

**GUNDAGAI DISTRICT
SERVICES CLUB LIMITED**

ACN 000 964 910

Annual Report
and
Financial Statements

For the year ended

31 December 2021

To be presented at the
Annual General Meeting

in the Club Function Rooms, Gundagai

Notice of Annual General Meeting & Resolutions

The Annual General Meeting of the Club will be held on 22nd May 2022 in the Club Function Rooms at 11 am.

Note – Entrance to the meeting will be by production of current Membership Card or receipt indicating payment of membership fees.

Business:

1. To confirm the minutes of the last Annual General Meeting held on 23rd May 2021
2. To receive and consider the reports of the Board of Directors
3. To receive and adopt the Financial Report for the year ended 31st December 2021.
4. To confirm the appointment of the Auditors
5. To discuss business properly brought forward of which due notice has been given.
6. To consider and, if thought fit, pass the following ordinary resolutions:-

First Resolution

That approval is given to a budget provision of an annual sum (not exceeding \$50,000) to meet such of the following expenses of the Club that may be approved by the Board of the Directors from time to time.

- (i) Presentations to members (other than in form of money) or other persons to acknowledge services which, in the opinion of the Directors, were of benefit to the Club.
- (ii) Sponsorship by payment of money or provision of benefits to such sporting events, sports persons or community organisations which, in the opinion of Directors, will be of benefit to the Club or the Community.
- (iii) The reasonable cost of meal and beverages for each Director or Senior Management Officer at an appropriate time before or after a Board or Committee Meeting and which is incurred on the day of the meeting.
- (iv) Reasonable expense incurred by a Director either within the Club or elsewhere in relation to the duties of a Director including the entertainment of special guests of the Club in relation to Club business and such other promotional activities as may be approved by the Board.
- (v) Reasonable expenditure for food and refreshments for Directors and Senior Management Officers in entertaining guests of the Club in the Club dining rooms, where such expenditure is reasonable and properly incurred in the course of that Director's or Senior Management Officers' Club duties.

The Board of Directors shall, where appropriate, obtain production of proper documentary evidence of expenditure before authorising payment.

Notes to Members

Items (i) and (ii) are inserted to meet the disclosure requirements of the Registered Clubs Act and Corporations Law. Items (iii), (iv) and (v) need not be included in the resolution as the Act allows those resolutions to be approved by the Board, but the Directors would prefer to inform members clearly of the type of expenses that may be approved by the Board and adoption of this resolution will confirm and set an upper limit on the amount to be expended.

Second Resolution

That approval is given to a budget provision of an annual sum (not exceeding \$20,000) to be used for such professional developments and education of Directors, the Secretary/Manager or any other employee of the Club, as shall be approved by the Board of Directors, from time to time.

(i) The reasonable cost (including the cost of meals, accommodation and travel) of selected Directors attending ClubsNSW Meetings, the Meetings of other Associations of which the Club is a member, as well as educational industry meetings.

(ii) The cost of selected Directors attending formal functions to represent the Club (including but not limited to functions and dinners conducted by ClubsNSW in conjunction with its Annual General Meeting) and the cost associated with the attendance of Directors' spouses at any function, where that attendance is expected or required.

(iii) Costs of and incidental to Directors' fact finding and information tours including, but not limited to Seminars, Trade Displays, Lectures, Organised Study tours and other like events as may be approved by the Board from time to time.

(iv) Attendance of selected Directors at gaming conferences and other educations or business related activities on behalf of the Club.

(v) Such other reasonable out of pocket expenses incurred by the Secretary/Manager, an Employee or Director of the Club in the course of carrying out their duties in relation to the Club.

The Board of Directors shall, where appropriate, obtain production of proper documentary evidence of expenditure before authorising payment.

Notes to Members

The second resolution is also not strictly necessary under the Act as all the specified expenditure can be approved by the Board of Directors without reference to a general meeting of members.

However once more the Directors seek to set out clearly for the benefit of the members the type of expenditure that is being incurred to ensure that Directors keep up to date with current Club industry developments and that the Club is represented by selected Directors and employees at the various meetings of associations of which the Club is a member.

The adoption of this resolution of members will confirm and set an upper limit on the amount to be expended.

Third Resolution

That the President be paid an honorarium of \$3,000 in respect of his/her services as President of the Club, such sum to be paid \$750 quarterly in arrears.

Notes to Members

- (i) Each resolution must be passed as a whole and cannot be amended by a motion from the floor of the meeting or divided into separate resolutions.
- (ii) To be passed, each resolution must receive votes in favour from not less than a simple majority of those members who, being entitled to do so, vote in person.
- (iii) The payments and benefits referred to in resolutions one to three are not available to members generally but only to persons or organisations specified in those resolutions..

7. Other General Business

Please Note: Due to our biennial elections for the board of directors and in accordance with our constitution there will be no voting taking place at the meeting

A special request is made to members who have any enquiries in relation to the financial report, to provide information in writing no later than 15th May 2022, so that the necessary research can be undertaken to accurately answer all questions.

By direction of the Board
Michael Bolger
General Manager
Gundagai District Services Club Ltd



PRESIDENTS REPORT 2021

On behalf of the Board I would like to congratulate Manager Mick Bolger and his dedicated team for a very successful year. The financial turnaround in one year is an excellent result of \$57,536 net profit. I would like to thank all members and community groups, who support our club and its facilities. As always, a big thanks to the RSL ladies auxiliary, RSL sub branch, and the Cootamundra-Gundagai Regional Council for their continued support. I would especially like to thank Steph Cooke for her assistance in obtaining the grant of \$965,136 to upgrade the irrigation system for the golf course and surrounding sporting fields.

