOTE 10 - PROPERTY, PLANT AND EQUIPMENT</b>		
<b>Land and buildings</b>		
<b>Freehold Land</b>		
Freehold Land - at Directors' Valuation 2021	982,760	982,760
	<u>982,760</u>	<u>982,760</u>
<b>Buildings - Club</b>		
Buildings - at Directors' Valuation 2021	3,322,815	3,322,815
Buildings - at cost	-	-
Less: Accumulated depreciation	50,878	-
	<u>3,271,937</u>	<u>3,322,815</u>
Building Renovations	69,020	-
Total Buildings	<u>3,340,957</u>	<u>3,322,815</u>
	<u>3,340,957</u>	<u>3,322,815</u>
<b>Plant and equipment</b>		
Plant, equipment and furniture - at cost	7,487,379	7,060,396
Less: Accumulated depreciation	5,973,199	5,872,210
	<u>1,514,180</u>	<u>1,188,186</u>
<b>Total Property, Plant and Equipment</b>	<u>\$5,837,897</u>	<u>\$5,493,761</u>
	<u>\$5,837,897</u>	<u>\$5,493,761</u>

The Club is planning to undertake renovations. Plans have been prepared but no commitment for expenditure has been made at the date of this report. An independent valuation will be sought after completion of any renovation work.

**YASS SOLDIERS' CLUB LIMITED**  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 2022**

**NOTE 10 - PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

Movements in Carrying Amounts	Land	Buildings	Plant and Equipment	Total
Balance 1 July, 2020	982,760	3,290,082	1,401,043	5,673,885
Additions	-	78,489	159,689	238,178
Disposals	-	-	-	-
Depreciation expense	-	(45,756)	(372,546)	(418,302)
Balance 30 June, 2021	<u>982,760</u>	<u>3,322,815</u>	<u>1,188,186</u>	<u>5,493,761</u>
Balance 1 July, 2021	982,760	3,322,815	1,188,186	5,493,761
Additions	-	69,020	721,460	790,480
Disposals	-	-	(22,084)	(22,084)
Depreciation expense	-	(50,878)	(373,382)	(424,260)
Balance 30 June, 2022	<u>982,760</u>	<u>3,340,957</u>	<u>1,514,180</u>	<u>5,837,897</u>

2022  
\$

2021  
\$

**NOTE 11 - INVESTMENT PROPERTY**

**Land and building**

78 Meehan Street - at Market Value

Buildings - at cost

Adjustment to Market Value

Improvements and depreciable plant - at cost

Less: Accumulated Depreciation

	432,171	330,628
	135,983	101,543
	28,288	28,288
	(11,442)	(10,459)
	<u>\$585,000</u>	<u>\$450,000</u>

The investment property was purchased in 2013 and is carried at market value.

**NOTE 12 - INTANGIBLE ASSETS**

Intangible Assets - Gaming Machine Entitlements - at cost

Less accumulated amortisation and impairment

	799,489	799,489
	-	-
	<u>\$799,489</u>	<u>\$799,489</u>

**Reconciliation of Intangible Assets -  
gaming machine entitlements - at cost**

Balance at beginning of year

Additions

Closing carrying value at 30 June, 2022

	799,489	799,489
	-	-
	<u>\$799,489</u>	<u>\$799,489</u>

**YASS SOLDIERS' CLUB LIMITED**  
**A.B.N. 44 000 988 152**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 2022**

**NOTE 13 - CASH FLOWS FROM OPERATIONS**

Reconciliation of cash flow from operations with operating profit after income tax:

<b>Operating profit after income tax</b>	1,106,288	1,377,906
Non-cash items in operating profit		
- revaluation of investment property	(135,983)	(102,965)
- depreciation	425,243	419,170
- (profit)/loss on disposal of plant and equipment	(61,816)	0
- provision for annual leave	2,857	(36,673)
- provision for long service leave	7,203	4,566
- other provisions	14,430	(8,158)
Changes in assets and liabilities relating to operating revenues and expenses		
- decrease / (increase) in sundry debtors and prepayments	26,147	(29,732)
- decrease / (increase) in inventories	(42,167)	428
- increase / (decrease) in subscriptions in advance	10,284	7,024
- increase / (decrease) in GST payable	25,814	74,029
- increase / (decrease) in trade creditors and accruals	82,685	(53,730)
<b>Cash flows from operations</b>	<b>\$1,460,985</b>	<b>\$1,651,865</b>

