

**GRIFFITH EX-SERVICEMEN'S CLUB LIMITED**  
**ABN 26 001 062 942**

**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

GRIFFITH EX-SERVICEMEN'S CLUB LIMITED  
ABN 26 001 062 942

CONTENTS

	<b>Page No.</b>
Directors' Report	2
Directors' Declaration	5
Independent Auditor's Report	6
Auditor's Independence Declaration	9
Statement of Profit or Loss and Other Comprehensive Income	10
Statement of Financial Position	11
Statement of Changes in Equity	12
Statement of Cash Flows	13
Notes to the Financial Statements	14

**GRIFFITH EX-SERVICEMEN'S CLUB LIMITED**  
**ABN 26 001 062 942**

**DIRECTORS' REPORT**

Your directors present this report on the company for the financial year ended 30 June 2023.

**DIRECTORS**

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

E. J. Mardon	M. D. Geltch
M. L. Kimball	M. Jaffrey
G. D. Collins	J. S. Bennett
M. G. Favell	D. Marcus
A. J. Scott	

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

**INFORMATION ON DIRECTORS**

<b>DIRECTOR</b>	<b>QUALIFICATIONS AND EXPERIENCE</b>	<b>SPECIAL</b>
E. J. Mardon	Business Manager Director 24 years	Chairman
G. D. Collins	Business Proprietor Director 15 years	Vice-Chairman
M. L. Kimball	Retired Regional General Manager Director 13 years	Treasurer
M. D. Geltch	Manager Director 15 years	
M. G. Favell	Community Transport Director 13 years	
M. Jaffrey	Company Accountant Director 9 years	
A. J. Scott	Business Proprietor Director 8 years	
J. S. Bennett	Company Finance Director Director 3 years	
D. Marcus	Business Proprietor Director 2 years	

**GRIFFITH EX-SERVICEMEN'S CLUB LIMITED**  
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**DIRECTORS' REPORT**

<b>MEETINGS OF DIRECTORS</b>	<b>ELIGIBLE</b>	<b>PRESENT</b>	<b>APOLOGY</b>
E. J. Mardon	15	14	1
G. D. Collins	15	11	4
M. G. Favell	15	13	2
M. D. Geltch	15	13	2
M. L. Kimball	15	12	3
M. Jaffrey	15	15	0
A. J. Scott	15	14	1
J. S. Bennett	15	10	5
D.Marcus	15	14	1

During the financial year there were 12 monthly meetings and 3 special meetings.

**PRINCIPAL ACTIVITIES**

The principal continuing activities of the Club are the encouragement of sport and the provision of recreational facilities for its members.

**SHORT AND LONG TERM OBJECTIVES**

The Board has established short and long term objectives as outlined in the Club's strategic plan. These objectives are both financial and non financial, and are aimed towards providing a comfortable and secure environment to its members that continues to meet their needs. These objectives are measured through both financial and non financial key performance indicators that have been determined relevant to the registered club industry. These objectives are as follows;

To ensure the Club continues to investigate and implement successful alternate revenue streams that complement the Club's core business while maintaining the Club's principal activities.

To ensure the Club continues to provide quality entertainment and social activities for members while maintaining state of the art facilities and amenities to service the needs of our members.

To ensure sustainable thinking, principles and practices are embedded into our core operations.

To ensure the club continues to embody the sacrifice of all our Servicemen and women.

**STRATEGIES**

To achieve its stated objectives, the company has adopted the following strategies:

Continued support to our staff through industry related seminars and conferences. Directors receive industry updates to keep in line with the legislation and governance procedures through our membership of Clubs NSW and the Clubs Directors Institute. The following strategies have been adopted:

To continue to enhance the Club's Food and Beverage offer.

To continue to maintain modern and safe facilities for all members, visitors, and staff.

To continue to proactively target the reduction of water and energy consumption.

To continue to provide and maintain Sporting facilities to promote an active and healthy community lifestyle for the Griffith and District Community.

To continue to assist the Yambil Community Hub in supporting the Griffith & District Community.

**GRIFFITH EX-SERVICEMEN'S CLUB LIMITED**  
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**DIRECTORS' REPORT**

**KEY PERFORMANCE MEASURES**

The company measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the directors to assess the financial sustainability of the company and whether the company's short-term and long-term objectives are being achieved.