I would like to thank my fellow directors for all their support and efforts during 2021. Their hard work for the club is appreciated by both members and management. Steve McCrae has decided to step down from the board, and I thank him for his positive and professional input. Dean O'Brien will replace Steve, and I take this opportunity to formally welcome Dean to the Board and look forward to working with him.

The club continues to make improvements with a new webpage, consistent signage throughout, and increased participation in golf and bowls. The women's bowls team, who recently played in the State Finals at Forster, did the club proud finishing a credible 7th on percentages out of 16 teams. The club, despite Covid 19, continued to support sport in Gundagai. As well as golf and bowls, we supported Junior and Senior Rugby League, and Junior Soccer. While on sport a big thanks to our ground staff and volunteers who do a magnificent job maintaining our bowling greens and golf course. I would also like to thank Jarrod, our golf professional for his efforts in running golf. Finally, thanks to the various sub committees for their input.

During 2022 the club intends major upgrades. The women's toilets near the squash courts will have a complete makeover. The Poker machine area will be expanded and modernized with lighting, signage, and new bases. New carpet throughout the club with new and different types of furniture. These improvements are long overdue and will create a whole different atmosphere.

As long as we look for, and implement strategies for continual improvement, adopt new ideas and be proactive, we should set the club up for continued success. In closing the club has continued to prosper through difficult times and the future is looking positive.

Neil Armstrong

President

MANAGER'S REPORT 2021

It is with great pleasure that I deliver the Annual Report and Financial Statements for the Gundagai District Services Club Ltd, for the year ended 31st December 2021.

At the time of writing, the Club is hopefully coming out the other end of a 2-year COVID 19 pandemic affected period which has impacted progress and trade for the Club and our community. We once again endured Club closures and restrictions which limited our ability to regain normality in what is now, the new normal. Fortunately, we have had to learn to cope in this new world and I believe we have managed well in difficult circumstances.

My thanks go out to Members, Directors, contractors, and my dedicated team, all of whom have made the last year a successful one, considering all the factors which have impacted us. The Club achieved a net profit result of \$57,536 for the 2021 financial year. This was achieved with the non-monetary depreciation expense of \$451,599 and COVID related income subsidies of \$86,872 versus \$408,681 in the previous year.

To Club President Neil Armstrong and our dedicated Board of Directors, I sincerely thank you for your support and efforts over the past year. As 2021 was an election year, we welcomed a new contingent who have integrated seamlessly into our strategic team and have continued the great work of previous Boards.

To my team, we farewelled long serving Operations manager, James Tozer who served the Club tirelessly over many years. I wish James all the best in his future endeavours. To my new Operations Manager, Bronson Beattie and Office Manager Fiona Tout, along with the Senior Supervisor Tania Creber and their front of house team, you continue to be the backbone of this fantastic organisation.

The sporting arms of this Club continue to evolve and serve our members and community as vital social and sporting outlets. Without Bowls and Golf, along with tennis, squash and the Clubs we support such as Rugby league and Soccer, the purpose of this Club would be diminished. To the greens staff, sports committees, and our loyal band of volunteers who support and maintain these assets, you can all be proud of your efforts to bring our golf course and bowling greens to a standard that is the envy of neighbouring towns.

To our caterer Anthony from Create Catering, Head Chef Frankie and their excellent team at Banjo's Kitchen. You continue to evolve and provide an excellent product for our customers, thank you for your support and efforts throughout another difficult year.

The Club continues to follow its strategic plan although the goalposts continue to be moved due to COVID. The following objectives have been achieved or will be prioritised during 2022.

- Merimbula – The cosmetic upgrades are largely completed. The Club will need to consider major upgrades moving forward as the property is aging and in need of repairs and improvements.
- The rebranding process to modify the name to “Gundagai Services Club” including new logos, signage and website is almost complete.
- Gaming floor reconfiguration and ladies toilet upgrade. The Development Application has now been approved and the project is scheduled to be completed during 2022.
- Club furnishings and carpet upgrade will be completed at the same time as the Gaming floor/ladies toilet project.

In great news for the Club and community, we received a NSW Government grant for \$965,136 to install new irrigation infrastructure on the golf course and local sporting fields. A big thank you to Steph Cooke and the NSW Government for this amazing contribution to Gundagai.

In closing, I would like to sincerely thank our loyal members who frequent the Club on a regular basis for supporting the Club now and in the future. This has been a difficult period which we have managed to prosper, and the Club is moving forward with your ongoing support.

Yours Sincerely

Michael Bolger
General Manager



CORE AND NON CORE PROPERTY OF THE CLUB

AS AT 31 DECEMBER 2021

Pursuant to Section 41E(5) of the *Registered Clubs Act 1976* notice is given that for the financial year ended on 31 December 2021:

- The following portions of the property are core property of the Club;
 - (i) the main Club building at 254 Sheridan St Gundagai (Lots 1 to 3 DP160219)
 - (ii) the bowling greens and sports club at 72-78 Sheridan Lane Gundagai (Lots 1 to 4 & 20 Sec 38 DP758785)
 - (iii) tennis courts (Lots 5 to 7 & 9 Sec 38 DP758785)
 - (iv) the Merimbula holiday flats (Lot 12 DP512868)
- The following property of the Club is non-core property:
 - (i) land at 15 West St Gundagai, (Lots 1 to 3 DP432291)
 - (ii) land at Sheridan St Gundagai (Lots 8 & 18 Sec 38 DP758785)



