

# **COOTAMUNDRA EX-SERVICEMEN'S & CITIZENS' MEMORIAL CLUB LIMITED**

A.C.N 001 055 778

## **FINANCIAL REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

# COOTAMUNDRA EX-SERVICEMEN'S & CITIZENS' MEMORIAL CLUB LIMITED

A.C.N 001 055 778

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FOR THE YEAR ENDED 31 DECEMBER 2020

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# COOTAMUNDRA EX-SERVICEMEN'S & CITIZENS' MEMORIAL CLUB LIMITED

A.C.N 001 055 778

## CLUB PROPERTY DECLARATION

### FOR THE YEAR ENDED 31 DECEMBER 2020

Pursuant to Section 41J(2) of the *Registered Clubs Act 1976* the Directors declare that, for the financial year ended 31 December 2020, the classification of freehold land is as follows:

Property Address	Current Usage	Classification
299 Parker Street, COOTAMUNDRA NSW 2590	Clubhouse, Carpark, Facilities	Core

#### Notes to Members

Section 41J(2) of the *Registered Clubs Act 1976* requires the annual report to specify the core property and non-core property of the Club as at the end of the financial year to which the report relates.

Core property is any real property owned or occupied by the Club that comprises:

- a) the defined premises of the Club; or
- b) any facility provided by the Club for the use of its members and their guests; or
- c) any other property declared by a resolution passed by a majority of the members present at a general meeting of Ordinary members of the Club to be core property of the Club.

Non-core property is any other property other than that referred to above as core property and any property which is declared by the members at a general meeting of ordinary members of the Club not to be core property.

The significance of the distinction between core property and non-core property is that the Club cannot dispose of any core property unless:

- a) the property has been valued by a registered valuer within the meaning of the *Valuers Act 2003*; and
- b) the disposal has been approved at a general meeting of the ordinary members of the Club at which the majority of the voters cast support the approval; and
- c) any sale is by way of public auction or open tender conducted by an independent real estate agent or auctioneer.

These disposal provisions and what constitutes a disposal for the purposes of section 41J are to some extent modified by regulations made under the *Registered Clubs Act 1976* and Section 41J itself. For example, the years on terms that have been the subject of a valuation by a registered valuer.

# COOTAMUNDRA EX-SERVICEMEN'S & CITIZENS' MEMORIAL CLUB LIMITED

A.C.N 001 055 778

## DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The Directors present their report on Cootamundra Ex-Servicemen's & Citizens' Memorial Club Limited for the financial year ended 31 December 2020.

### Directors information

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

- Mr Michael Willis
- Ms Lynne Cudmore
- Mr Patrick Sullivan
- Mr Kenneth Stapleton
- Mr David Clark
- Ms Samantha Jennings
- Ms Elaine Armstrong
- Mr Gil Kelly
- Mr Geoffrey Manwaring
- Mr Greg Field
- Mr Neil Blackett
- Mr Jason Jones

### Meeting attendance

During the financial year, 12 meetings of Directors and 12 Finance Committee meetings. Attendances by each Director during the year were as follows:

	Directors' Meetings		Finance Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Mr Michael Willis	12	12	12	12
Ms Lynne Cudmore	1	-	-	-
Mr Patrick Sullivan	12	12	12	12
Mr Kenneth Stapleton	12	8	12	12
Mr David Clark	12	11	-	-
Ms Samantha Jennings	9	6	-	-
Ms Elaine Armstrong	12	11	-	-
Mr Neil Blackett	3	3	-	-
Mr Geoffrey Manwaring	12	12	-	-
Mr Greg Field	8	4	-	-
Mr Jason Jones	3	3	-	-
Mr Gil Kelly	3	3	-	-

