

GRIFFITH EXIES CLUB



2019 ANNUAL REPORT





ANNUAL REPORT 2019

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

CONTENTS

	Page No.
Directors' Report	13
Directors' Declaration	16
Independent Auditor's Report	17
Auditor's Independence Declaration	19
Statement of Profit or Loss and Other Comprehensive Income	20
Statement of Financial Position	21
Statement of Changes in Equity	22
Statement of Cash Flows	23
Notes to the Financial Statements	24

BOARD OF DIRECTORS



Eddy Mardon
Chairman



Gregory Collins
Vice Chairman



Lee Kimball
Treasurer



Andrew Scott



Matthew Geltsch



Mark Favell



Robert Spears



Ross Elliot



Mark Jaffrey



Garry Tucker
General Manager

Notice of special resolutions for annual general meeting

NOTICE is hereby given that at the Annual General Meeting of GRIFFITH EX SERVICEMEN'S CLUB LIMITED to be held on 23rd September 2019 commencing at 7pm at the premises of the Club, Jondaryan Avenue Griffith, New South Wales, the members will be asked to consider and if thought fit pass the Special Resolutions set out below:

PROCEDURAL MATTERS

1. To be passed each Special Resolution must receive votes in favour from not less than three quarters (75%) of those members who being eligible to do so vote in person on the Special Resolution at the meeting.
2. Only Life members, Service members, Associate members and Pensioner members are eligible to vote on the Special Resolutions.
3. Under the Registered Clubs Act, members who are employees of the Club are not entitled to vote and proxy voting is prohibited.
4. Amendments to either Special Resolution (other than minor typographical corrections which do not change the substance or effect of the Special Resolution) will not be permitted from the floor of the meeting.
5. The Board of the Club recommends the Special Resolutions to members.

FIRST SPECIAL RESOLUTION

[The First Special Resolution is to be read in conjunction with the notes to members set out below.]

That the Constitution of Griffith Ex Servicemen's Club Limited be amended by **inserting** the following new Rules 10.11A and 10.11B:

"PERPETUAL MEMBERS

- 10.11A Perpetual members are persons who have attained the age of eighteen (18) years and who are elected to Perpetual membership or are transferred by the Board to Perpetual membership from another class of Ordinary membership of the Club and who have paid such amount by way of membership subscription for life as determined by the Board from time to time.
- 10.11.B Perpetual members are entitled to:

Notice of special resolutions for annual general meeting

- (a) such playing and social privileges and advantages of the Club as may be determined by the Board from time to time; and
- (b) attend and vote at general meetings (including Annual General Meetings) of the Club;
- (c) subject to Rule 27.4, nominate for and be elected to hold office on the Board;
- (d) vote in the election of the Board;
- (e) vote on any Special Resolution (including a Special Resolution to amend this Constitution);
- (f) propose, second, or nominate any eligible member for any office of the Club;
- (g) propose, second or nominate any eligible member for Life membership;
- (h) introduce guests to the Club."

Notes to Members on the First Special Resolution

1. The purpose of the First Special Resolution is to introduce a new category of Perpetual membership into the Club's Constitution.
2. This new category will allow the Club to offer existing and proposed new members of the Club the opportunity of paying a "one off" subscription to cover all future annual subscriptions. The Board of the Club will have the ability to set this one off subscription for life. Currently the Board is considering an amount of \$110 however this amount may change.
3. A Perpetual member will have the same rights as Service, Associate and Pensioner members.

SECOND SPECIAL RESOLUTION

[The Second Special Resolution is to be read in conjunction with the notes to members set out below.]

That the Constitution of Griffith Ex Servicemen's Club Limited be amended by:

- (a) deleting Rule 10.1 and in lieu thereof inserting the following new Rule 10.1:

Notice of special resolutions for annual general meeting

"10.1 Intentionally Deleted."

- (b) deleting Rules 31, 32 and 33 inclusive and the headings before those Rules and in lieu thereof inserting the following new headings and Rules 31, 32 and 33 inclusive:

"31. MATERIAL PERSONAL INTERESTS OF DIRECTORS

- 31.1 Any director who has a material personal interest in a matter that relates to the affairs of the Club must, as soon as practicable after the relevant facts have come to the director's knowledge declare the nature of the interest at a meeting of the Board and comply with Rule 31.2.
- 31.2 Subject to Section 195 of the Act, a director who has a material personal interest in a matter that is being considered at a meeting of the Board, or of the Directors of the Club:
- (a) must not vote on the matter; and
 - (b) must not be present while the matter is being considered at the meeting.