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ABN 15000964910

Reciprocal Clubs

Gundagai District Services Club has reciprocal arrangements with the following clubs;

- Adelong Services and Citizens Club
- Batlow RSL Club
- Boorowa Ex-Services Club
- Canberra Southern Cross Club
- Cootamundra Ex-Servicemen's
- Dundryleague Golf Club – Orange
- Holbrook RSL Club
- Jubilee Golf Club – Wangaratta South
- Maroubra Seals Sports & Community Club
- Merimbula RSL Club
- Murray downs Golf & Country Club
- St. Georges Basin Country Club
- Wagga Wagga RSL Club
- Wagga City Golf Club
- Tura Beach Country Club
- Yowani Country Club ACT
- Kwinana Golf Club WA



CASH DONATIONS, SPONSORSHIPS AND/OR IN-KIND SUPPORT AS PER CLUB GRANTS PROGRAM TO YEAR ENDED 31 AUGUST 2021

- Australian Road Heritage Transport Centre
- Gundagai Adelong Junior Rugby League
- Gundagai Adelong Racing Club
- Gundagai RSL Sub-Branch
- Gundagai Tigers Rugby League Football Club
- Gundagai District Services Club Women Bowls
- Gundagai District Services Club Mens Bowls
- Gundagai District Services Club Womens Golf
- Gundagai District Services Club Mens Golf
- Gundagai District Services Club Vets Golf
- Gundagai High School
- Gundagai Anglers Club
- Uralba Hostel
- Murrumbidgee Health – Community Exercises
- Rotary Club South Wagga Wagga

Total amount \$45,610

Gundagai District Services Club

ABN: 15 000 964 910

Financial Statements

For the year ended 31 December 2021

Gundagai District Services Club

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Gundagai District Services Club

Directors' report

31 December 2021

The Directors present their report on Gundagai District Services Club for the financial year ended 31 December 2021.

Information on directors

The names of each person who has been a director during the year and to date of the report are:

Neil Armstrong - President

Shaun Ryan - Vice President

S McRae

Allan Cook

Don Smith (Resigned 23 May 2021)

John Knight (Resigned 23 May 2021)

Jamie-Lee Webb (Resigned 23 May 2021)

Keith Wood (Resigned 23 May 2021)

Gail Rowland (Appointed 23 May 2021)

Michael A Pigram (Appointed 23 May 2021)

Michael J Pigram (Appointed 23 May 2021)

Ruth Forster (Appointed 23 May 2021)

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

Principal activities

The principal activity of Gundagai District Services Club during the financial year was related to the conduct of a Registered Club established to promote, form, control and manage sporting activities of all types and classes.

No significant changes in the nature of the Gundagai District Services Club's activity occurred during the financial year.

Operating results

The profit/(loss) of the Gundagai District Services Club after providing for income tax amounted to \$57,536 (2020: \$220,673)

Dividends paid or recommended

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

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Gundagai District Services Club during the year.

Gundagai District Services Club

Directors' report

31 December 2021

Events after the reporting date

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

Future developments and results

Likely developments in the operations of the Gundagai District Services Club 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 Gundagai District Services Club.

Liability of Members

The liability of members in the event of the winding up of the Company is limited to a maximum of \$1. As at 31 December 2021, the total amount of the liability of the members in the event of winding up the company was \$2,117.

Uncertainty Related to Gong Concern

We draw your attention to Note 1(f) to the financial statements which indicated that the Company's ability to continue as a going concern is dependent on its ability to refinance its loan repayment obligations and the Club operations meeting their expected financial performance. The Directors are involved in discussions with the Bank and expect to successfully renegotiate the loan terms, and that the Company will meet its trading expectations.

Note 1(f) further discusses the impact of the COVID-19 pandemic and the impact this has had on the Club.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under Section 307c of the *Corporations Act 2001* is set out on the following page.

Signed in accordance with a resolution of the Board of directors at Gundagai NSW.



Neil Armstrong
Director

Dated: 25 April 2022

Gundagai District Services Club

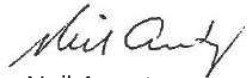
The directors of the Gundagai District Services Club declare that:

The financial statements comprising the Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and the notes to the financial statements, are in accordance with the *Corporations Act 2001*; and

- comply with Accounting Standards and the Corporations Regulations 2001; and
- give a true and fair view of the financial position as at 31 December 2021 and of the performance for the year ended on that date of the Gundagai District Services Club.

In the directors' opinion, there are reasonable grounds to believe that the Gundagai District Services Club will be able to pay its debts as and when they become due and payable with the continuing support of creditors.

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



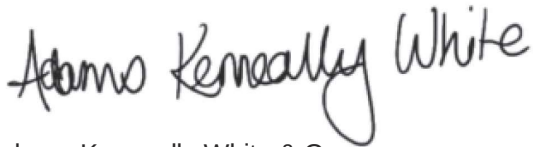
Neil Armstrong
Director

Dated: 25 April 2022

Auditor's independence declaration to the Directors of Gundagai District Services Club

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2021, there have been:

- no contraventions of the auditor independence requirements as set out in section 307C of the in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.