# COOTAMUNDRA EX-SERVICEMEN'S & CITIZENS' MEMORIAL CLUB LIMITED

A.C.N 001 055 778

## DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

### Directors information

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

Mr Michael Willis	President
Experience	Has been a Director since 1986
Special Responsibilities	Member of the Finance Committee
Ms Lynne Cudmore	Vice President
Experience	Director since 2009. Resigned from the Board January 2020
Special Responsibilities	Member of the Finance Committee
Mr Patrick Sullivan	Treasurer
Experience	Has been a Director since 2000, Abbattoir Management and WH&S Management
Special Responsibilities	Member of the Finance Committee
Mr Kenneth Stapleton	Director
Experience	Has been a Director since 1995
Mr David Clark	Director
Experience	Has been a Director since 2002
Ms Samantha Jennings	Director
Qualifications	Director Foundation and Management Collaboration Certificate of Completion from Clubs NSW
Experience	Director since 2013. Resigned from the Board September 2020
Ms Elaine Armstrong	Director
Qualifications	Director Foundation and Management Collaboration Certificate of Completion from Clubs NSW
Experience	Has been a Director since April 2017
Mr Neil Blackett	Director
Qualifications	Studying Directors courses with Clubs NSW
Experience	Has been a Director since October 2020
Mr Geoffrey Manwaring	Director
Qualifications	Director Foundation and Management Collaboration Certificate of Completion from Clubs NSW
Experience	Has been a Director since 27 April 2018

# COOTAMUNDRA EX-SERVICEMEN'S & CITIZENS' MEMORIAL CLUB LIMITED

A.C.N 001 055 778

## DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

### Directors information

Mr Greg Field	Director
Experience	Resigned from Board August 2020
Mr Jason Jones	Director
Qualifications	Studying Directors Courses with Clubs NSW
Experience	Has been a Director since 11 October 2020
Mr. Gil Kelly	Vice President
Qualifications	Studying Directors Courses with Clubs NSW
Experience	Has been a Director since 11 October 2020

### Principal activities

The principal activities of Cootamundra Ex-Servicemen's & Citizens' Memorial Club Limited during the financial year were to:

- Promote and conduct such sports, games, amusements and entertainment, pastimes and recreations, indoor and outdoor, as the Club may deem appropriate;
- Construct, establish, provide, maintain and conduct playing areas and grounds as the Club may determine and to construct, provide, establish, furnish and maintain clubhouses, pavilions and other buildings containing such amenities conveniences and accommodation, either residential or otherwise, as the Club may from time to time determine; and
- Raise money by entrance fees subscriptions and other payments payable by members and to grant any rights and privileges to subscribers.

No significant changes in the nature of the Company's activities occurred during the financial year.

### Short term objectives

The Company's short term objectives are to:

- Provide modern facilities;
- Support local organisations; and
- Be an integral part of the community.

### Long term objectives

The Company's long term objectives are to:

- Establish and maintain a strong relationship with the local community;
- Be sustainable and strive for continuous improvements so far as to offer the best possible outcomes for the Club's members and guests whilst continuing to operate on a not-for-profit basis; and
- Ensure all surpluses are preserved for the benefit of the Club's members.

# COOTAMUNDRA EX-SERVICEMEN'S & CITIZENS' MEMORIAL CLUB LIMITED

A.C.N 001 055 778

## DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

### Strategy for achieving the objectives

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

- To attract and retain quality staff;
- Seek to provide a wide range of entertainment and events for the local community;
- Establish and foster working partnerships with a range of community stakeholders;
- Continue to upgrade facilities; and
- Maintain compliance with relevant legislation.

### Members guarantee

The Club is an incorporated Company under the *Corporations Act 2001* and is a Company limited by guarantee. If the Club is wound up, the constitution states that each member is required to contribute a maximum of \$1 each towards meeting any outstanding obligations of the Club.

### Payments and other benefits

Subject to the provisions of the *Registered Clubs Act*, a member of the Club, whether a member of the Board or of any Committee of the Club, shall not be entitled under the Rules of the Club or otherwise, to derive, directly or indirectly, any profit, benefit or advantage from the Club that is not offered equally to every member of the Club.

Provided that nothing contained within the Rules of the Club shall be construed as to prevent the allowance of an honorarium as determined by the Board to any member in respect of special honorary services rendered to the Club and payment of such honorarium shall be approved by the members of the Club at a general meeting prior to the payment being made.

No payments or benefits of a pecuniary value were received by any officers of the Club during the financial year.

### Operating results

The profit of the Company after providing for income tax amounted to \$142,168 (2019: \$370,560).

### Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Company during the year.

### Events after the reporting date

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

### Future developments and results

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

### Environmental issues

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia other than the *Smoke-Free Environment Act 2000*, *Smoke-Free Environment Amendment Regulation 2009*, and the *Smoke-Free Environment Regulation 2007* which bans and regulates smoking in enclosed public places as well as specified public places.