32. REGISTERED CLUBS ACCOUNTABILITY CODE

- 32.1. The Club must comply with the requirements of the Registered Clubs Accountability Code (as amended from time to time) and the provisions of this Rule 32.
- 32.2 For the purposes of this Rule 32, the terms "close relative", "controlling interest", "manager", "pecuniary interest" and "top executive" shall have the meanings assigned to them by the Registered Clubs Act and Registered Clubs Regulations.

Contracts With Top Executives

- 32.3 The Club must ensure that each top executive has entered into a written employment contract with the Club dealing with:
- (a) the top executive's terms of employment; and
 - (b) the roles and responsibilities of the top executive;
 - (c) the remuneration (including fees for service) of the top executive;

Notice of special resolutions for annual general meeting

- (d) the termination of the top executive's employment.
- 32.4 Contracts of employment with top executives will not have any effect until they are approved by the Board and they must be reviewed by an independent and qualified adviser before they can be approved by the Board.

Contracts With Directors Or Top Executives

- 32.5 The Club must not enter into a commercial arrangement or a contract with a director or top executive or with a company or other body in which a director or top executive has a pecuniary interest, unless the proposed commercial arrangement or contract is first approved by the Board.
- 32.6 A "pecuniary interest" in a company for the purposes of Rule 32.5 does not include any interest exempted by the Registered Clubs Act.

Contracts With Secretary And Managers

- 32.7 Unless otherwise permitted by the Registered Clubs Act, the Club must not enter into a commercial arrangement or contract with:
- (a) the Secretary or a manager; or
 - (b) any close relative of the Secretary or a manager;
 - (c) any company or other body in which the Secretary or a manager or a close relative of the Secretary or a manager has a controlling interest .

Loans To Directors And Employees

- 32.8 The Club must not:
- (a) lend money to a director of the Club; and
 - (b) unless otherwise permitted by the Registered Clubs Act and Regulations, the Club must not lend money to an employee of the Club unless the amount of the proposed loan is ten thousand dollars (\$10,000) or less and the proposed loan has first been approved by the Board.

Restrictions On The Employment Of Close Relatives Of Directors And Top Executives

Notice of special resolutions for annual general meeting

- 32.9 A person who is a close relative of a director or top executive must not be employed by the Club unless their employment is approved by the Board.
- 32.10 If a person who is being considered for employment by the Club is a close relative of a director of the Club, the director must not take part in any decision relating to the person's employment.

Disclosures By Directors And Employees Of The Club

- 32.11 A director, top executive or employee of the Club must disclose any of the following matters to the Club to the extent that they relate to the director, top executive or employee:
- (a) any material personal interest that the director has in a matter relating to the affairs of the Club; and
 - (b) any personal or financial interest of the director or top executive in a contract relating to the procurement of goods or services or any major capital works of the Club;
 - (c) any financial interest of the director or top executive in a hotel situated within forty (40) kilometres of the Club's premises;
 - (d) any gift (which includes money, hospitality and discounts) valued at one thousand dollars (\$1,000) or more, or any remuneration (including any fees for service) of an amount of one thousand dollars (\$1,000) or more, received by the director, top executive or employee from an affiliated body of the club or from a person or body that has entered into a contract with the Club.
- 32.12 The Club must keep a register in an approved form containing details of the disclosures made to the Club in accordance with Rule 32.11.

Provision of Information To Members

- 32.13 The Club must:
- (a) make the information required by the Registered

Notice of special resolutions for annual general meeting

Clubs Regulations available to the members of the club within four (4) months after the end of each reporting period to which the information relate; and
(b) indicate, by displaying a notice on the Club's premises and on the Club's website (if any), how the members of the club can access the information.

33. INTENTIONALLY DELETED."

(c) deleting Rule 44 and replacing them with the following new Rules 44, 44A and 44B

"44 A notice may be given by the Club to any member either:

(a) personally; or

(b) by sending it by post to the address of the member recorded for that member in the Register of Members kept pursuant to this Constitution;

(c) by sending it to the electronic address (if any) nominated by the member.