**MEMBERS' GUARANTEE**


The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the entity. At 30 June 2023, the total amount that the members of the company are liable to contribute if the company is wound up is \$18,180 (2022: \$17,894).

**AUDITOR'S INDEPENDENCE DECLARATION**

The auditor's independence declaration for the year ended 30 June 2023 has been received and can be found on page 9 of the financial report.

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

Director

  
\_\_\_\_\_  
E. J. MARDON

Director

  
\_\_\_\_\_  
M. L. KIMBALL

Dated this

17th day of August 2023

GRIFFITH EX-SERVICEMEN'S CLUB LIMITED  
ABN 26 001 062 942

DIRECTORS' DECLARATION  
FOR THE YEAR ENDED 30 JUNE 2023

In accordance with a resolution of the directors of Griffith Ex-Servicemen's Club Limited, the directors declare that:

1. The financial statements and notes, as set out on pages 10 to 23, are in accordance with the *Corporations Act 2001* and:
  - (a) comply with Australian Accounting Standards - Simplified Disclosures; and
  - (b) give a true and fair view of the financial position as at 30 June 2023 and of the performance for the year ended on that date of the company.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Director

  
\_\_\_\_\_  
E. J. MARDON

Director

  
\_\_\_\_\_  
M. L. KIMBALL

Dated this 17th day of August 2023

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRIFFITH EX-SERVICEMEN'S CLUB LIMITED

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

#### *Opinion*

We have audited the financial report of Griffith Ex-Servicemen's Club Ltd (the Company), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Griffith Ex-Servicemen's Club Ltd:  
(i) presents fairly, in all material respects, the entity's financial position as at 30 June 2023 and of its financial performance for the year then ended; and  
(ii) complies with Australian Accounting Standards - Simplified Disclosures and the Corporations Regulations 2001.

#### *Basis for Opinion*

We conducted our audit in accordance with Australian Auditing Standards - Simplified Disclosures. 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 Griffith Ex-Servicemen's Club Ltd, would be in the same terms if given to the directors as at the time of this auditor's report.

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

#### *Emphasis of Matter - Basis of Accounting*

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the Corporations Act 2001. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
GRIFFITH EX-SERVICEMEN'S CLUB LIMITED

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

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2023, 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 the 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 - Simplified Disclosures 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 relating 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 has 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 - Simplified Disclosures will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards - Simplified Disclosures, 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.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
GRIFFITH EX-SERVICEMEN'S CLUB LIMITED

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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



Kelly Partners (Griffith) Pty Ltd  
John P Keenan CA  
Registered Company Auditor 156228  
135 Yambill Street Griffith NSW 2680

Dated this 17th day of August 2023

GRIFFITH EX-SERVICEMEN'S CLUB LIMITED  
ABN 26 001 062 942

AUDITOR'S INDEPENDENCE DECLARATION UNDER  
SECTION 307C OF THE CORPORATIONS ACT 2001

TO THE DIRECTORS OF  
GRIFFITH EX-SERVICEMEN'S CLUB LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023 there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.



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Kelly Partners (Griffith) Pty Ltd  
John P Keenan CA  
Registered Company Auditor 156228

135 Yambil Street Griffith NSW 2680

Date: 17 August 2023

**GRIFFITH EX-SERVICEMEN'S CLUB LIMITED**  
**ABN 26 001 062 942**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023 \$	2022 \$
Revenues from ordinary activities	2	13,172,661	11,546,189
Cost of goods sold	3	(1,619,568)	(1,292,329)
Employee benefits expense	3	(4,806,244)	(4,009,494)
Depreciation and amortisation expenses	3	(1,372,815)	(1,581,401)
Finance costs	3	(11,205)	(10,568)
Community support	3	(301,566)	(284,840)
Member entertainment and promotion	3	(335,327)	(297,795)
Utilities	3	(557,850)	(521,408)
Other expenses		<u>(1,344,383)</u>	<u>(1,190,008)</u>
<b>Current year surplus(deficit) before tax</b>		2,823,703	2,358,347
Income tax expense		<u>-</u>	<u>-</u>
<b>Net current year surplus(deficit)</b>		<u><u>2,823,703</u></u>	<u><u>2,358,347</u></u>
<b>Other comprehensive income:</b>			
<b>Items that will not be reclassified subsequently to profit or loss:</b>			
Fair value gains (losses) on financial assets at fair value through other comprehensive income		<u>868</u>	<u>(2,652)</u>
Revaluation of non-current assets		<u>250,601</u>	<u>(1,128,000)</u>
<b>Total other comprehensive income for the year</b>		<u>251,469</u>	<u>(1,130,652)</u>
<b>Total comprehensive income for the year</b>		<u><u>3,075,171</u></u>	<u><u>1,227,695</u></u>
Total comprehensive income attributable to members of the entity		<u><u>3,075,171</u></u>	<u><u>1,227,695</u></u>