Adams Kenneally White & Co



Carolyn Rosetta-Walsh

Partner

WAGGA WAGGA, 26 April 2022

Gundagai District Services Club

Statement of profit or loss

For the year ended 31 December 2021

	Note	2021 \$	2020 \$
Revenue	4	2,802,525	2,703,624
Cost of sales		(323,360)	(245,522)
Gross profit		2,479,165	2,458,102
Finance income	5	251	266
Other income	4	161,135	163,600
Reversal of impairment losses on receivables		567	-
Administrative expenses			
Administrative expenses		(114,941)	(89,200)
Employee benefit expenses		(856,903)	(875,917)
Total Administrative expenses		(971,844)	(965,117)
Finance expenses	5	(44,086)	(55,929)
Impairment losses on receivables		-	(1,264)
Marketing expenses		(13,255)	(13,269)
Occupancy costs		(164,661)	(161,478)
Rental property expenses		(24,507)	(21,552)
Other expenses			
Other expenses			
Insurance		(136,691)	(112,302)
Donations		(26,477)	(12,710)
Entertainment		(77,503)	(36,141)
Motor vehicles expenses		(3,647)	(5,229)
Other expenses		(87,415)	(87,760)
Total Other expenses		(331,733)	(254,142)
Depreciation expenses		(451,414)	(451,599)
Total Other expenses		(783,147)	(705,741)
Other Operating Expenses		(582,082)	(476,945)
Profit (loss) before income taxes		57,536	220,673
Income tax		-	-
Profit (loss) from continuing operations		57,536	220,673
Profit (loss) for the year		57,536	220,673
Total comprehensive income for the year		57,536	220,673

The accompanying notes form part of these financial statements.

Gundagai District Services Club

Statement of financial position

As at 31 December 2021

	Note	2021 \$	2020 \$
Assets			
Current assets			
Cash and cash equivalents	7	485,056	456,447
Trade and other receivables	9	9,668	3,183
Inventories	8	28,448	29,810
Other assets	11	63,616	87,091
Total current assets		586,788	576,531
Non-current assets			
Property, plant and equipment	10	3,971,562	4,118,094
Total assets		4,558,350	4,694,625
Liabilities			
Current liabilities			
Trade and other payables	12	139,967	167,628
Borrowings	13	880,552	1,113,471
Employee benefits	16	102,549	117,314
Provisions	15	69,891	60,411
Other liabilities	14	46,383	23,638
Total current liabilities		1,239,342	1,482,462
Non-current liabilities			
Borrowings	13	116,999	61,616
Employee benefits	16	12,824	18,898
Total non-current liabilities		129,823	80,514
Total liabilities		1,369,165	1,562,976
Net assets		3,189,185	3,131,649
Equity			
Retained earnings		3,189,185	3,131,649

The accompanying notes form part of these financial statements.

Gundagai District Services Club

Statement of changes in equity
For the year ended 31 December 2021

	Retained earnings	Total	Total equity
2020	\$	\$	\$
Opening balance	2,910,976	2,910,976	2,910,976
Profit for the year	220,673	220,673	220,673
Closing balance	3,131,649	3,131,649	3,131,649
2021	\$	\$	\$
Opening balance	3,131,649	3,131,649	3,131,649
Profit for the year	57,536	57,536	57,536
Closing balance	3,189,185	3,189,185	3,189,185

The accompanying notes form part of these financial statements.

Gundagai District Services Club

Statement of cash flows

For the year ended 31 December 2021

	2021	2020
	\$	\$
Cash flows from operating activities:		
Receipts from customers	3,302,178	3,093,096
Payments to suppliers and employees	(2,740,451)	(2,337,598)
Interest received	251	266
Interest paid	(44,086)	(55,929)
Net cash flows from/(used in) operating activities	517,892	699,835
Cash flows from investing activities:		
Purchase of property, plant and equipment	(311,747)	(147,601)
Cash flows from financing activities:		
Proceeds from borrowings	358,583	215,471
Repayment of borrowings	(536,119)	(535,430)
Net cash provided by/(used in) financing activities	(177,536)	(319,959)
Net increase/(decrease) in cash and cash equivalents	28,609	232,275
Cash and cash equivalents at beginning of year	456,447	224,172
Cash and cash equivalents at end of financial year	485,056	456,447

The accompanying notes form part of these financial statements.

Gundagai District Services Club

Notes to the financial statements

For the year ended 31 December 2021

1. Basis of preparation

The financial statements cover the Gundagai District Services Club Limited as an individual entity. Gundagai District Services Club Limited is a company limited by guarantee incorporated and domiciled in Australia.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations), and the *Corporations Act 2001*. The Company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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

The financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented are shown in Australian dollars and have been rounded to the nearest dollar.

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

Gundagai District Services Club

Notes to the financial statements

For the year ended 31 December 2021

2. Summary of significant accounting policies

a. Borrowing costs

All borrowing costs are recognised as an expense in the period in which they are incurred.

b. 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 payable are stated inclusive of GST.

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

c. Income Tax

Income tax expense for the year comprises current income tax expense and deferred tax expense.

Current income tax expense charged to profit or loss is the tax payable on the taxable income being net income from non-members less certain statutory deductions. Current tax liabilities are measured at the amounts expected to be paid to the Australian Taxation Office.

Deferred income tax expense reflects movements in deferred tax assets and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax assets can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur.

d. Impairment of non-financial assets

At the end of each reporting period the Gundagai District Services Club determines whether there is evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible

Gundagai District Services Club

Notes to the financial statements

For the year ended 31 December 2021

assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU 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.

e. Financial instruments

Financial instruments are recognised initially on the date that the Gundagai District Services Club becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

i. Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Gundagai District Services Club classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

Financial assets are not reclassified subsequent to their initial recognition unless the Gundagai District Services Club changes its business model for managing financial assets.