44A Where a notice is sent by post to a member in accordance with Rule 44 (b) the notice shall be deemed to have been received by the members:

(a) in the case of a notice convening a meeting, on the day following that on which the notice was posted; and

(b) in any other case, at the time at which the notice would have been delivered in the ordinary course of post.

44B Where a notice is sent by electronic means, the notice is taken to have been given on the day following that on which it was sent."

Notes to Members on the Second Special Resolution

1. The Second Special Resolution proposes three (3) amendments to the Club's Constitution to bring the Constitution into line with the Corporations Act, Registered Clubs Act and Registered Clubs Regulation.
2. Paragraph (a) deletes a provision which is not required. This provision is no longer required because the Registered Clubs Act no longer prescribes a maximum number of

Notice of special resolutions for annual general meeting

members for registered clubs.

3. Paragraph (b) amends existing provisions relating to corporate governance and accountability to bring the Constitution into line with the recent and significant amendments to the corporate governance and accountability provisions of the Registered Clubs Act and Registered Clubs Regulation.
4. Paragraph (c) inserts a new provision relating to the sending of Notices including Notices of Annual General meetings and Notices of General meetings to members by electronic means. If a member nominates an email address for sending Notices the Club can send Notices to that address or a link where the Notice can be seen instead of having to post the notice to the member. This will save the Club the cost of printing and postage and it is also good for the environment.

Dated: 12th August 2019

By direction of the Board

Garry Tucker
CEO

Chairman's Report



I present my report to the members for your consideration and approval at the 47th Annual General Meeting of the Griffith Ex-Servicemen's Club.

The Exies has emerged from 2018/19 in an excellent position both strategically and operationally. We achieved a solid financial result even aside from the major disruption to the Club's car parking and vehicle access due to the much longer than anticipated Yambil St road works. This year's performance is built upon Exies core strengths of meeting local community needs and delivering members' requirements. To return an operating profit of \$1,692,494.00 for the 2018/19 financial year was an exceptional achievement.

The Exies Board and Management continue to represent the club throughout the year at community events and workshops that are relevant to the Club and Hospitality Industry. While this financial year was a year of consolidation for the Club, I would like to advise all that we are in the process of planning some major renovations at the Main Club site to continue our commitment to provide the latest up to date facilities for our members and guests. Some of the projects completed in the past 12 months include a total refurbishment of the Main Oval changerooms and the commencement of the upgrade to the Main Club Mirrool Function room heating system.

Your club has again contributed towards Community Development and Support Expenditure with the General Manager presenting over \$57,000 to various local charity organisations in August this year in Category 1 Club Grants funding. Of course this represents a relatively small part of the club's total contribution to the community and I can inform members that further amounts have been received by many other charities, sporting groups and community organisations beyond what is expected on an annual basis, with a total contribution of over \$330,000 being donated in way of sponsorship and assistance with community requests and fundraising events.

I would like to take this opportunity to thank you, the members of the Club for your loyalty and support, which contributes to the continued success of the club. Our thoughts are also with the members who have suffered bereavement during the year, so may I on behalf of my fellow board members and management, express our deepest sympathy to all concerned.

Chairman's Report

I would like to conclude by saying thank you to all Club Directors for their unrelenting confidence and support. They have given much to provide input and ideas to improve and maintain facilities of the Exies Clubs for the enjoyment of members and those that visit. Our Management and staff should be congratulated, and I would like to thank them for delivering customer satisfaction and for their professionalism and genuine input and awareness for the future direction of the Griffith Ex-Servicemen's Club.



Eddie Mardon

Chairman of the Board – 16th August 2019

General Manager's Report



I am pleased to announce that a profit of just under \$1,700,000 was recorded for the year in review. Given the difficulty that members and guests went through with access to parking and the club in general this was an exceptional result. We certainly faced a challenge each day to produce the best possible outcome for the club and it's members within the parameters afforded to us during the much longer than anticipated

works.