The accompanying notes form part of these financial statements.

**GRIFFITH EX-SERVICEMEN'S CLUB LIMITED**  
**ABN 26 001 062 942**

**STATEMENT OF FINANCIAL POSITION**

**AS AT 30 JUNE 2023**

	Note	2023 \$	2022 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	5,667,611	7,320,230
Accounts receivable and other debtors	5	190,892	57,925
Inventories on hand	6	132,985	134,532
Other financial assets	8	22,217	9,257
Other current assets	7	-	3,571
<b>TOTAL CURRENT ASSETS</b>		<u>6,013,705</u>	<u>7,525,514</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	31,275,708	25,841,772
Investments	10	2,440,000	2,440,000
Intangibles	11	2,506,667	2,256,000
<b>TOTAL NON-CURRENT ASSETS</b>		<u>36,222,374</u>	<u>30,537,772</u>
<b>TOTAL ASSETS</b>		<u><u>42,236,079</u></u>	<u><u>38,063,287</u></u>
<b>CURRENT LIABILITIES</b>			
Accounts payable and other payables	12	2,011,451	983,968
Borrowings	13	242,182	441,802
Provisions	14	598,170	571,712
<b>TOTAL CURRENT LIABILITIES</b>		<u>2,851,803</u>	<u>1,997,481</u>
<b>NON-CURRENT LIABILITIES</b>			
Accounts payable and other payables	12	29,799	8,951
Borrowings	13	190,299	-
Provisions	14	72,838	40,685
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>292,935</u>	<u>49,636</u>
<b>TOTAL LIABILITIES</b>		<u><u>3,144,739</u></u>	<u><u>2,047,118</u></u>
<b>NET ASSETS</b>		<u><u>39,091,340</u></u>	<u><u>36,016,169</u></u>
<b>EQUITY</b>			
Asset Revaluation Reserve		5,179,492	4,928,891
Retained profits		33,911,848	31,087,277
<b>TOTAL EQUITY</b>		<u><u>39,091,340</u></u>	<u><u>36,016,169</u></u>

The accompanying notes form part of these financial statements.

**GRIFFITH EX-SERVICEMEN'S CLUB LIMITED**  
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**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	Note	Retained Earnings	Asset Revaluation Reserve	Total
<b>Balance at 30 June 2021</b>		28,731,582	6,056,891	34,788,473
<b>Comprehensive income</b>				
Surplus for the year attributable to members		2,358,347	-	2,358,347
Other comprehensive income for the year		(2,652)	-	(2,652)
Prior year adjustment	16(a)	-	-	-
Revaluation of assets		-	(1,128,000)	(1,128,000)
<b>Total comprehensive income attributable to members</b>		<u>2,355,695</u>	<u>(1,128,000)</u>	<u>1,227,695</u>
<b>Balance at 30 June 2022</b>		31,087,277	4,928,891	36,016,169
<b>Comprehensive income</b>				
Surplus for the year attributable to members		2,823,703	-	2,823,703
Other comprehensive income for the year		868	-	868
Revaluation of assets		-	250,601	250,601
<b>Total comprehensive income attributable to members</b>		<u>2,824,571</u>	<u>250,601</u>	<u>3,075,171</u>
<b>Balance at 30 June 2023</b>		33,911,848	5,179,492	39,091,340

The accompanying notes form part of these financial statements.