# COOTAMUNDRA EX-SERVICEMEN'S & CITIZENS' MEMORIAL CLUB LIMITED

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## DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

### Indemnification

The Club has paid premiums to insure each of its Directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director of the Club, other than the conduct involving a willful breach of duty in relations to the Club.

### Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 31 December 2020 has been received and can be found on page 7 of the financial report.

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

Director:  .....

Mr Michael Willis

Director:  .....

Mr Patrick Sullivan

Dated: 4 March 2021



**COOTAMUNDRA EX-SERVICEMEN'S & CITIZENS' MEMORIAL CLUB LIMITED**  
**A.C.N 001 055 778**

**AUDITOR'S INDEPENDENCE DECLARATION**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

We declare that, to the best of our knowledge and belief, during the year ended 31 December 2020, 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.

**National Audits Group Pty Ltd**  
**Authorised Audit Company**



**Stephen Prowse**  
**Director**

**Dated: 4 March 2021**

**Wagga Wagga**

**COOTAMUNDRA EX-SERVICEMEN'S & CITIZENS' MEMORIAL CLUB LIMITED**  
A.C.N 001 055 778

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 \$	2019 \$
Revenue		1,780,759	3,115,801
Other income		488,835	28,043
	4	2,269,594	3,143,844
<b>Less: Expenses</b>			
Board allowances and honorariums		11,809	16,337
Cleaning		65,158	100,927
Depreciation and amortisation		420,627	406,981
Donations and sponsorship		22,515	43,843
Electricity and gas		54,504	89,012
Entertainment and promotions		138,652	268,305
Insurance		92,109	58,325
Member points and cash		46,302	89,197
Other expenses		136,280	260,671
Purchases		227,122	459,771
Repairs and maintenance		117,170	166,363
Employee benefits expense		795,178	813,552
		142,168	370,560
<b>Profit before income tax</b>		142,168	370,560
Income tax expense	2, (a)	-	-
		142,168	370,560
<b>Profit for the year</b>		142,168	370,560
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		142,168	370,560

The accompanying notes form part of these financial statements.

**COOTAMUNDRA EX-SERVICEMEN'S & CITIZENS' MEMORIAL CLUB LIMITED**  
A.C.N 001 055 778

**STATEMENT OF FINANCIAL POSITION**

FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 \$	2019 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	829,828	1,932,097
Trade and other receivables	6	87,186	1,594
Inventories		49,768	67,061
Prepayments		5,000	49,617
<b>TOTAL CURRENT ASSETS</b>		<b>971,782</b>	<b>2,050,369</b>
<b>NON-CURRENT ASSETS</b>			
Intangible assets	7	169,201	169,201
Property, plant and equipment	8	5,446,440	4,153,134
<b>TOTAL NON-CURRENT ASSETS</b>		<b>5,615,641</b>	<b>4,322,335</b>
<b>TOTAL ASSETS</b>		<b>6,587,423</b>	<b>6,372,704</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	230,601	173,640
Employee benefits	10	195,570	188,737
<b>TOTAL CURRENT LIABILITIES</b>		<b>426,171</b>	<b>362,377</b>
<b>NON-CURRENT LIABILITIES</b>			
Employee benefits	10	11,366	2,609
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>11,366</b>	<b>2,609</b>
<b>TOTAL LIABILITIES</b>		<b>437,537</b>	<b>364,986</b>
<b>NET ASSETS</b>		<b>6,149,886</b>	<b>6,007,718</b>
<b>EQUITY</b>			
Retained earnings		<b>6,149,886</b>	<b>6,007,718</b>
<b>TOTAL EQUITY</b>		<b>6,149,886</b>	<b>6,007,718</b>

The accompanying notes form part of these financial statements.

**COOTAMUNDRA EX-SERVICEMEN'S & CITIZENS' MEMORIAL CLUB LIMITED**  
A.C.N 001 055 778

**STATEMENT OF CHANGES IN EQUITY**

FOR THE YEAR ENDED 31 DECEMBER 2020

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>Retained earnings at the beginning of the year</b>	6,007,718	5,637,158
Profit for the year	142,168	370,560
<b>Retained earnings at the end of the year</b>	<u>6,149,886</u>	<u>6,007,718</u>

The accompanying notes form part of these financial statements.