Consolidated trading for the year resulted in a growth in sales in all departments except our Main Club TAB facilities which certainly felt the effect of limited car park spaces. A department summary of trading for last year of trade is:

- Keno has produced a 4% increase in sales at the Main Club whilst the Sports Club venue showed a healthy increase of over 67% on the previous year.
- Tab trading at the Main Club was severely impacted by the parking disruptions with a decline in sales of 17% while the Sports Club continues to grow and achieved an increase of 5% in sales.
- Bar trading showed positive growth at both sites with the Exies Sports Club recording a 16% and the Main Club achieving a 6% increase in sales.
- Catering trading is the most difficult to predict where expectations vary from person to person, but the quality and service should not be compromised. We have seen a 7% increase in Bistro and Function sales. We will closely monitor costs in this area with rises in wages and food costs, but we have already noticed significant increases in future bookings. The entire catering team have worked hard on producing a quality food experience for those that have utilised our Bistro and Function rooms and should be congratulated.
- Poker Machine Sales continue to provide the Club with its major source of income with a 6% consolidated increase in revenue achieved. However, the online gaming options available to the wider community continues to grow and is a concern given the stringent compliance standards the Clubs need to adhere to. Pleasing to note that the Sports Club has seen further growth of 23% during the last year of trade.

General Manager's Report

Members who have lost family members, friends and loved ones throughout the year, I pass on our condolences on behalf of my team, and also wish you health and prosperity in 2019/20 and rest assured we value your support.

Congratulations to all our sporting groups who have excelled throughout the year and better luck to the others that did not fare as well. Thank you to all the committees of these clubs and continued support of your respective sports and look forward to your ongoing involvement.

Thank you to our Chairmen Eddie for his leadership and that of the Board and we look forward to another challenging 12 months ahead with planning underway for renovations to the Main Club Lounge area, Bistro and Office space. To the rest of the Executive and members of the Board I would also like to thank them for their commitment and many hours of their time for the Club. On a sad note, one of our current Board Members and a life member in Bob Spears will be retiring after giving many years of service to this club, and I'm sure I speak on behalf of all members, staff and directors in thanking Bob for his time and commitment.

In closing I extend my gratitude to all our Management and staff for their support and commitment throughout this difficult 12month trading period. I appreciate immensely the work and efforts from you all in achieving the outstanding trading result for the 2018-19 financial year.

Garry Tucker

General Manager – 11th August 2019

Financial statements for the
year ended 30th June 2019



Financial Statements

2019

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

Directors' Report

FOR THE YEAR ENDED 30 JUNE 2019

Your directors present this report on the company for the financial year ended 30 June 2019.

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. R. Spears
M. L. Kimball	M. D. Geltch
G. D. Collins	R. A. Elliott
M.G. Favell	M. Jaffrey
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

<i>Director</i>	<i>Qualifications & experience</i>	<i>Special responsibilities</i>
E. J. Mardon	Business Manager Director 20 years	Chairman
G. D. Collins	Irrigation Project Manager Director 11 years	Vice-Chairman
M. L. Kimball	Retired Regional Manager Director 9 years	Treasurer
R. A. Elliott	Business Manager Director 10 years	
M. R. Spears	Retired Director 12 years	
M. D. Geltch	Manager Director 11 years	
M. G. Favell	Fleet/Stores Administrator Director 9 years	
M. Jaffrey	Company Accountant Director 5 years	
A. Scott	Business Manager Director 4 years	

Directors' Report

FOR THE YEAR ENDED 30 JUNE 2019

MEETING OF DIRECTORS	ELIGIBLE	PRESENT	APOLOGY
E. J. Mardon	14	11	3
G. D. Collins	14	13	1
M. G. Favell	14	12	2
M. R. Spears	14	11	3
M. D. Geltch	14	13	1
R. A. Elliott	14	6	8
M. L. Kimball	14	14	0
M. Jaffrey	14	14	0
A. J. Scott	14	14	0

During the financial year there were 12 monthly meetings and 2 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 which is reviewed on an annual basis. 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.

STRATEGIES

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

In regards to staff training and development, we have continued to support staff through many seminars, workshops and conferences. Directors have also been attending seminars to keep in line with the legislation and governance procedures through our membership of Clubs NSW and the Clubs Directors Institute.

Directors' Report

FOR THE YEAR ENDED 30 JUNE 2019

The ongoing upgrades to gaming operations and continued focus on functions and events has seen improved trading results. Since renovations were completed at the Sports Club, this venue continues to show growth in year to date trading and revenues are expected to increase further in the coming years with the continued housing development in the Collina suburb of Griffith.