**GRIFFITH EX-SERVICEMEN'S CLUB LIMITED**  
**ABN 26 001 062 942**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023 \$	2022 \$
<b>Cash flows from operating activities</b>			
Receipts from / (payments to) customers, suppliers and employees		4,996,426	4,079,729
Interest received		72,459	1,328
Finance costs		(11,205)	(10,568)
<b>Net cash provided by operating activities</b>		<u>5,057,680</u>	<u>4,070,490</u>
<b>Cash flows from investing activities</b>			
Proceeds from sale of property, plant and equipment		135,740	58,480
Payments for property, plant and equipment		(6,836,717)	(1,523,325)
<b>Net cash provided by investing activities</b>		<u>(6,700,977)</u>	<u>(1,464,845)</u>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		366,568	-
Repayment of borrowings		(375,889)	(297,689)
<b>Net cash used in financing activities</b>		<u>(9,321)</u>	<u>(297,689)</u>
Net increase in cash held		(1,652,618)	2,307,956
Cash at beginning of financial year		<u>7,320,230</u>	<u>5,012,274</u>
Cash at end of financial year	<b>4</b>	<u>5,667,611</u>	<u>7,320,230</u>

The accompanying notes form part of these financial statements.

**GRIFFITH EX-SERVICEMEN'S CLUB LIMITED**  
**ABN 26 001 062 942**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

The financial statements cover Griffith Ex-Servicemen's Club Limited as an individual entity, incorporated and domiciled in Australia. Griffith Ex-Servicemen's Club Limited is a company limited by guarantee.

The financial statements were authorised for issue on 17 August 2023 by the directors of the company.

**Note 1: Summary of Significant Accounting Policies**

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the *Corporations Act 2001*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards - Simplified Disclosures.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards - Simplified Disclosures applicable to entities reporting under the *Corporations Act 2001* and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with those of previous periods unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

**Accounting Policies**

**(a) Revenue**

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

Donations and bequests are recognised when revenue is received.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

For capital grants, the company recognises income in profit or loss when or as the company satisfies its obligations under the terms of the grant.

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

**(b) Inventories**

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

Inventories acquired at no cost or for nominal consideration are measured at the current replacement cost as at the date of acquisition.

**GRIFFITH EX-SERVICEMEN'S CLUB LIMITED**  
**ABN 26 001 062 942**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

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

***Freehold Property***

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

In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

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

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

***Plant and Equipment***

Plant and equipment are measured on the cost basis less depreciation and any impairment losses. The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

In the event the carrying amount of plant and equipment is greater than the recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(f) for details of impairment).

Plant and equipment that have been contributed at no cost, or for nominal cost, are recognised at the fair value at the date it is acquired.



**GRIFFITH EX-SERVICEMEN'S CLUB LIMITED**  
**ABN 26 001 062 942**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

***Depreciation***

The depreciable amount of all fixed assets, including capitalised lease assets but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Land and Buildings	2.5%-20.0%
Plant and Machinery	7.5% - 100.0%
Plant and Equipment Under Lease	40%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

**(d) Intangible Assets**

The entity holds poker machine licences either acquired through a past business combination or granted for no consideration by the NSW government. AIFRS requires that licences outside of a pre-AIFRS transition business combination be recognised initially at its fair value as at the date it was granted with a corresponding adjustment to profit and loss to recognise the grant immediately as income. Until new gaming legislation taking effect in April 2002 allowing poker machine licences to be traded for the first time, the entity has determined the fair value at grant date for licences granted pre April 2002 to be zero.

During 2021 the directors determined to value poker machine entitlements at fair value annually.

**(e) Impairment of Assets**

At the end of each reporting period, the company reviews the carrying value of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell it and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable value is recognised in profit or loss.

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

**GRIFFITH EX-SERVICEMEN'S CLUB LIMITED**  
**ABN 26 001 062 942**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

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

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation reserve in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation reserve for that same class of asset.

**(f) Employee Benefits**

***Short-term employee benefits***

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of accounts payable and other payables in the statement of financial position.

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

***Other long-term employee provisions***

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service.

