

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

ABN 26 001 062 942

FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

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

CONTENTS

	Page No.
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 2022.

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

DIRECTOR	QUALIFICATIONS AND EXPERIENCE	SPECIAL RESPONSIBILITIES
E. J. Mardon	Business Manager Director 23 years	Chairman
G. D. Collins	Business Proprietor Director 14 years	Vice-Chairman
M. L. Kimball	Retired Regional General Manager Director 12 years	Treasurer
M. D. Geltch	Manager Director 14 years	
M. G. Favell	Community Transport Director 12 years	
M. Jaffrey	Company Accountant Director 8 years	
A. J. Scott	Business Proprietor Director 7 years	
J. S. Bennett	Company Finance Director Director 2 years	
D.Marcus	Business Proprietor Director 1 year	

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

DIRECTORS' REPORT

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

During the financial year there were 12 monthly meetings and 1 special meeting.

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 with 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.

To continue to assist the Community Hub in its support of the Griffith Community.

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

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

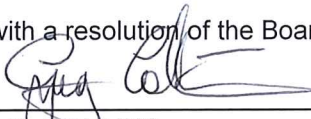
The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the entity. At 30 June 2022, the total amount that the members of the company are liable to contribute if the company is wound up is \$17,894 (2021: \$21,506).

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the year ended 30 June 2022 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



G. D. COLLINS

Director



M. L. KIMBALL

Dated this 11th day of August 2022

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

DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2022

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 24, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Australian Accounting Standards; and
 - (b) give a true and fair view of the financial position as at 30 June 2022 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



G. D. COLLINS

Director



M. L. KIMBALL

Dated this 11th day of August 2022

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

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

Report on the Audit of the Financial Report

Opinion

I 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 2022, 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 my opinion, the accompanying financial report of Griffith Ex-Servicemen's Club Ltd is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am 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 my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I 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.

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

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

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2022, but does not include the financial report and my auditor's report thereon. My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. In connection with my audit of the financial report, my 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 I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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

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 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

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.


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

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

- 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. I am responsible for the direction, supervision and performance of the audit. I remain solely responsible for my audit opinion.

I 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 I identify during my audit.


John P Keenan CPA
Registered Company Auditor 156228
135 Yambil Street Griffith NSW 2680

Dated this 11 day of August 2022

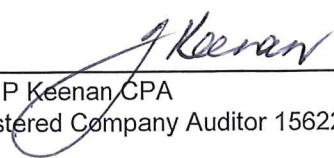
GRIFFITH EX-SERVICEMEN'S CLUB LIMITED
ABN 26 001 062 942

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 2022 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.



John P Keenan CPA
Registered Company Auditor 156228
135 Yambil Street Griffith NSW 2680

Date: 11 August 2022

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 2022

	Note	2022 \$	2021 \$
Revenues from ordinary activities	2	11,546,189	14,020,094
Employee benefits expense	3	(4,009,494)	(4,273,157)
Depreciation and amortisation expenses	3	(1,581,401)	(1,691,076)
Finance costs	3	(10,568)	(83,772)
Other expenses		<u>(3,586,379)</u>	<u>(3,743,526)</u>
Current year surplus(deficit) before tax		2,358,347	4,228,561
Income tax expense		<u>-</u>	<u>-</u>
Net current year surplus(deficit)		<u><u>2,358,347</u></u>	<u><u>4,228,561</u></u>
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss:			
Fair value gains (losses) on financial assets at fair value through other comprehensive income		<u>(2,652)</u>	<u>7,955</u>
Total other comprehensive income for the year		<u>(2,652)</u>	<u>7,955</u>
Total comprehensive income for the year		<u><u>2,355,695</u></u>	<u><u>4,236,517</u></u>
Total comprehensive income attributable to members of the entity		<u><u>2,355,695</u></u>	<u><u>4,236,517</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 2022