After a year of consolidation, our plans in the coming year will involve renovations and facility upgrades to the Exies Main Club including the Family Bistro, Gaming and Bar areas and relocation of office administration. We will also continue to build on our occupancy levels of our Motel by hosting and supporting sporting and community events while also promoting our venue to the out of town contractors involved with the many local construction projects underway.

The Club continues to investigate further investment opportunities and will discuss options with industry recognised consultants for future Club, Motel and investment development and expansion.

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 2019, the total amount that the members of the company are liable to contribute if the company is wound up is \$17,288 (2018: \$17,660).

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the year ended 30 June 2019 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:
19th day of August 2019


Directors' Declaration

FOR THE YEAR ENDED 30 JUNE 2019

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 2019 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 at Griffith this 19th day of August, 2019

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 2019, 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 2019 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.

Emphasis of Matter - Basis of Accounting

I 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. My opinion is not modified in respect of this matter.

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 2019, 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

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

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.

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 in 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 decision 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 association to cease to continue as a going concern

ANNUAL REPORT 2019

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.



PINNACLEHPC PTY LTD
Justin P Keenan CPA
Registered Company Auditor 156228
135 Yambil Street Griffith NSW 2680

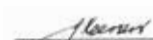
Dated this 19 day of August 2019

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 of: knowledge and belief, during the year ended 30 June 2019 there have been no contraventions of:

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



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

Date: 19 August 2019

ANNUAL REPORT 2019

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

Statement of Profit or Loss & Other Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
Revenues from ordinary activities	2	11,572,387	11,169,782
Employee benefits expense	3	(3,873,308)	(3,973,367)
Depreciation and amortisation expenses	3	(1,912,135)	(1,950,909)
Finance costs	3	(137,796)	(169,969)
Other expenses		(3,953,087)	(3,671,839)
Current year surplus (deficit) before tax		<u>1,696,061</u>	<u>1,403,697</u>
Income tax expense		-	-
Net current year surplus (deficit)		<u>1,696,061</u>	<u>1,403,697</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		(3,567)	(10,319)
Total other comprehensive income for the year		<u>(3,567)</u>	<u>(10,319)</u>
Total comprehensive income for the year		<u>1,692,494</u>	<u>1,393,378</u>
Total comprehensive income attributable to members of the entity		<u>1,692,494</u>	<u>1,393,378</u>

The accompanying notes form part of these financial statements.

ANNUAL REPORT 2019

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

Statement of Financial Position As at 30 June 2019

	Note	2019 \$	2018 \$
CURRENT ASSETS			
Cash and cash equivalents	4	1,372,611	1,257,955
Accounts receivable and other debtors	5	76,352	60,494
Inventories on hand	6	109,014	110,688
Other financial assets	8	6,461	10,028
Other current assets	7	7,967	30,365
TOTAL CURRENT ASSETS		1,572,404	1,469,531
NON-CURRENT ASSETS			
Property, plant and equipment	9	25,863,445	26,598,170
Investments	10	1,340,151	1,237,085
TOTAL NON-CURRENT ASSETS		27,203,596	25,835,256
TOTAL ASSETS		28,776,000	29,304,786
CURRENT LIABILITIES			
Accounts payable and other payables	11	735,804	676,631
Borrowings	12	252,826	208,631
Provisions	13	527,138	551,565
TOTAL CURRENT LIABILITIES		1,515,768	1,436,827
NON CURRENT LIABILITIES			
Accounts payable and other payables	11	9,788	7,213
Borrowings	12	1,514,774	3,716,363
Provisions	13	34,382	39,956
TOTAL NON-CURRENT LIABILITIES		1,558,944	3,763,532
TOTAL LIABILITIES		3,074,713	5,200,359
NET ASSETS		25,701,288	24,104,427
EQUITY			
Asset Revaluation Reserve		1,838,558	1,934,055
Retained Profits		23,862,730	22,170,372
TOTAL EQUITY		25,701,288	24,104,427

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2019

	Retained Earnings	Asset Revaluation Reserve	Total
Balance at 1 July 2017	20,841,705	2,318,563	23,160,268
Comprehensive income			
Surplus for the year attributable to members	1,403,697	-	1,403,697
Other comprehensive income	(10,319)	-	(10,319)
Prior year adjustment	16(a) (64,711)	-	(64,711)
Revaluation of assets	-	(384,508)	(384,508)
Total comprehensive income attributable to members	1,328,667	(384,508)	944,159
Balance at 30 June 2018	22,170,372	1,934,055	24,104,427
Comprehensive income			
Surplus for the year attributable to members	1,696,060	-	1,696,060
Other comprehensive income for the year	(3,567)	-	(3,567)
Prior year adjustment	16(b) (136)	-	(136)
Revaluation of assets	-	(95,497)	(95,497)
Total comprehensive income attributable to members	1,692,358	(95,497)	1,596,861
Balance at 30 June 2019	23,862,730	1,838,558	25,701,288

The accompanying notes form part of these financial statements.