The company's obligations for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

**(g) Cash and cash equivalents**

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

**(h) Accounts Receivable and Other Debtors**

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

**GRIFFITH EX-SERVICEMEN'S CLUB LIMITED**  
**ABN 26 001 062 942**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**(i) Goods and Services Tax**

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

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

**(j) Income Tax**

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

**(k) Provisions**

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

**(l) Comparative Figures**

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

**(m) Accounts Payable and Other Payables**

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

**(n) Critical Accounting Estimates and Judgements**

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

**GRIFFITH EX-SERVICEMEN'S CLUB LIMITED**  
**ABN 26 001 062 942**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	<b>2023</b>	<b>2022</b>
<b>Note 1: Summary of Significant Accounting Policies (cont'd)</b>		
<b>2 REVENUE</b>		
Operating activities of the company:		
Sales revenue	3,811,398	3,047,504
Gaming revenue	8,054,102	7,492,255
Subscriptions and nominations	27,689	50,958
Interest received	72,459	1,328
Other revenue	1,071,273	895,664
	<b>13,036,921</b>	<b>11,487,709</b>
All interest received is from other corporations.		
<b>Non-operating</b>		
Proceeds from sale of non-current assets	135,740	58,480
	<b>135,740</b>	<b>58,480</b>
Total revenue	<b>13,172,661</b>	<b>11,546,189</b>
<b>3 PROFIT FROM ORDINARY ACTIVITIES</b>		
Profit from ordinary activities before income tax has been determined after:		
<b>Expenses:</b>		
Administration	1,450,304	1,259,718
Cost of goods sold	1,619,568	1,292,329
Community support	301,566	284,840
Member entertainment and promotions	335,327	297,795
Utilities	557,850	521,408
	<b>4,264,615</b>	<b>3,656,089</b>
Employee	4,747,633	3,987,939
Provision for employee entitlements	58,611	21,554
	<b>4,806,244</b>	<b>4,009,494</b>
Borrowing <b>3(a)</b>	11,205	10,568
Depreciation & amortisation	1,372,815	1,581,401
<b>Total expenses from ordinary activities</b>	<b>10,454,879</b>	<b>9,257,553</b>
<b>Non-operating</b>		
Net gain/(loss) on disposal of non-current assets	105,921	69,710

**(a)** All borrowing costs are payable to other corporations.

**GRIFFITH EX-SERVICEMEN'S CLUB LIMITED**  
**ABN 26 001 062 942**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	2023	2022
<b>4 CASH AND CASH EQUIVALENTS</b>		
Cash on hand	5,667,611	7,320,230
	<u>5,667,611</u>	<u>7,320,230</u>
Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
Cash on hand	487,000	430,000
Current account	317,848	161,508
Maxi direct account	4,352,135	6,362,014
Staff leave account	231,974	229,636
Bagtown cheque account	278,653	137,072
	<u>5,667,611</u>	<u>7,320,230</u>
<b>5 ACCOUNTS RECEIVABLE AND OTHER DEBTORS</b>		
Trade debtors	190,252	48,466
Other debtors	640	9,459
	<u>190,892</u>	<u>57,925</u>
<b>6 INVENTORIES</b>		
At cost		
Inventory	132,985	134,532
	<u>132,985</u>	<u>134,532</u>
<b>7 OTHER CURRENT ASSETS</b>		
Prepayments	-	3,571
	<u>-</u>	<u>3,571</u>
<b>8 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME</b>		
<b>CURRENT</b>		
Financial assets at fair value through other comprehensive income		
- Listed investments - shares in listed corporations	8(a) 22,217	9,257
	<u>22,217</u>	<u>9,257</u>

Investments in equity instruments are held for medium to long term planned purposes and are not held for trading. The Company elected to designate investments in equity instruments as at fair value through other comprehensive income. The Company's directors believe that recognising current shorter term fluctuations in these investments' fair value in profit or loss would not be in line with the Company's plan to hold them over a longer term.

**GRIFFITH EX-SERVICEMEN'S CLUB LIMITED**  
**ABN 26 001 062 942**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	<b>2023</b>	<b>2022</b>
<b>9 PROPERTY, PLANT AND EQUIPMENT</b>		
<b>Land and buildings</b>		
Land and buildings at valuation	33,748,608	33,709,188
Accumulated depreciation	(12,059,101)	(11,588,924)
<b>Total land and buildings</b>	<b>21,689,507</b>	<b>22,120,264</b>
<b>Plant and Equipment</b>		
At cost	13,209,212	12,988,450
Accumulated depreciation	(10,505,459)	(10,434,066)
	<b>2,703,752</b>	<b>2,554,384</b>
Right of use assets	2,203,518	1,949,114
Accumulated depreciation	(1,730,546)	(1,605,526)
	<b>472,972</b>	<b>343,587</b>
<b>Total plant and equipment</b>	<b>3,176,724</b>	<b>2,897,972</b>
<b>Total property, plant and equipment</b>	<b>24,866,231</b>	<b>25,018,235</b>
Work in progress	<b>6,409,477</b>	<b>823,537</b>