	Note	2022 \$	2021 \$
CURRENT ASSETS			
Cash and cash equivalents	4	7,320,230	5,012,274
Accounts receivable and other debtors	5	57,925	95,687
Inventories on hand	6	134,532	111,729
Other financial assets	8	9,257	11,909
Other current assets	7	3,571	9,956
TOTAL CURRENT ASSETS		7,525,514	5,241,555
NON-CURRENT ASSETS			
Property, plant and equipment	9	25,841,772	25,914,063
Investments	10	2,440,000	2,440,000
Intangibles	11	2,256,000	3,384,000
TOTAL NON-CURRENT ASSETS		30,537,772	31,738,063
TOTAL ASSETS		38,063,287	36,979,617
CURRENT LIABILITIES			
Accounts payable and other payables	12	983,968	842,226
Borrowings	13	441,802	327,598
Provisions	14	571,712	558,943
TOTAL CURRENT LIABILITIES		1,997,481	1,728,767
NON-CURRENT LIABILITIES			
Accounts payable and other payables	12	8,951	18,583
Borrowings	13	-	411,892
Provisions	14	40,685	31,900
TOTAL NON-CURRENT LIABILITIES		49,636	462,375
TOTAL LIABILITIES		2,047,118	2,191,144
NET ASSETS		36,016,169	34,788,473
EQUITY			
Asset Revaluation Reserve		4,928,891	6,056,891
Retained profits		31,087,277	28,731,582
TOTAL EQUITY		36,016,169	34,788,473

The accompanying notes form part of these financial statements.

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

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

	Note	Retained Earnings	Asset Revaluation Reserve	Total
Balance at 30 June 2020		24,495,065	2,854,270	27,349,335
Comprehensive income				
Surplus for the year attributable to members		4,228,561	-	4,228,561
Other comprehensive income for the year		7,955	-	7,955
Prior year adjustment	16(a)	-	-	-
Revaluation of assets		-	3,202,621	3,202,621
Total comprehensive income attributable to members		<u>4,236,517</u>	<u>3,202,621</u>	<u>7,439,138</u>
Balance at 30 June 2021		28,731,582	6,056,891	34,788,473
Comprehensive income				
Surplus for the year attributable to members		2,358,347	-	2,358,347
Other comprehensive income for the year		(2,652)	-	(2,652)
Revaluation of assets		-	(1,128,000)	(1,128,000)
Total comprehensive income attributable to members		<u>2,355,695</u>	<u>(1,128,000)</u>	<u>1,227,696</u>
Balance at 30 June 2022		31,087,277	4,928,891	36,016,169

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 2022

	Note	2022 \$	2021 \$
Cash flows from operating activities			
Receipts from customers		79,127,168	86,760,042
Payments to suppliers and employees		(75,047,439)	(81,448,013)
Interest received		1,328	1,543
Finance costs		(10,568)	(83,772)
Net cash provided by operating activities		<u>4,070,490</u>	<u>5,229,800</u>
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		58,480	97,560
Payments for property, plant and equipment		(1,523,325)	(915,928)
Payments for investment property		-	(1,306,044)
Net cash provided by investing activities		<u>(1,464,845)</u>	<u>(2,124,412)</u>
Cash flows from financing activities			
Proceeds from borrowings		-	426,320
Repayment of borrowings		(297,689)	(1,709,060)
Net cash used in financing activities		<u>(297,689)</u>	<u>(1,282,740)</u>
Net increase in cash held		2,307,956	1,822,649
Cash at beginning of financial year		<u>5,012,274</u>	<u>3,189,625</u>
Cash at end of financial year	4	<u>7,320,230</u>	<u>5,012,274</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 2022

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 12 August 2022 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.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards 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 company has concluded that the requirements set out in AASB 10 and AASB 128 are not applicable as the initial assessment on its interests in other entities indicated that it does not have any subsidiaries, associates or joint ventures. Hence, the financial statements comply with all recognition and measurement requirements in Australian Accounting Standards.