ANNUAL REPORT 2019

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

Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
Cash flows from operating activities			
Receipts from customers		72,726,243	69,296,727
Payments to suppliers and employees		(68,959,415)	(66,299,194)
Interest received		4,707	5,190
Finance costs		(137,796)	(169,969)
Net cash provided by operating activities		<u>3,633,739</u>	<u>2,832,754</u>
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		86,591	74,489
Payments for property, plant and equipment		(1,345,216)	(4,104,629)
Payments for investment property		(103,065)	(47,085)
Net cash provided by investing activities		<u>(1,361,690)</u>	<u>(4,077,225)</u>
Cash flows from financing activities			
Proceeds from borrowings		279,418	1,763,157
Repayment of borrowings		(2,436,811)	(539,150)
Net cash used in financing activities		<u>(2,157,393)</u>	<u>1,224,007</u>
Net increase in cash held		114,656	(20,463)
Cash at beginning of financial year		1,257,955	1,278,419
Cash at end of financial year	4	<u>1,372,611</u>	<u>1,257,955</u>

The accompanying notes form part of these financial statements.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 JUNE 2019

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 14 August 2019 by the directors of the company.

Note 1: Summary of Significant Accounting Policies

Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001. 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 the 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 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.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

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

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

(b) Inventories on Hand

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.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 JUNE 2019

Note 1: Summary of Significant Accounting Policies (cont'd) **(c) Property, Plant and Equipment**

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, any accumulated depreciation and any impairment losses.

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 and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(f) for details of

Notes To The Financial Statements

FOR THE YEAR ENDED 30 JUNE 2019

impairment).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

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

Depreciation

The depreciable amount of all fixed assets, including buildings and 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	2.50% - 20.00%
Plant and Machinery	7.50% - 100.00%
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. 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. 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

Notes To The Financial Statements

FOR THE YEAR ENDED 30 JUNE 2019

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. Licences granted to the entity post April 2002 are initially recognised at fair value. The entity has determined that the fair market for poker machine licences does not meet the definition of an active market and consequently licences recognised will not be revalued each year.

(d) Investment Property

Investment property, comprising land and buildings situated at 16 - 22 Yambil Street, Griffith NSW 2680, is held to generate long-term rental yields and enable the Club to actively support community organisations. Part of the property is rented to local community organisations at a rate lower than the arm's length market value rental. The difference between the actual rental amount charged and the arm's length market value rental is a CDSE donation. Investment property is initially measured at cost and subsequently measured at fair value.

Investment properties are shown at cost including subsequent capital expenditure on improvements, less depreciation where applicable.

(e) Leases

Leases of property, plant and equipment, where substantially all the risks and benefits incidental to the ownership of the asset but not the legal ownership are transferred to the entity, are classified as finance leases.

Finance leases are capitalised, recognising an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a

Notes To The Financial Statements

FOR THE YEAR ENDED 30 JUNE 2019

liability and amortised on a straight-line basis over the life of the lease term.

(f) Impairment of Assets

At the end of each reporting period, the entity 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.

Where the assets are not held primarily for their ability to generate net cash inflows - that is, they are specialised assets held for continuing use of their service capacity - the recoverable amounts are expected to be materially the same as the fair value. Where it is not possible to estimate the recoverable amount of an asset, the entity 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.

(g) 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.

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

Notes To The Financial Statements

FOR THE YEAR ENDED 30 JUNE 2019

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.

(h) 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.

(i) 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.

(j) Goods and Service 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.

(k) 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

(l) 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

Notes To The Financial Statements

FOR THE YEAR ENDED 30 JUNE 2019

period.

(m) 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.

(n) 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.