**Movement in Carrying Amounts**

	<b>Land and Buildings</b>	<b>Plant and Equipment</b>	<b>Right of Use Assets</b>	<b>Total</b>
<b>2023</b>				
Balance at the beginning of the year	22,120,264	2,554,384	343,587	25,018,235
Additions at cost	39,420	820,494	390,864	1,250,778
Disposals	-	(29,966)	-	(29,966)
Depreciation expense	(470,177)	(641,159)	(261,479)	(1,372,815)
<b>Carrying amount at end of year</b>	<b>21,689,507</b>	<b>2,703,752</b>	<b>472,972</b>	<b>24,866,231</b>

**Asset revaluations**

The freehold land and buildings at the main club were independently valued at 30 June 2014 following the completion of the major renovations. The freehold land and buildings at the sports club were independently valued in 2019 following the completion of the major renovations and facility upgrades. The valuation was based on the fair value less cost to sell. The critical assumptions adopted in determining the valuation included the location of the land and building, the current demand for land and buildings in the area, recent sales data for similar properties, and continuation of use of the land and buildings.

In 2020, the Club received an updated valuation for the Bagtown property. This valuation was prepared on a going concern basis. The updated valuation has been accounted for in these financial reports.

**GRIFFITH EX-SERVICEMEN'S CLUB LIMITED**  
**ABN 26 001 062 942**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	<b>2023</b>	<b>2022</b>
<b>10 INVESTMENTS</b>		
<b>NON-CURRENT</b>		
Investment property - 16-22 Yambil Street, Griffith NSW 2680 at Cost	1,190,000	1,190,000
Investment property - 39 Yambil Street, Griffith NSW 2680 at Cost	1,250,000	1,250,000
	<u>2,440,000</u>	<u>2,440,000</u>
<b>11 INTANGIBLE ASSETS</b>		
Poker Machine Licences at Valuation	2,506,667	2,256,000
	<u>2,506,667</u>	<u>2,256,000</u>
<b>12 ACCOUNTS PAYABLE AND OTHER PAYABLES</b>		
<b>CURRENT</b>		
Accounts payable	1,868,151	807,708
Accruals	118,635	140,420
Sporting group imprest accounts	14,809	16,993
Subscriptions in advance	9,856	18,848
	<u>2,011,451</u>	<u>983,968</u>
<b>NON-CURRENT</b>		
Subscriptions in advance	29,799	8,951
	<u>29,799</u>	<u>8,951</u>
<b>(a) Financial liabilities at amortised cost classified as trade and other payables</b>		
Accounts and other payables		
- Total current	2,011,451	983,968
- Total non-current	29,799	8,951
Financial liabilities as accounts payable and other payables	<u>2,041,250</u>	<u>992,919</u>

**GRIFFITH EX-SERVICEMEN'S CLUB LIMITED**  
**ABN 26 001 062 942**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	2023	2022
<b>13 BORROWINGS</b>		
Current	242,182	441,802
Non-current	190,299	-
	<b>432,481</b>	<b>441,802</b>
<b>CURRENT</b>		
Lease liabilities	242,182	441,802
	<b>242,182</b>	<b>441,802</b>
<b>NON-CURRENT</b>		
Lease liabilities	190,299	-
	<b>190,299</b>	-

Lease liabilities are secured by the underlying right of use assets.

As at 30 June 2023, the Club has not drawn down on its bank loan facility. However, the Board intends to utilise this facility for current renovations if required.

Borrowings are secured by a Fixed & Floating Charge over all assets and uncalled capital of the company and a Mortgage over property located at Cnr Yambil Street & Jondaryan Avenue Griffith NSW 2680 and 16-22 Yambil Street Griffith NSW 2680.