**COOTAMUNDRA EX-SERVICEMEN'S & CITIZENS' MEMORIAL CLUB LIMITED**  
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**STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED 31 DECEMBER 2020

	<b>Note</b>	<b>2020</b>	<b>2019</b>
		\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from customers and members		1,695,167	3,118,399
Payments to suppliers and employees		(1,570,268)	(2,384,402)
Interest received		19,163	28,043
Receipts from grants and subsidies (COVID-19)		469,672	-
<b>Net cash provided by operating activities</b>		<b>613,734</b>	<b>762,040</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchase of property, plant and equipment		(1,716,003)	(307,645)
<b>Net cash used in investing activities</b>		<b>(1,716,003)</b>	<b>(307,645)</b>
<b>Net increase/(decrease) in cash and cash equivalents held</b>		(1,102,269)	454,395
Cash and cash equivalents at beginning of year		1,932,097	1,477,702
<b>Cash and cash equivalents at end of financial year</b>	5	<b>829,828</b>	<b>1,932,097</b>

The accompanying notes form part of these financial statements.

# COOTAMUNDRA EX-SERVICEMEN'S & CITIZENS' MEMORIAL CLUB LIMITED

A.C.N 001 055 778

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

The financial report covers Cootamundra Ex-Servicemen's & Citizens' Memorial Club Limited (the Company) as an individual entity. Cootamundra Ex-Servicemen's & Citizens' Memorial Club Limited is a not-for-profit Company Limited by Guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Cootamundra Ex-Servicemen's & Citizens' Memorial Club Limited is Australian dollars (\$AUD) and all amounts have been rounded to the nearest dollar.

The financial report was authorised for issue by the Directors on 4 March 2021.

#### 1 BASIS OF PREPARATION

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements, *Corporations Act 2001* and *Corporations Regulations 2001*.

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

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

#### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### (a) Income Tax

The mutuality principle has been applied to the calculation of the Company's income tax. The Company has estimated that the assessable portion of mutual income represented by results of trading attributable to non-members of the Company is 57.63% (2019: 23.14%).

Cootamundra Ex-Servicemen's & Citizens' Memorial Club Limited does not recognise deferred tax assets as the Company has incurred historical tax losses and therefore, the carried forward tax losses are unlikely to be recovered.

##### (b) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the Company are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

The Board has determined that the Company's operating leases are short-term and for low valued assets. Therefore, the Company has elected to apply the exceptions to lease accounting and recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

##### (c) Revenue and other income

The Company recognises revenue on a basis that reflects the transfer of promised goods or services to patrons at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

# COOTAMUNDRA EX-SERVICEMEN'S & CITIZENS' MEMORIAL CLUB LIMITED

A.C.N 001 055 778

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (c) Revenue and other income (continued)

Revenue is recognised by applying a five-step model for each applicable revenue stream as follows:

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

The Company's accounting policies for recognising revenue is outlined in further detail below.

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

#### **Income for Non-for-Profit Entities**

Under AASB 1058 Income of Not-for-Profit Entities, the Company recognises revenue on a basis that reflects the fair value of goods, services, and assets (such as cash, inventories and property, plant and equipment), which have been provided or transferred to the Company for nil or nominal consideration, is deemed to further the objectives of the Company, and has no enforceable or sufficiently specific performance obligations attached to the receipt.

#### **Gaming machine takings**

Gaming machine takings is recognised as revenue on receipt of the funds as there are no enforceable performance obligations contained within a contract between the Company and the patron. Revenue from gaming machine takings is shown in the statement of profit or loss and other comprehensive income net of payouts and gaming tax.

#### **Sales revenue**

Revenue derived through sales is recognised on transfer of goods to the patron as this is deemed to be the point in time when all the risks and rewards associated with the goods are transferred, there is no longer any ownership or effective control over the inventory and the Company's performance obligations have been met.

#### **Fundraising activities**

Receipts from fundraising activities are recognised as revenue when the fundraising activity has been held and prizes have been distributed.

#### **Commissions**

Commissions are recognised as revenue on receipt of the funds as there are no enforceable performance obligations contained within a contract between the Company and the patron. The Commission income is earned on a percentage of the sales generated by the Company using third-party property.

#### **Rental income**

Rental income from kitchen caterers is recognised on a straight-line basis over a period of the lease term so as to reflect a constant periodic rate of fulfilling the performance obligations contained within the contractual agreement.

# COOTAMUNDRA EX-SERVICEMEN'S & CITIZENS' MEMORIAL CLUB LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (c) Revenue and other income (continued)

##### Membership subscriptions

Membership subscriptions represent the amounts received from the Company's members in accordance with the Rules of the Company. Membership subscriptions received in advance incur an obligation for the Company to honour the terms and conditions of the membership for the term of the membership.