(o) 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.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 JUNE 2019

2. REVENUE	2019	2018
Operating activities of company:		
Sales revenue	3,163,147	2,923,505
Gaming revenue	7,091,524	6,663,113
Subscriptions and nominations	25,990	25,121
Interest received	4,707	5,190
Other revenue	1,200,428	1,478,364
	<u>11,485,796</u>	<u>11,095,293</u>
All interest received is from other corporations		
Non-operating activities:		
Proceeds from sale of non-current assets	86,591	74,489
	<u>86,591</u>	<u>74,489</u>
Total revenue	<u>11,572,387</u>	<u>11,169,782</u>

3. PROFIT FROM ORDINARY ACTIVITIES

Profit from ordinary activities before income tax has been determined after:-

EXPENSES:	2019	2018
Administration	2,902,656	2,749,850
Entertainment	35,737	19,084
Cost of goods sold	1,128,636	1,010,457
	<u>4,067,029</u>	<u>3,779,391</u>
Employee costs	3,903,309	3,975,359
Provision for employee entitlements	(30,001)	(1,992)
	<u>3,873,308</u>	<u>3,973,367</u>
Borrowing costs	137,796	169,969
Depreciation & Amortisation	1,912,135	1,950,909
Total expenses from ordinary activities	<u>9,990,267</u>	<u>9,873,636</u>
Non-operating activities:		
Net gain/(loss) on disposal of non-current assets	113,941	107,551

(a) All borrowing costs are payable to other corporations

Notes To The Financial Statements

FOR THE YEAR ENDED 30 JUNE 2019

4. CURRENT ASSETS	2019	2018
CASH AND CASH EQUIVALENTS		
Cash on hand	<u>1,372,611</u>	<u>1,257,955</u>
	<u>1,372,611</u>	<u>1,257,955</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	305,000	305,000
Current Account	215,652	118,355
Maxi Direct Account	502,920	480,624
Staff Leave Account	228,458	226,095
Bagtown Cheque Account	<u>120,581</u>	<u>127,881</u>
	<u>1,372,611</u>	<u>1,257,955</u>

5. ACCOUNTS RECEIVABLE AND OTHER DEBTORS

Trade debtors	68,816	53,058
Other debtors	<u>7,536</u>	<u>7,437</u>
	<u>76,352</u>	<u>60,494</u>

(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.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 JUNE 2019

Accounts Receivable	2019	2018
Gross Amount		
Past due and impaired		
<30	17,818	16,783
31 - 60	2,066	129
61 - 90	125	402
>90	5,329	204
Within initial trade terms	43,478	35,541
	<u>68,816</u>	<u>53,058</u>
Other Debtors		
Gross Amount		
Past due and impaired		
<30	7,536	7,437
31 - 60	-	-
61 - 90	-	-
>90	-	-
Within initial trade terms	-	-
	<u>7,536</u>	<u>7,437</u>

Notes To The Financial Statements

FOR THE YEAR ENDED 30 JUNE 2019

6. INVENTORIES ON HAND

Inventories on hand - at cost	<u>109,014</u>	<u>110,688</u>
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7. OTHER CURRENT ASSETS

Prepayments	7,179	27,662
Borrowing Costs	787	2,703
	<u>7,967</u>	<u>30,365</u>

8 FINANCIAL ASSETS**CURRENT**

Financial assets at fair value through other comprehensive income.

- Listed investments – shares in listed

companies	8(a)	<u>6,461</u>	<u>10,028</u>
		<u>6,461</u>	<u>10,028</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.

9 PROPERTY, PLANT AND EQUIPMENT**Land and buildings**

Land and buildings at valuation	32,325,697	31,789,643
Accumulated depreciation	(10,261,972)	(9,036,829)
	<u>22,063,725</u>	<u>22,752,814</u>

Notes To The Financial Statements

FOR THE YEAR ENDED 30 JUNE 2019

Plant and Equipment	2019	2018
Plant and equipment		
At Cost	12,831,607	12,714,067
Less accumulated depreciation	<u>(9,407,225)</u>	<u>(9,130,788)</u>
	3,424,383	3,583,280
Leased assets	1,125,873	873,945
Accumulated depreciation	<u>(750,536)</u>	<u>(611,869)</u>
	375,337	262,076
Total plant and equipment	<u>3,799,721</u>	<u>3,845,356</u>
Total property, plant and equipment	<u>25,863,445</u>	<u>26,598,170</u>