**14 PROVISIONS**

**CURRENT**

Provision for annual & personal leave	283,297	288,772
Provision for long service leave	314,873	282,940
	<b>598,170</b>	<b>571,712</b>

**NON-CURRENT**

Provision for long service leave	72,838	40,685
	<b>72,838</b>	<b>40,685</b>

**15 CAPITAL AND LEASING COMMITMENTS**

**(a) Finance Lease Commitments**

Payable - minimum lease payments		
- not later than 12 months	242,182	441,802
- later than 12 months but not later than 5 years	190,299	-
- greater than 5 years	-	-
Minimum lease payments	432,481	441,802
Less future finance charges	-	-
Present value of minimum lease payments	<b>432,481</b>	<b>441,802</b>

**16 RESERVES**

**(a) Revaluation Reserve**

The revaluation reserve records the revaluation of non-current assets.



**GRIFFITH EX-SERVICEMEN'S CLUB LIMITED**  
**ABN 26 001 062 942**

**TRADING STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	Note	<b>2023</b>	<b>2022</b>
		<b>\$</b>	<b>\$</b>
<b>SALES</b>			
Sales		3,811,398	3,047,504
<b>LESS COST OF GOODS SOLD</b>			
Opening stock		134,532	111,729
Purchases		<u>1,618,021</u>	<u>1,315,132</u>
		1,752,553	1,426,861
Closing stock		<u>132,985</u>	<u>134,532</u>
		<u>1,619,568</u>	<u>1,292,329</u>
<b>GROSS PROFIT</b>		<u><u>2,191,830</u></u>	<u><u>1,755,175</u></u>

**GRIFFITH EX-SERVICEMEN'S CLUB LIMITED**  
**ABN 26 001 062 942**

**PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023	2022
		\$	\$
<b>INCOME</b>			
Commissions received		89,944	74,853
Interest received		72,459	1,328
Raffle receipts		(51,674)	(46,898)
Sports receipts		32,015	27,326
TAB receipts		15,448	(554)
Keno receipts		89,940	70,716
Subscriptions and nominations		27,689	50,958
Rent received		218,051	212,597
Poker machine trading		7,948,713	7,422,093
Profit on sale		105,921	69,710
Sundry income		4,667	6,613
Accommodation receipts		914,009	679,653
Gross profit from trading		<u>2,191,830</u>	<u>1,755,175</u>
		11,659,014	10,323,571
<b>LESS EXPENDITURE</b>			
Advertising		96,648	83,655
Auditors' remuneration		24,271	18,869
Bank charges		34,134	17,631
Bar expenses		75,039	58,116
Catering expenses		89,285	69,064
Community support		301,566	284,840
Cleaning		61,336	63,399
Contract workers		62,589	55,566
Data processing charges		43,240	49,103
Delivery charges		202	90
Depreciation		1,372,815	1,581,401
Dine and Discover vouchers		-	(1,027)
Directors' remuneration		18,000	15,700
Directors' expenses		10,051	14,290
Donations		70	150
Entertainment members and guests		60,227	53,299
Freight and cartage		38,345	25,928
Fringe benefits tax		582	1,081
Heating, oil and gas		63,415	48,723
Hire of plant and equipment		7,142	724
Holiday pay provision		8,954	17,819
Insurance		304,043	299,538
Interest paid		11,205	10,568

**GRIFFITH EX-SERVICEMEN'S CLUB LIMITED**  
**ABN 26 001 062 942**

**PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023 \$	2022 \$
Land tax			
Legal costs		25,635	23,360
Licensing fees		9,695	6,983
Light and power		18,524	13,389
Long service leave		376,112	360,797
Members cards		49,657	3,735
Members promotions		6,722	6,192
Members taxi fare subsidy		275,101	244,496
Payroll tax		11,490	9,308
Postage		177,663	124,315
Printing and stationery		1,735	1,140
Professional fees		23,632	18,700
Rates and taxes		20,731	16,600
Rent		118,322	111,887
Repairs and maintenance		43,876	33,899
Salaries and wages		291,601	265,165
Security costs		4,101,167	3,481,104
Sports expenses		42,212	36,554
Staff training and welfare		17,297	16,272
Subscriptions		83,306	47,325
Superannuation contributions - employees		30,976	17,677
Telephone		405,633	325,874
Travelling expenses		25,095	33,701
Unders and overs - cash		6,591	20
Vouchers		3,244	552
Waste disposal		(18,869)	(5,638)
		5,007	3,291
		8,835,311	7,965,224
<b>NET OPERATING PROFIT</b>		2,823,703	2,358,347