Amortised cost

The Gundagai District Services Club's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Gundagai District Services Club

Notes to the financial statements

For the year ended 31 December 2021

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

Net gains or losses, including any interest or dividend income are recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost
- debt investments measured at FVOCI.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Gundagai District Services Club considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Gundagai District Services Club's historical experience and informed credit assessment and including forward looking information.

The Gundagai District Services Club uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Gundagai District Services Club uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Gundagai District Services Club in full, without recourse to the Gundagai District Services Club to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Gundagai District Services Club in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables and contract assets

Impairment of trade receivables and contract assets have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Gundagai District Services Club has determined the probability of non-payment of the receivable and contract asset and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss

Gundagai District Services Club

Notes to the financial statements

For the year ended 31 December 2021

being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Gundagai District Services Club renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

ii. Financial liabilities

The Gundagai District Services Club measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Gundagai District Services Club comprise trade payables, bank and other loans and lease liabilities.

Gundagai District Services Club

Notes to the financial statements

For the year ended 31 December 2021

f. Going Concern

Net current liabilities

As at 31 December 2021, the Gundagai District Services Club's current liabilities exceeded current assets by \$652,560 (2020: \$924,827). A significant contributor to the net current liability balance is the classification of (\$728,754.00) (2020: (\$962,194.00)) relating to a bank loan as a current liability.

The Directors are in discussions with the Bank to negotiate the terms of this loan, but the current loan term will expire in December 2022. The Club's bank has indicated that it is likely to extend the facility for a period of 24 or 36 months, subject to its usual credit considerations. The Club's bank has indicated that it is likely that there will be no covenants in place over the loan, and that repayments will likely remain at the same monthly amount, plus interest.

The Club's ability to continue as a going concern and to discharge its liabilities in the ordinary course of business is dependent on it being able to refinance the borrowings, on suitable borrowing terms, when they fall due for repayment and the generation of sufficient cash flows from operating activities to meet its debt commitments.

These financial statements have been prepared on a going concern basis on the grounds that, in the opinion of the Directors, the Club will be able to refinance its borrowings when they fall due for repayment and that the financial performance of the Club will meet their expectations.

Although the Directors are confident that they will successfully renegotiate the loan terms and that the Club will meet its trading expectations, there is uncertainty that casts doubt as to whether the Club will be able to continue as a going concern and therefore realise its assets and extinguish its liabilities in the normal course of business at the amounts stated in the financial statements.

COVID-19

Since March 2020 the COVID-19 pandemic has caused business disruption throughout Australia. Due to restrictions imposed by the Federal and NSW State Government's in response to the pandemic, the Club was ordered to cease usual trading operations for a period of time in both the 2020 and the 2021 years. This has resulted in significant disruption to the Club in both trading years, the largest impact being a loss of revenue. Where eligible, the Club has received government incentives in the form of JobKeeper subsidies, JobSaver subsidies and Cash Flow boosts.

The Club has operated when allowed, in accordance with the applicable government regulations. Any further or long-term impact of the COVID-19 pandemic on the Club is unknown. However, the Directors are of the opinion that the Club has sufficient assets that may be utilised (sold-off) should the Club require an injection of cash that is not available via other means. On this basis, the Directors consider the going concern assumption is appropriate.

Gundagai District Services Club

Notes to the financial statements

For the year ended 31 December 2021

3. Critical accounting estimates and judgements

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

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

The significant estimates and judgements made have been described below.

a. Key estimates - impairment of property, plant and equipment

At each reporting date, the Gundagai District Services Club reviews the carrying amounts of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the assets fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is included as an expense in the income statement.

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

b. Key estimates - inventory

Each item on 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.

c. 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.

Gundagai District Services Club

Notes to the financial statements

For the year ended 31 December 2021

4. Revenue and other income

a. Accounting policy

i. Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Gundagai District Services Club expects to receive in exchange for those goods or services.

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

None of the revenue streams of the Gundagai District Services Club have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

ii. Revenue from sale of goods

Revenue from the sale of goods is recognised upon delivery of goods to customers. Poker machine revenue is recognised at the time it is received. Revenue from member's subscriptions is recognised in the subscription year for which it is paid.

iii. Rental income

The Club's property at Merimbula is not classified as an Investment Property as it is held primarily to provide benefits to the members of the Club. The property is rented as a holiday home and there are no long-term leases in place. Rental income is recognised on an accruals basis in accordance with the service obligations of provision for the holiday units.

Gundagai District Services Club

Notes to the financial statements

For the year ended 31 December 2021

b. Revenue from continuing operations

	2021	2020
	\$	\$
Revenue from contracts with customers (AASB 15)		
Provision of services	(6,542)	-
Member subscriptions		
Club - Members Subscriptions	(1,546)	11,486
Bowls - Members Subscriptions	9,354	8,146
Golf - Members Subscriptions	37,170	34,346
Total Member subscriptions	44,978	53,978
Other revenue from contracts with customers	162,879	124,049
Sale of Goods - Main Bar	727,290	553,347
Sale of Goods - Sportsbar	15,182	9,063
Sale of Goods - Functions	1,300	-
Sale of Goods - Proshop	20,125	-
Sale of Goods - Poker Machine	1,690,937	1,471,285
Sale of Goods - Other	5,701	-
Sales - Dining room	-	17,334
	2,661,850	2,229,056
Revenue recognised on receipt (not enforceable or no sufficiently specific performance obligations - AASB 1058)		
Donations	9,364	12,612
Government revenue (including grants)	86,872	408,681
Other revenue from other sources	44,439	53,275
	140,675	474,568
	2,802,525	2,703,624

c. Other income

	2021	2020
	\$	\$
Commissions	58,100	55,428
Rental income	68,385	72,658
Other income - golf: cart storage and mower hire	34,650	35,514
	161,135	163,600