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).

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

(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.

(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 2022

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 2022

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 2022

(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 2022

	2022	2021
Note 1: Summary of Significant Accounting Policies (cont'd)		
2 REVENUE		
Operating activities of the company:		
Sales revenue	3,047,504	3,157,542
Gaming revenue	7,492,255	9,199,454
Subscriptions and nominations	50,958	24,857
Interest received	1,328	1,543
Other revenue	895,664	1,539,137
	11,487,709	13,922,533
All interest received is from other corporations.		
Non-operating		
Proceeds from sale of non-current assets	58,480	97,560
	58,480	97,560
Total revenue	11,546,189	14,020,094
3 PROFIT FROM ORDINARY ACTIVITIES		
Profit from ordinary activities before income tax has been determined after:		
Expenses:		
Administration	2,310,461	2,456,878
Entertainment	53,299	40,946
Cost of goods sold	1,292,329	1,323,154
	3,656,089	3,820,978
Employee costs	3,987,939	4,235,947
Provision for employee entitlements	21,554	37,210
	4,009,494	4,273,157
Borrowing costs 3(a)	10,568	83,772
Depreciation & amortisation	1,581,401	1,691,076
Total expenses from ordinary activities	9,257,553	9,868,984
Non-operating activities:		
Net gain/(loss) on disposal of non-current assets	69,710	77,452

(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 2022

	2022	2021
4 CASH AND CASH EQUIVALENTS		
Cash on hand	7,320,230	5,012,274
	7,320,230	5,012,274

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	430,000	417,000
Current account	161,508	123,157
Maxi direct account	6,362,014	4,130,757
Staff leave account	229,636	229,565
Bagtown cheque account	137,072	111,795
	7,320,230	5,012,274

5 ACCOUNTS RECEIVABLE AND OTHER DEBTORS

Trade debtors	48,466	50,493
Other debtors	9,459	45,195
	57,925	95,687

(i) Credit Risk - Accounts Receivable and Other Debtors

The company does not have any material credit risk exposure to any single receivable or group of receivables.

The following table details the company's accounts receivable and other debtors exposed to credit risk with ageing analysis and impairment provided for thereon. Amounts are considered as "past due" when the debt has not been settled within the terms and conditions agreed between the company and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the company.

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

	Accounts receivable		Other debtors	
	2022	2021	2022	2021
Gross amount				
Past due and impaired				
< 30	476	3,108	9,459	45,195
31 - 60	-	-	-	-
61 - 90	680	-	-	-
> 90	3,406	2,096	-	-
Within initial trade terms	43,904	45,289	-	-
	48,466	50,493	9,459	45,195

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
6 INVENTORIES ON HAND		
At cost		
Inventory	134,532	111,729
	<u>134,532</u>	<u>111,729</u>
 7 OTHER CURRENT ASSETS		
Prepayments	3,571	9,956
	<u>3,571</u>	<u>9,956</u>
 8 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME		
CURRENT		
Financial assets at fair value through other comprehensive income		
- Listed investments - shares in listed corporations	8(a) 9,257	11,909
	<u>9,257</u>	<u>11,909</u>
<p>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.</p>		
 9 PROPERTY, PLANT AND EQUIPMENT		
Land and buildings		
Land and buildings at valuation	34,420,226	33,151,351
Accumulated depreciation	(11,588,924)	(10,489,444)
Total land and buildings	<u>22,831,301</u>	<u>22,661,907</u>
 Plant and Equipment		
At cost	13,100,950	12,835,132
Accumulated depreciation	(10,434,066)	(10,245,522)
	<u>2,666,883</u>	<u>2,589,611</u>
 Leased assets	1,949,114	1,949,114
Accumulated depreciation	(1,605,526)	(1,286,568)
	<u>343,587</u>	<u>662,545</u>
 Total plant and equipment	<u>3,010,471</u>	<u>3,252,156</u>
Total property, plant and equipment	<u>25,841,772</u>	<u>25,914,063</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021		
Movement in Carrying Amounts				
2022	Land and Buildings	Plant and Equipment	Leased Assets	Total
Balance at the beginning of the year	22,661,907	2,589,611	662,545	25,914,063
Additions at cost	608,692	914,633	-	1,523,325
Disposals	-	(14,215)	-	(14,215)
	23,270,599	3,490,029	662,545	27,423,173
Depreciation expense	(439,298)	(823,145)	(318,958)	(1,581,401)
Carrying amount at end of year	<u>22,831,301</u>	<u>2,666,883</u>	<u>343,587</u>	<u>25,841,772</u>