This represents a constructive obligation to provide all benefits associated with the membership to the members. Therefore, membership subscriptions received in advance are recognised on the statement of financial position as a contract liability and subsequently recognised as revenue in the year to which they relate, on a straight-line basis.

##### Grants and government subsidies

The Company has been eligible to receive JobKeeper subsidies for the period between March to December 2020 and Cash Flow Boost from Commonwealth government, part of the COVID-19 economic relief. The Company also received two grants from the NSW government.

The grants and government subsidies received during the period were recognised as revenue upon receipt, in accordance with AASB 1058 Income of Not-for-Profit Entities. This was due to the nature of these grants and subsidies, having no performance obligations attached to them.

##### Interest revenue

Interest is recognised using the effective interest method.

##### Other income

Other income is recognised as revenue when the Company has fulfilled its performance obligations.

#### (d) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

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

#### (e) Inventories

Inventories for bar stock are measured at the lower of cost and net realisable value. Cost of inventory is determined using the individual item basis which is inclusive of freight and delivery charges and is net of any rebates and discounts received.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written off in the statement of profit or loss and other comprehensive income when deemed to be damaged or obsolete.



**COOTAMUNDRA EX-SERVICEMEN'S & CITIZENS' MEMORIAL CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(f) Property, plant and equipment**

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

Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

**Depreciation**

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

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

<b>Fixed asset class</b>	<b>Depreciation rate</b>
Buildings	2.5%
Plant and Equipment	5% - 50%

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

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

At the end of each reporting period the Company determines whether there is evidence of an impairment indicator for non-financial assets. If any such indication exists then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss. Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

**(h) Intangible Assets**

Gaming Machine Licences:

Under the *Gaming Machines Act 2001*, a tradeable asset titled gaming machine entitlement was created. Gaming machine entitlements are able to be sold to other registered clubs within the state of New South Wales (NSW) provided certain statutory requirements are met. The Act came into effect on 2 April 2001.

Seventeen (17) gaming machine licences out of forty-two (42) gaming machine licences are recognised as assets of the Company at year end. Each gaming machine licence recognised, has been recorded at either cost or deemed cost and has an indefinite useful life.

At the end of each reporting period the Company determines whether there is evidence of impairment indicators by comparing the cost reported for each individual poker machine licence with the market values provided by Wayne Podmore Consultancy. In the event the cost reported exceeds the market value provided by Wayne Podmore Consultancy it is immediately reduced to the recoverable amount by recognising an impairment through the statement of profit or loss and other comprehensive income.

**COOTAMUNDRA EX-SERVICEMEN'S & CITIZENS' MEMORIAL CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(i) Cash and cash equivalents**

Cash and cash equivalents comprises cash on hand, cash at bank and short-term deposits which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

**(j) Employee benefits**

A liability is made for the Company's employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements.

**(k) Provisions**

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

**(l) New Accounting Standards and Interpretations**

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Company has decided not to early adopt these Standards. The following table summarises those future requirements, and their impact on the Company where the standard is relevant:

<b>Standard Name</b>	<b>Effective date</b>	<b>Requirements</b>	<b>Impact</b>
AASB 1060 - General Purpose Financial Statements - Simplified Disclosures for For-Profit and Non-for-Profit Tier 2 Entities	1 July 2021 (Comparative period beginning 1 July 2020)	This Standard sets out a new, separate disclosure Standard to be applied by all entities that are reporting under Tier 2 of the Differential Reporting Framework in AASB 1053. This Standard has been developed based on a new methodology and principles to be used in determining the Tier 2 disclosures that are necessary for meeting user needs, to replace the current Reduced Disclosure Requirements (RDR) framework.	The Company will early adopt the Standards in 2021 year financial reporting.

# COOTAMUNDRA EX-SERVICEMEN'S & CITIZENS' MEMORIAL CLUB LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### 3 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

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

The significant estimates and judgements made have been described below.

#### ***Key estimates - impairment of property, plant and equipment***

The Company assesses impairment at the end of each reporting period by evaluating conditions specific to the Company that may be indicative of impairment triggers.

During July 2020, the Company obtained an independent valuation on its property, plant and equipment for insurance purposes. The valuation provided forms part of a three year tender performed by Andrew Nock Valuers since 2018 which ended during the year.