**NOTE 14 - RELATED PARTY TRANSACTIONS**

The names of persons who were directors at any time during the year are set out in the Report of the Directors. No Director receives any remuneration from the Club, with the exception of an annual honorarium of \$5,000 paid to the Club President. In addition, a director received a gift on retirement which had a value of \$4,848.

**NOTE 15 - FINANCIAL INSTRUMENTS**

(a) **Financial Risk Management**

The Club's activities expose it to a variety of financial risks including interest rate and liquidity risks. Due to the nature of the Club's investments and other financial instruments it is not exposed to significant financial risks.

(b) **Fair Value**

The carrying amounts and estimated fair values of financial assets and financial liabilities held at balance date are the same.

(c) **Market Risk**

The Club's financial assets which are subject to interest rate risk comprise cash on hand, at bank, on call and term deposits which are generally short term and are held to maturity. Therefore the Club does not consider that a change in interest rates would have a significant effect on profit or equity.

(d) **Credit Risk**

No credit risk exposure exists due to the nature of the Club's activities.

(e) **Liquidity Risk**

Prudent liquidity risk management implies maintaining sufficient cash or credit facilities to meet the operating requirements of the Club. This is managed through prudent cash flow management and maintenance of significant deposits with banks. The deposits held by the Club include term deposits and deposits at call with Australian banks earning interest at market rates.

The Club's financial liabilities at the reporting date are mainly due within 12 months and therefore discounting is not significant.

**YASS SOLDIERS' CLUB LIMITED**  
**A.B.N. 44 000 988 152**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 2022**

**NOTE 16 - CAPITAL EXPENDITURE**

	2022	2021
Capital Expenditure Commitments	\$ -	\$ -

The Club is planning major renovations. At the date of this report no contracts have been signed or any payments made.

**NOTE 17 - KEY MANAGEMENT PERSONNEL COMPENSATION**

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly (whether executive or otherwise) of that entity, is considered key management personnel.

The totals of remuneration paid to KMP of the entity during the year are as follows:

	2022	2021
KMP Compensation	\$ 5,000	\$ 5,000

These amounts were paid to one director. All other directors do not receive payments. In addition, a director received a gift on retirement which had a value of \$4,848.

**NOTE 18 - ENTITY DETAILS**

The registered office and principal place of business is as follows:  
86 Meehan Street,  
Yass. NSW. 2582.

**YASS SOLDIERS' CLUB LIMITED**  
**A.B.N. 44 000 988 152**

**DETAILED PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30TH JUNE 2022**

**COMPILATION REPORT WITH AUDITED ACCOUNTS**

On the basis of information provided by the Yass Soldiers' Club Limited, we have compiled the attached additional financial data for the year ended 30th June, 2022.

Our procedures have included classification and summarisation of information provided to us by the Club to compile this financial data. This additional financial data has been subjected to the auditing procedures applied in our statutory audit of the Club for the twelve months ended 30th June, 2022. It will be appreciated that our statutory audit did not cover all details of the additional financial data.

Neither the firm, nor any member or employee of the firm, undertakes any responsibility or accepts liability in any way whatsoever to any person, other than the Club, in respect of the attached financial data including any errors or omissions however caused.