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 buildings, 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.

(a) Land

Under the *Registered Clubs Act 1976*, the company is required to distinguish between its core and non-core property.

(b) Core & Non-Core Property

Pursuant to Section 41J(2) of the *Registered Clubs Act 1976*, for the financial year ended 30 June 2022:

(a) the properties located at 6-12 Jondaryan Avenue and 33 Speirs Street, Griffith are classified as core property of the Club.

(b) the properties at 2-4 Blumer Avenue, 16-22 Yambil Street, and 39 Yambil Street, Griffith are classified as non-core property.

10 INVESTMENTS

NON-CURRENT

Investment property - 16-22 Yambil Street, Griffith NSW 2680	1,190,000	1,190,000
Investment property - 39 Yambil Street, Griffith NSW 2680	1,250,000	1,250,000
	<u>2,440,000</u>	<u>2,440,000</u>

11 INTANGIBLE ASSETS

Poker Machine Licences	2,256,000	3,384,000
	<u>2,256,000</u>	<u>3,384,000</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
12 ACCOUNTS PAYABLE AND OTHER PAYABLES		
CURRENT		
Accounts payable	807,708	713,588
Accruals	140,420	95,711
Sporting group imprest accounts	16,993	12,676
Goods and services tax	-	(175)
Subscriptions in advance	18,848	20,426
	<u>983,968</u>	<u>842,226</u>
NON-CURRENT		
Subscriptions in advance	8,951	18,583
	<u>8,951</u>	<u>18,583</u>
(a) Financial liabilities at amortised cost classified as trade and other payables		
Accounts and other payables		
- Total current	983,968	842,226
- Total non-current	8,951	18,583
Financial liabilities as accounts payable and other payables	<u>992,919</u>	<u>860,809</u>
13 BORROWINGS		
Current	441,802	327,598
Non-current	-	411,892
	<u>441,802</u>	<u>739,490</u>
CURRENT		
Lease liabilities	441,802	327,598
	<u>441,802</u>	<u>327,598</u>
NON-CURRENT		
Lease liabilities	-	411,892
Bank loan liabilities	-	-
	<u>-</u>	<u>411,892</u>

Lease liabilities are secured by the underlying leased assets.

As at 30 June 2022, the Club has not drawn down on its bank loan facility. However, the Board intends to utilise this facility for upcoming 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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
14 PROVISIONS		
CURRENT		
Provision for annual & personal leave	288,772	273,764
Provision for long service leave	282,940	285,179
	<u>571,712</u>	<u>558,943</u>
NON-CURRENT		
Provision for long service leave	40,685	31,900
	<u>40,685</u>	<u>31,900</u>
15 CAPITAL AND LEASING COMMITMENTS		
(a) Finance Lease Commitments		
Payable - minimum lease payments		
- not later than 12 months	441,802	327,598
- later than 12 months but not later than 5 years	-	411,892
- greater than 5 years	-	-
Minimum lease payments	<u>441,802</u>	<u>739,490</u>
Less future finance charges	-	-
	<u>441,802</u>	<u>739,490</u>
Present value of minimum lease payments		
	<u>441,802</u>	<u>739,490</u>
16 RESERVES		
(a) Revaluation Reserve		
The revaluation reserve records the revaluation of non-current assets.		