The Director's used the estimated recoverable amounts provided by the independent valuer and compared them to the carrying amounts reported at year end. The estimated recoverable amounts exceeded the carrying amounts reported and no adjustment for impairment was required to be made at year end.

#### ***Key estimates - provisions***

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

#### ***Key estimates - inventory***

Each item of inventory is reviewed on an annual basis to determine whether it is being carried at higher than its net realisable value. During the year, management have written down inventory based on best estimate of the net realisable value, although until the time that inventory is sold this is an estimate.

**COOTAMUNDRA EX-SERVICEMEN'S & CITIZENS' MEMORIAL CLUB LIMITED**  
A.C.N 001 055 778

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	2019
	\$	\$
<b>4 REVENUE AND OTHER INCOME</b>		
<b>Revenue from contracts with customers (AASB 15)</b>		
- Bar trading income	511,314	1,022,067
- Commissions	48,781	102,465
- Fundraising activities	84,583	156,942
- Gaming machine takings	1,044,353	1,690,012
- Membership subscriptions	13,825	15,428
- Other income	71,299	113,266
- Rental income	6,604	15,621
	1,780,759	3,115,801
<b>Revenue recognised on receipt (AASB 1058)</b>		
- Grants and subsidies	469,672	-
- Interest income	19,163	28,043
	488,835	28,043
	2,269,594	3,143,844
<b>5 CASH AND CASH EQUIVALENTS</b>		
CURRENT		
Cash on hand	160,400	127,720
Cash at bank	500,609	833,424
Short-term deposits	168,819	970,953
	829,828	1,932,097
<b>6 TRADE AND OTHER RECEIVABLES</b>		
CURRENT		
Trade receivables	3,277	1,458
GST receivable	10,409	136
JobKeeper subsidies receivable	73,500	-
	87,186	1,594

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances. The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

**COOTAMUNDRA EX-SERVICEMEN'S & CITIZENS' MEMORIAL CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020	2019
	\$	\$
<b>7 INTANGIBLE ASSETS</b>		
NON-CURRENT		
Gaming machine licences	169,201	169,201
	<u>169,201</u>	<u>169,201</u>
<b>8 PROPERTY, PLANT AND EQUIPMENT</b>		
NON-CURRENT		
Freehold land		
At cost	247,792	247,792
	<u>247,792</u>	<u>247,792</u>
Buildings		
At cost	7,215,021	5,693,841
Accumulated depreciation	(2,672,763)	(2,502,090)
	<u>4,542,258</u>	<u>3,191,751</u>
Plant and equipment		
At cost	3,796,692	3,749,377
Accumulated depreciation	(3,140,302)	(3,035,786)
	<u>656,390</u>	<u>713,591</u>
	<u>5,446,440</u>	<u>4,153,134</u>

**Movements in Carrying Amounts**

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

	Freehold Land	Buildings	Plant and Equipment	Total
	\$	\$	\$	\$
<b>Year ended 31 December 2020</b>				
Balance at the beginning of year	247,792	3,191,751	713,591	4,153,134
Additions	-	1,521,180	194,823	1,716,003
Disposals	-	-	(2,070)	(2,070)
Depreciation expense	-	(170,673)	(249,954)	(420,627)
	<u>247,792</u>	<u>4,542,258</u>	<u>656,390</u>	<u>5,446,440</u>

**COOTAMUNDRA EX-SERVICEMEN'S & CITIZENS' MEMORIAL CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020	2019
	\$	\$
<b>9 TRADE AND OTHER PAYABLES</b>		
CURRENT		
Trade payables	182,949	137,084
Accrued expenses	31,910	18,800
Other payables	15,742	17,756
	230,601	173,640
	230,601	173,640
<b>10 EMPLOYEE BENEFITS</b>		
CURRENT		
Annual leave	71,003	60,427
Long service leave	124,567	128,310
	195,570	188,737
	195,570	188,737
NON-CURRENT		
Long service leave	11,366	2,609
	11,366	2,609
	11,366	2,609

**11 CAPITAL COMMITMENTS**

The Directors have assessed all commitments contracted for as at 31 December but not recognised as a liability as follows:

Payable not later than one year	125,069	-
	125,069	-
	125,069	-

The amount disclosed above relates to Staged Fire Upgrades. The Company will also commit to a Fire Door Installation and an Auditorium Separation in the 2021 period. The Company has not obtained quotes for these two items.