Gundagai District Services Club

Notes to the financial statements

For the year ended 31 December 2021

5. Finance income and expenses

Finance income	2021	2020
	\$	\$
Interest income		
Other interest income	251	266
	251	266
Finance expenses	2021	2020
	\$	\$
Interest expense	44,086	55,929

Gundagai District Services Club

Notes to the financial statements

For the year ended 31 December 2021

6. Auditor's remuneration

	2021	2020
	\$	\$
Remuneration of the auditor of the Gundagai District Services Club, Adams Kenneally White for fees for assurance services required under legislation to be performed by the auditor	21,000	20,315

Gundagai District Services Club

Notes to the financial statements

For the year ended 31 December 2021

7. Cash and cash equivalents

a. Accounting policy

Cash and cash equivalents include cash on hand, at call deposits and short term highly liquid investments with periods to maturity of three months or less from the inception date which are subject to insignificant risk of change in value.

b. Cash and cash equivalent details

	2021	2020
	\$	\$
Cash at bank	371,056	385,180
Cash on hand	114,000	71,267
	485,056	456,447

c. Reconciliation of cash

Cash at the end of the financial year as shown in the Statement of cash flows is reconciled to items in the Statement of financial position as follows:

	2021	2020
	\$	\$
Cash and cash equivalents	485,056	456,447
Bank overdraft	(5,914)	(1,676)
	479,142	454,771

Gundagai District Services Club

Notes to the financial statements

For the year ended 31 December 2021

8. Inventories

Inventories held for consumption by the company in the provision of services in the ordinary course of operations are valued at the lower of cost and replacement cost. Other inventories are valued at the lower of cost and net realisable value. Costs are assigned to inventories on a weighted average cost basis.

a. Inventory details

Current	2021	2020
	\$	\$
At cost		
Finished goods	28,448	29,810

Gundagai District Services Club

Notes to the financial statements

For the year ended 31 December 2021

9. Trade and other receivables

Receivables represent assets for goods sold and services performed by the Club prior to the end of the financial year which were unpaid at 31 December 2021. Receivables are recorded at amounts due less any accumulated impairment losses.

Current	2021	2020
	\$	\$
Trade receivables	9,668	3,183
	9,668	3,183

Gundagai District Services Club

Notes to the financial statements

For the year ended 31 December 2021

10. Property, plant and equipment

a. Accounting policy

Property, Plant and Equipment is brought to account at cost, less where applicable, any accumulated depreciation and impairment losses.

i. Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated over the assets' useful lives to the Company commencing from the time the asset is held ready for use. Plant and Equipment acquired prior to 01/01/1999 is depreciated on a reducing balance basis; all other assets are depreciated on a straight line basis.

The estimated useful lives used for each class of depreciable asset are shown below:

Fixed asset class	Useful life
Buildings	20 to 50 years
Merimbula Furniture & Fittings	3 to 15 years
Plant and Equipment	2.5 to 14 years

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.

When an asset is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

ii. Investment Property

Investment property comprises three parcels of land located on West Street, Gundagai, which is being held for future development or sale. The Club's property located in Merimbula is not classified as Investment Property as it is held primarily to provide benefits to the members of the Club.

The investment properties are carried at cost less any accumulated depreciation. Investment property buildings are depreciated using the straight-line method over 5 to 25 years.

Gundagai District Services Club

Notes to the financial statements

For the year ended 31 December 2021

b. Property, plant and equipment details

Summary	2021	2020
	\$	\$
Land		
Land	54,661	54,661
Land investment property	392,714	392,714
Total Land	447,375	447,375
Buildings	2,568,101	2,679,838
Plant and equipment	956,086	990,881
	3,971,562	4,118,094

2020	Land	Buildings	Plant and equipment	Total
	\$	\$	\$	\$
As at 31 December 2020				
Balance at the Beginning of the year	447,375	2,798,247	1,176,470	4,422,092
Additions	-	3,150	144,451	147,601
Depreciation Expense	-	(121,559)	(330,040)	(451,599)
	447,375	2,679,838	990,881	4,118,094

2021	Land	Buildings	Plant and equipment	Total
	\$	\$	\$	\$
As at 31 December 2021				
Opening balance	447,375	2,679,838	990,881	4,118,094
Additions	-	-	311,747	311,747
Disposals	-	-	(6,864)	(6,864)
Depreciation Expense	-	(111,737)	(339,678)	(451,415)
	447,375	2,568,101	956,086	3,971,562

Gundagai District Services Club

Notes to the financial statements

For the year ended 31 December 2021

11. Other assets

	2021	2020
Current		
	\$	\$
Other assets		
Prepayments	63,616	87,091

Gundagai District Services Club

Notes to the financial statements

For the year ended 31 December 2021

12. Trade and other payables

Accounts payable for goods and services represent liabilities for goods and services provided to the Club prior to the end of the financial year and which were unpaid at 31 December 2021. The amounts are unsecured and are usually paid within 30 days of recognition.