**GREGORY & McCARTHY**  
Chartered Accountants

75 Lead Street, Yass  
6th October, 2022

P H Twohill  
Director



**YASS SOLDIERS' CLUB LIMITED**  
**A.B.N. 44 000 988 152**

**DETAILED PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30TH JUNE 2022**

	Note	2022 \$	2021 \$
<b>INCOME</b>			
Bar and raffles contribution	A	545,343	596,333
Gaming machine contribution		3,145,824	3,563,015
Gaming machine GST rebate		17,180	17,180
Keno contribution		35,115	39,444
Catering contribution	B	695,214	621,810
Members subscriptions		17,497	12,851
Commission, hire and other		78,783	84,719
Covid 19 - Australian Government Support		117,560	126,000
Rent (net)		9,261	10,083
Profit on sale of plant, poker machines and games		61,816	-
Increase in Market Value of Investment Property		135,983	101,543
Interest		3	243
		<u>4,859,579</u>	<u>5,173,221</u>
<b>EXPENDITURE</b>			
Administration	C	207,476	200,627
Members	D	250,832	262,933
Occupancy	E	791,340	783,662
Salaries and staff on costs	F	1,769,761	1,708,087
Gaming machine taxes, license fees and maintenance		609,611	759,680
Catering - Other Expenses		25,252	26,945
Donations and sponsorship	G	99,019	53,381
		<u>3,753,291</u>	<u>3,795,315</u>
<b>OPERATING PROFIT BEFORE TAX</b>		<u>\$1,106,288</u>	<u>\$1,377,906</u>

**YASS SOLDIERS' CLUB LIMITED**  
**A.B.N. 44 000 988 152**

**DETAILED PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30TH JUNE 2022**

	2022	2021
	\$	\$
<b>A. BAR &amp; RAFFLES</b>		
Bar sales	841,631	937,186
Less: Cost of sales	316,269	366,397
	<u>525,362</u>	<u>570,789</u>
	62.42%	60.90%
Raffles	113,191	116,721
Less: Cost of sales	93,210	91,177
	<u>19,981</u>	<u>25,544</u>
Total Gross Profit	<u><u>\$545,343</u></u>	<u><u>\$596,333</u></u>
<b>B. CATERING</b>		
Restaurant Sales	979,925	1,378,182
Take-Away Sales	588,244	-
Less: Cost of Sales	872,955	756,372
Total Gross Profit	<u><u>\$695,214</u></u>	<u><u>\$621,810</u></u>
	44.33%	45.12%
<b>C. ADMINISTRATION</b>		
Audit Fees	17,000	16,000
Accountancy	6,500	6,491
Advertising	11,156	8,106
Bank charges	15,007	14,154
Contract Bookkeeping	12,695	17,856
Computer support and data processing	51,058	40,900
Legal Fees	7,387	39,549
Printing, postages and stationery	31,948	20,099
Subscriptions	16,273	15,746
Telephone	17,856	8,844
Other expenses; directors expenses, freight, FBT, bad debt	20,596	12,882
	<u><u>\$207,476</u></u>	<u><u>\$200,627</u></u>

**YASS SOLDIERS' CLUB LIMITED**  
**A.B.N. 44 000 988 152**

**DETAILED PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30TH JUNE 2022**

	2022	2021
	\$	\$
<b>D. MEMBERS</b>		
Club promotion expenses	194,302	202,844
Entertainment	38,213	46,305
Other members' expenses	18,317	13,784
	<u>\$250,832</u>	<u>\$262,933</u>
<b>E. CLUB BUILDINGS AND EQUIPMENT EXPENDITURE</b>		
Cleaning and laundry	18,008	16,855
Depreciation - buildings	50,878	45,746
Depreciation - plant and fittings	374,365	373,424
Electricity, gas and heating	168,745	171,025
Insurances	68,884	53,957
Rates	25,980	23,597
Repairs and maintenance	70,854	75,865
Other expenses	13,626	23,193
	<u>\$791,340</u>	<u>\$783,662</u>
<b>F. SALARIES AND STAFF ON COSTS</b>		
Salaries	1,544,728	1,531,565
Superannuation	150,754	143,094
Payroll tax	12,255	18,665
Provision for annual leave	2,857	(36,673)
Provision for long service leave	7,203	4,566
Staff uniforms, training and other	13,520	8,937
Workers compensation insurance	38,444	37,933
	<u>\$1,769,761</u>	<u>\$1,708,087</u>
<b>G. DONATIONS AND SPONSORSHIP</b>		
RSL, Community Groups and Individuals	69,019	37,381
Registered Charities	30,000	16,000
	<u>\$99,019</u>	<u>\$53,381</u>