**12 CONTINGENCIES**

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2020 (31 December 2019: None).

**13 EVENTS OCCURRING AFTER THE REPORTING DATE**

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

# COOTAMUNDRA EX-SERVICEMEN'S & CITIZENS' MEMORIAL CLUB LIMITED

A.C.N 001 055 778

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### 14 KEY MANAGEMENT PERSONNEL REMUNERATION

The total remuneration paid to key management personnel of the Company was \$147,672 (2019: \$108,025). Total remuneration consists of wages and salaries paid to key management as well as honorariums and allowances paid to the Directors during the year.

For details of other transactions with key management personnel, refer to Note 15: Related Party Transactions.

### 15 RELATED PARTY TRANSACTIONS

#### *Entities the Club exercises control over*

The Cootamundra Ex-Servicemen's & Citizens' Memorial Club Limited was deemed to have the power and authority to exercise control over its subsidiary Clubs. The subsidiary Clubs operating during the year were as follows:

- Cootamundra Ex-Servicemen's & Citizens' Memorial Club Limited: Women's Bowling Club; and
- Cootamundra Ex-Servicemen's & Citizens' Memorial Club Limited: Men's Bowling Club.

The Directors have assessed the financial position of each subsidiaries as at 31 December 2020 and their financial performance for the year ended on that date to determine whether the exclusion of the subsidiaries would materially misstate the Company's financial report.

In the Directors opinion, only the Women's Bowling Club and the Men's Bowling Club were deemed to be material to the Company's overall operations and therefore have been included in the financial report.

In the Directors opinion, the Indoor Bowling Club was deemed to be immaterial to the Company's overall operations and therefore has been excluded from the financial report.

#### *Key management personnel*

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director (whether executive or otherwise) of that entity are considered key management personnel. Key management personnel of the Company during the year were as follows:

- Mr Michael Willis (President)
- Ms Lynne Cudmore (Vice President)
- Mr Patrick Sullivan (Treasurer)
- Mr Kenneth Stapleton (Director)
- Mr David Clark (Director)
- Ms Samantha Jennings (Director)
- Ms Elaine Armstrong (Director)
- Mr Gerrard O'Brien (Director)
- Mr Geoffrey Manwarning (Director)
- Mr Greg Field (Director)
- Mr Gregory Bruce (Secretary Manager)

# COOTAMUNDRA EX-SERVICEMEN'S & CITIZENS' MEMORIAL CLUB LIMITED

A.C.N 001 055 778

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### 15 RELATED PARTY TRANSACTIONS (CONTINUED)

#### *Key management personnel (continued)*

- Ms Megan Sawyer (Assistant Manager)

For details of remuneration disclosures relating to key management personnel, refer to Note 14: Key Management Personnel Remuneration.

#### *Other related parties*

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

#### *Transactions with related parties*

In the opinion of the Directors, the Company did not have any related party transactions during the year ended 31 December 2020. The following summary of transactions were identified by the Directors as being related party transactions of the Company during the year ended 31 December 2020:

	<b>Purchases</b>	<b>Sales</b>	<b>Wages</b>	<b>Owed to the Company</b>	<b>Owed by the Company</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Key management personnel	-	-	147,672	-	-
	-	-	147,672	-	-

### 16 COMPANY DETAILS

The registered office and principal place of business of the Company is:

Cootamundra Ex-Servicemen's & Citizens' Memorial Club Limited  
299 Parker Street  
COOTAMUNDRA NSW 2590



**COOTAMUNDRA EX-SERVICEMEN'S & CITIZENS' MEMORIAL CLUB LIMITED**  
A.C.N 001 055 778

**DIRECTORS' DECLARATION**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 8 to 22, are in accordance with the *Corporations Act 2001*, *Corporations Regulations 2001* and the accounting policies outlined in Note 2 of the financial statements, and:
  - a) comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
  - b) give a true and fair view of the financial position as at 31 December 2020 and of the performance of the Company for the year then ended.
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.

Director .....  
  
Mr Michael Willis

Director .....  
  