Current	2021	2020
	\$	\$
GST payable	19,222	12,064
Accrued expenses	16,119	22,783
Other trade and other payables		
Trade Creditors	81,093	88,802
Other Creditors & Accruals	6,677	23,272
PAYG Withholding	9,783	12,625
Superannuation Payable	7,036	8,045
Child Support Payable	37	37
Total Other trade and other payables	104,626	132,781
	139,967	167,628

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

Gundagai District Services Club

Notes to the financial statements

For the year ended 31 December 2021

13. Borrowings

Current	2021	2020
	\$	\$
Secured		
Bank overdraft	5,914	1,676
Bank loans	728,754	962,194
Other borrowings	145,884	149,601
	880,552	1,113,471
Non-current	2021	2020
	\$	\$
Secured		
Other borrowings	116,999	61,616
Non-current	2021	2020
	\$	\$
Unsecured	-	-

Gundagai District Services Club

Notes to the financial statements

For the year ended 31 December 2021

14. Other liabilities

Current	2021	2020
	\$	\$
Deferred income		
Income Rental in Advance	-	1,273
Income Subs in Advance	39,841	22,365
Total Deferred income	39,841	23,638
Other liabilities	6,542	-
	46,383	23,638

Gundagai District Services Club

Notes to the financial statements

For the year ended 31 December 2021

15. Provisions

a. Accounting policy

Provisions are recognised when the Gundagai District Services Club 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.

Provisions are measured at the present value of management's best estimate of the outflow required to settle the obligation at the end of the reporting period. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the unwinding of the discount is taken to finance costs in the Statement of profit or loss.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

b. Provision details

Current	2021	2020
	\$	\$
Provision for Poker Machine Tax	69,891	60,411

Gundagai District Services Club

Notes to the financial statements

For the year ended 31 December 2021

16. Employee benefits

a. Accounting policy

Provision is made for entitlements accruing to employees in respect of annual leave, rostered days off and long service leave, when it is probable that the settlement will be required.

Provision is made for the Gundagai District Services Club's liability for employee benefits, those 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, plus related on-costs.

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. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

b. Employee benefit details

Current	2021	2020
	\$	\$
Long service leave	18,911	26,700
Annual leave	83,638	90,614
	102,549	117,314

Non-current	2021	2020
	\$	\$
Long service leave	12,824	18,898

Gundagai District Services Club

Notes to the financial statements

For the year ended 31 December 2021

17. Contingencies

In the opinion of the Directors, the Gundagai District Services Club did not have any contingencies at 31 December 2021.

Gundagai District Services Club

Notes to the financial statements

For the year ended 31 December 2021

18. Related parties

a. The Gundagai District Services Club's main related parties are as follows:

The remuneration paid to key management personnel of the Gundagai District Services Club is \$105,725 (2020: \$107,800). The long term employee benefits paid to key management personnel was \$12,852 (2020: \$12,841).

The honorarium paid to directors of the Gundagai District Services Club is \$3,000.

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

b. Transactions with related parties

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

The directors were not aware of any transactions between Gundagai District Services Club and related parties, which are required to be disclosed in these financial statements.

Gundagai District Services Club

Notes to the financial statements

For the year ended 31 December 2021

19. Cash flow information

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

	2021	2020
	\$	\$
Profit for the year	57,536	220,673
Add / (less) non-cash items:		
Depreciation and amortisation	451,414	451,599
Loss on sale of PP&E	6,864	-
Changes in assets and liabilities:		
(increase) / decrease in receivables & other assets	16,990	(48,325)
(increase) / decrease in inventories	1,362	6,685
increase / (decrease) in payables	(27,661)	66,608
increase / (decrease) in provisions	(11,358)	11,362
increase / (decrease) in other liabilities	22,745	(8,767)
Cash flows from operations	517,892	699,835

Gundagai District Services Club

Notes to the financial statements

For the year ended 31 December 2021

20. Events occurring after the reporting date

The financial statements were authorised for issue by the directors on 23rd April 2022.

Since March 2020 the COVID-19 pandemic has caused business disruption throughout Australia. The Club as experienced government-imposed forced closures during the past two years. Whilst the Club received government support in the form of incentives and grants, the impact of the COVID-19 pandemic has resulted in loss of revenue in the current and previous years.

Whilst the long-term impact of the COVID-19 pandemic on the Club is unknown, the Directors are of the opinion that the Club has sufficient assets that may be utilised (sold-off) should the Club require an injection of cash that it not available via other means.

There have been no other events after the balance date that require disclosure in the financial statements.

Gundagai District Services Club

Notes to the financial statements

For the year ended 31 December 2021

21. Capital Management

Management controls the capital of the entity to ensure that adequate cash flows are generated to support the day to day operations of the club and future improvements of the Club's facilities, and that returns from investments are maximised within tolerable risk parameters. The Directors and the Secretary Manager ensures that the overall risk management strategy is in line with this objective.

The entity's capital consists of financial assets and borrowings. Management effectively manages the entity's capital by assessing the entity's financial risks and responding to changes in these risks in the market. These responses may include the consideration of debt levels.

There have been no changes to the strategy adopted by management to control the capital of the entity since the previous year.

Gundagai District Services Club

Notes to the financial statements

For the year ended 31 December 2021

22. Statutory information

The registered office and principal place of business of the Gundagai District Services Club is:

Gundagai District Services Club
254 Sheridan Street
Gundagai NSW Australia
2722

Gundagai District Services Club

Notes to the financial statements

For the year ended 31 December 2021

23. Company Limited By Guarantee

Gundagai District Services Club Limited is a company incorporated under the Corporations Law as a company limited by Guarantee. If the company is wound up, the memorandum of association states that each member is required to contribute a maximum of \$1 towards meeting any outstanding obligations of the Company.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
THE GUNDAGAI DISTRICT SERVICES CLUB LIMITED**

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a general-purpose financial report of Gundagai District Services Club (the Entity), which comprises the statement of financial position as at 31 December 2021, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes to the financial statements and the directors' declaration.