Movements in carrying amounts 2019

	Land and Buildings	Leased Assets
Balance at beginning of year	22,752,814	262,076
Additions at cost	536,054	254,016
Disposals	-	(2,088)
Revaluation increment	-	-
	<u>23,288,868</u>	<u>514,004</u>
Depreciation expense	<u>(1,225,143)</u>	<u>(138,667)</u>
Carrying amount at end of year	<u>22,063,725</u>	<u>375,337</u>

2019

	Plant & Equipment	Total
Balance at beginning of year	3,583,280	26,598,170
Additions at cost	854,046	1,644,116
Disposals	(377,587)	(379,675)
Revaluation increments	<u>(95,497)</u>	<u>(95,497)</u>
	<u>3,964,242</u>	<u>27,767,113</u>
Depreciation expense	<u>(539,858)</u>	<u>(1,903,668)</u>
Carrying amount at end of year	<u>3,424,383</u>	<u>25,863,445</u>

Notes To The Financial Statements

FOR THE YEAR ENDED 30 JUNE 2018

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 2018 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.

During the year, the Club arranged for a valuation to be conducted for the Bagtown property. This valuation is to be prepared on a going concern basis. It is expected that this valuation will be completed early in the 2020 financial year.

(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 2019:

- (a) all property held by the company, excluding 2-4 Blumer Avenue, Griffith and 16-22 Yambil Street, Griffith are to be classified as core property; and
- (b) the property at 2-4 Blumer Avenue, Griffith and 16-22 Yambil Street, Griffith are to be classified as non-core property.

Notes To The Financial Statements

FOR THE YEAR ENDED 30 JUNE 2019

10. INVESTMENTS	2019	2018
NON-CURRENT		
Investment property - 16-22 Yambil Street, Griffith NSW 2680	1,340,151	1,237,085
	<u>1,340,151</u>	<u>1,237,085</u>
11. ACCOUNTS PAYABLE AND OTHER PAYABLES		
CURRENT		
Accounts payables	552,285	521,116
Accruals	145,969	118,204
Sporting Group Imprest Accounts	7,384	4,613
Goods and Services Tax	(1,345)	(226)
Subscriptions in advance	31,511	32,924
Grants in advance	-	-
	<u>735,804</u>	<u>676,631</u>
NON CURRENT		
Subscriptions in advance	9,788	7,213
(a) Financial liabilities at amortised cost classified as trade and other payables		
Accounts and other payables		
- Total current	735,804	676,631
- Total non-current	9,788	7,213
Financial liabilities as accounts payable and other payables	<u>745,592</u>	<u>683,844</u>
12. BORROWINGS		
Current	252,826	208,631
Non-current	1,514,774	3,716,363
	<u>1,767,600</u>	<u>3,924,993</u>
CURRENT		
Lease liabilities	252,826	208,631
	<u>252,826</u>	<u>208,631</u>
NON-CURRENT		
Lease liabilities	14,454	72,270
Bank loan liabilities	1,500,320	3,644,093
	<u>1,514,774</u>	<u>3,716,363</u>

Lease liabilities are secured by the underlying leased assets.

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

Notes To The Financial Statements

FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
13. PROVISIONS		
CURRENT		
Provision for Annual & Personal Leave	230,981	246,893
Provision for Long Service Leave	296,157	304,671
	<u>527,138</u>	<u>551,565</u>
NON CURRENT		
Provision for Long Service Leave	34,382	39,956
	<u>34,382</u>	<u>39,956</u>
14. CAPITAL AND LEASING COMMITMENTS		
(a) Finance Lease Commitments		
Payable - minimum lease payments		
- not later than 12 months	252,826	208,631
- later than 12 months but not later than 5 years	14,454	72,270
- greater than 5 years	-	-
Minimum lease payments	267,280	280,901
Less future finance charges	-	-
Present value of minimum lease payments	<u>267,280</u>	<u>280,901</u>
15. RESERVES		
(a) Revaluation Reserve		

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

16. PRIOR YEAR ADJUSTMENT

(a) Prior year adjustment to retained earning in 2018 due to correcting annual leave provisions for employees.

(b) Prior year adjustment to retained earnings in 2019 due to a discrepancy in depreciation expense.

simply



exceptional





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