Mr Patrick Sullivan

Dated: 4 March 2021

**COOTAMUNDRA EX-SERVICEMEN'S & CITIZENS' MEMORIAL CLUB LIMITED**  
**A.C.N 001 055 778**

**INDEPENDENT AUDITOR'S REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Report on the Audit of the Financial Report**

**Qualified Opinion**

We have audited the financial report of Cootamundra Ex-Servicemen's & Citizens' Memorial Club Limited (the Company), which comprises the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Company's financial position as at 31 December 2020 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Regulations 2001.

**Basis for Qualified Opinion**

Receipts from bar takings are a significant source of revenue for the Company. During our audit of the bar takings, we were unable to substantiate the total receipts received through the HIS Stock Control system as the system was no longer supported. Accordingly, the evidence available to us surrounding the Company's bar takings was limited. We were unable to satisfy ourselves by alternative means and our audit procedures were limited to the amounts recorded in the financial records. Consequently, we were unable to determine whether any adjustments to revenue were necessary.

Audit procedures performed on completeness and accuracy of inventory were limited as no stocktake was performed on 23 March 2020, being the date the Company was ordered to close due to Covid-19. There was also a lack of documentation for the remaining stock on hand following the return of stock to suppliers. Consequently, we were unable to determine whether any adjustments to the stock on hand balance were necessary.

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 qualified opinion.

**COOTAMUNDRA EX-SERVICEMEN'S & CITIZENS' MEMORIAL CLUB LIMITED**  
**A.C.N 001 055 778**

**INDEPENDENT AUDITOR'S REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**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 within the Company's annual report for the year ended 31 December 2020, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover 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 consistent with the financial report or our knowledge obtained in the audit or otherwise other information, we are required to report the fact. We have nothing to report in this regard.

**Responsibilities of Directors 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 – Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the 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.

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

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

## **COOTAMUNDRA EX-SERVICEMEN'S & CITIZENS' MEMORIAL CLUB LIMITED**

**A.C.N 001 055 778**

### **INDEPENDENT AUDITOR'S REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **Auditor's Responsibilities for the Audit of the Financial Report (Continued)**

- 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

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. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**National Audits Group Pty Ltd  
Authorised Audit Company**



**Stephen Prowse  
Director**

**Dated: 4 March 2021**

**Wagga Wagga**

**COOTAMUNDRA EX-SERVICEMEN'S & CITIZENS' MEMORIAL CLUB LIMITED**

**A.C.N 001 055 778**

**DISCLAIMER**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

The additional financial data presented on page 28 is in accordance with the books and records of the Company which have been subjected to the auditing procedures applied in our statutory audit of the Company for the year ended 31 December 2020.

It should be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided.

Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Cootamundra Ex-Servicemen's & Citizens' Memorial Club Limited) in respect of such data, including any errors of omissions therein however caused.

**National Audits Group Pty Ltd  
Authorised Audit Company**



**Stephen Prowse  
Director**

**Dated: 4 March 2021**

**Wagga Wagga**

# COOTAMUNDRA EX-SERVICEMEN'S & CITIZENS' MEMORIAL CLUB LIMITED

A.C.N 001 055 778

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	2019
	\$	\$
<b>Income</b>		
Gaming machine takings	1,044,353	1,690,012
Sales revenue	511,314	1,022,067
Fundraising activities	84,583	156,942
Commissions	48,781	102,465
Rental income	6,604	15,621
Membership subscriptions	13,825	15,428
Interest income	19,163	28,043
Other income	71,299	113,266
Grants and subsidies	469,672	-
	<u>2,269,594</u>	<u>3,143,844</u>
<b>Less Expenses</b>		
Advertising	8,199	19,186
Board allowances and honorariums	11,809	16,337
Cleaning	65,158	100,927
Depreciation	420,627	406,981
Donations and sponsorships	22,515	43,843
Electricity and gas	54,504	89,012
Entertainment	107,789	223,550
Insurance	92,109	58,325
Licences and permits	632	22,076
Member points and cash	46,302	89,237
Men's bowling club expenses	15,630	30,631
Other employee expenses	8,509	10,245
Other expenses	62,756	115,080
Professional services	14,750	13,450
Promotions	47,979	71,797
Purchases	227,877	463,095
Rates	9,233	12,059
Repairs and maintenance	121,202	171,901
Superannuation	48,371	65,775
Wages and salaries	725,662	716,522
Women's bowling club expenses	3,177	12,395
Workers compensation	12,636	20,860
	<u>2,127,426</u>	<u>2,773,284</u>
<b>Profit for the year</b>	<u>142,168</u>	<u>370,560</u>