In our opinion, the accompanying financial report of the Entity for the year ended 31 December 2021 is prepared, in all material respects, in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Entity's financial position as at 31 December 2021 and of its performance for the year ended then ended; and
- (b) complying with 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 Entity 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Uncertainty Related to Going Concern

We draw attention to Note 1(f) in the financial report, which identifies that, as at 31 December 2021, the Entity's current liabilities exceeded its current assets by \$652,560. This condition, along with the other matters as set out in Note 1(f), indicate that a material uncertainty exists that may cast doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter

Adams Kenneally White & Co
ABN 40 001 738 183

Associate
BJ Wood CA

Partners
M J Wakeling CA
G M Obst FCA
J A Debono CA
A D Manton CA
C E Rosetta-Walsh CA
R M Fry CA
JC McLaren Affiliate Chartered
Accountants ANZ

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Other Information

The directors are responsible for the other information. The other information comprises the information included in the Entity's annual report for the year ended 31 December 2021, 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.

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Entity'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 management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

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 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.



Carolyn Rosetta-Walsh
Partner
ADAMS KENNEALLY WHITE & CO
26 April 2022
Wagga Wagga

Doc ref 802718_1

DISCLAIMER ON SUPPLEMENTARY INFORMATION

The additional financial information included with this annual report, being the Detailed Trading and Profit and Loss Statement, does not form part of the audited General Purpose Financial Statements.

Our statutory audit covers the amounts and disclosures included in the General Purpose Financial Statements and is not expected or required to cover the details of the descriptive classification of income and expenditure amounts shown in the Detailed Trading and Profit and Loss Statement. While the books and records from which the Detailed Trading and Profit and Loss Statement have been prepared have been subjected to the audit procedures applied in our statutory audit of the Company for the year ended 31 December 2021, we do not express an opinion on the Detailed Trading and Profit and Loss Statement and no warranty of accuracy or reliability is given in respect of the additional financial information contained in that statement.

In accordance with our firm's policy, we advise that neither the Firm nor any member or employee of the Firm undertakes responsibility arising in any way whatsoever to any person (other than the company) in respect of such additional financial information, including any errors or omissions therein, arising through negligence or otherwise however caused.

Dated this 22nd April 2022 at Wagga Wagga NSW

ADAMS KENNEALLY WHITE Pty Ltd

Carolyn Rosetta-Walsh
Partner

Doc ref 712103_1

Adams Kenneally White Pty Ltd
ABN 40 001 738 183

Associate
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Partners
M J Wakeling CA
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J A Debono CA
A D Manton CA
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approved under Professional
Standards Legislation.*

Gundagai District Services Club

Detailed profit or loss statement

For the year ended 31 December 2021

Description	2021	2020
	\$	\$
Detail profit or loss		
Profit		
Sale of Goods - Main Bar	727,290	553,347
Sale of Goods - Sportsbar	15,182	9,063
Sale of Goods - Functions	1,300	-
Sale of Goods - Proshop	20,125	-
Sale of Goods - Poker Machine	1,690,937	1,471,285
Sale of Goods - Other	5,701	-
Sales - Dining room	-	17,334
Provision of services	(6,542)	-
Member subscriptions	44,978	53,978
Other revenue from contracts with customers	162,879	124,049
Donations	9,364	12,612
Government revenue (including grants)	86,872	408,681
Other revenue from other sources	44,439	53,275
Changes in inventories of finished goods and work in progress	(1,361)	(6,685)
Raw materials and consumables used	(321,999)	(238,837)
Gross profit	2,479,165	2,458,102
Interest income	251	266
Commissions	58,100	55,428
Rental income	68,385	72,658
Other income - golf: cart storage & mower hire	34,650	35,514
Reversal of impairment losses on receivables	567	-
Audit & accounting expenses	(21,911)	(32,841)
Other administrative expenses	(93,030)	(56,359)
Salary and wage expenses	(780,505)	(773,063)
Superannuation contributions	(74,807)	(65,097)
Workers compensation	(16,440)	(22,353)
Other employee benefit expenses	14,849	(15,404)
Interest expense	(44,086)	(55,929)
Bad debts	-	(1,264)
Marketing expenses	(13,255)	(13,269)
Utilities & repairs and maintenance	(164,661)	(161,478)
Cleaning	(24,507)	(21,552)
Depreciation expenses	(451,414)	(451,599)
Insurance	(136,691)	(112,302)
Donations	(26,477)	(12,710)
Promotions	(77,503)	(36,141)
Motor vehicles expenses	(3,647)	(5,229)
Other expenses	(87,415)	(87,760)
Raffle and bingo expenses	(18,921)	(19,168)
Bowls expenses	(17,234)	(16,984)
Golf expenses	(115,574)	(110,179)

Gundagai District Services Club

Detailed profit or loss statement

For the year ended 31 December 2021

Restaurant/Bistro expenses	(27,878)	(22,652)
Merimbula property expenses	(85,867)	(53,077)
TAB fees	(14,893)	(14,042)
Keno fees	(4,392)	(3,457)
Poker machine costs	(297,323)	(237,386)
Profit(loss) before income taxes	57,536	220,673