

Narooma Sporting & Services Club Ltd

A.B.N 82 000 997 286

Financial & Directors Reports

For the Year Ending

30th June 2019

PRESIDENT'S REPORT - 2019

My Fellow Members,

It is hard to believe another 12 months has passed.

As I reported in my last update in May, in February 2019 a workshop was held to update the company's Strategic Plan for the next 3 years. The following are some of the key issues that will be and have been addressed.

- Community Requirements
- Club Narooma – consolidation after the completion of the building refurbishment.
- Club Dalmeny – financial sustainability
- Diversification

Community Requirement

The Club continues to support the local community via donations to the various Sporting Clubs, Community groups and providing the Club's facilities. Our 2018 – 2019 donations are listed on the Club's web site.

Club Narooma

As can be seen, the refurbishments are now complete. Full details are in the Building Committee's report. The works were completed on time and under budget. We apologize for the past noise and disruption but as you can see from the result I believe it was worth it.

Club Dalmeny

I am pleased to announce that Financial KPIs set for Club Dalmeny have been met for FY 16/17, FY 17/18 and FY 18/19. A set of new KPIs has been set for the next 3 financial years. Club Dalmeny also made a profit for the last financial report. Please refer to the Treasurers Report.

As a result of the new updated Strategic and Business Plan, the planning committee has commenced drawing up a Master Plan for Club Dalmeny. Any future works will be subject to Club Dalmeny meetings its KPIs.

Continued financial stability

While our end of year results have not been signed off by the company's Auditors, I am pleased to announce for the financial year ended 30th June 2019, the Narooma Sporting and Services Club should have a trading **profit** attributable to members of the company of approximately **\$424,800.00**.

The board has taken the decision to write off depreciation of \$447,953.00 on building works carried out in the last renovation in 2012. These include kitchen works, complete toilet renovations and fittings. Again, please refer to the Treasurers Report.

Diversification

The Narooma Sporting and Services Club Ltd (NSSC) as part of its Strategic Business Plan, issued an Expression of Interest (EOI) for Clubs who may be seeking an Amalgamation with a parent club. The EOI was issued by Clubs NSW on behalf of the NSSC.

It is a legal requirement to advise members of the club that an Expression of Interest was gazetted. There was a Joint Members Release posted on both clubs notice boards.

Board of Directors

There are **2** positions available for a 3 year term. Four nominations have been received and there will be an election and their position on the ballot paper is as follows as drawn out by the Clubs Returning Officer, Phil Constable.

- Paul Naylor *
- Jon King *
- Bronwyn Roll
- Illya Naumoski *

* Indicates director is up for re-election.

Full details of the nominees has been placed on the notices boards at both clubs.

ANZAC DAY

On 25th April 2019 the RSL Sub Branch held a very moving Dawn and Morning service. Both services attracted a large attendance. Congratulation to Paul Naylor President of the Narooma RSL Sub Branch and his committee.

NSSC

On behalf of the board, congratulations to all our sporting sub clubs who have taken part in sporting activities over the past 12 months. The highlights are listed in the Sports Director's report.

The NSSC cannot operate without its army of volunteers. To the volunteers who assisted at social functions, sporting carnivals, fishing competitions, raffles and other activities, thank you for a job well done.

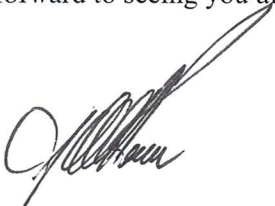
We cannot run the club without our key assets, the management and especially the staff. The staff are on the front line and are the first to meet members and visitors. Thank you for an excellent job over the last 12 months. It was an honour to award Certificate of Service Awards to 14 members of staff who have been employees for a period ranging from 10 to 25 years.

I would like to thank my fellow Directors for their support and input during the year. We have a united board that works as one to achieve a common goal of stability and financial growth for the club and its members. Tony Casu and his management team have done a great job over the last year.

We were saddened by the passing of several members during the last 12 months and on behalf of the board we extend our sympathy to their families.

In conclusion, I believe the future for the club is strong and this is based on sound financial planning and a proven strategic business plan. However, we still face some major challenges in the coming years. With the planning that the board has put in place, and with our staff and the support of our members we will continue to provide the enjoyment expected by you, our members, from your club.

I would like to take this opportunity to wish the incoming board every success for a great year ahead and I look forward to seeing you all at the 2019 AGM on Sunday 27th October.



Graham A. Reeve
President
Narooma Sporting and Services Club Limited

TREASURERS REPORT

The Narooma Sporting & Services Club Limited posted a \$424,741 trading profit for the year ended 30 June 2019 which was well above expectations considering the reduction in trade, over the first six months, due to the renovations taking place. The company then wrote off some of the previous renovations that were areas demolished and affected by the latest building works (\$447,953). This amount written off include previous Kitchen Renovations and Servery areas, previous Toilet Renovations, the old Kids Room, old Safe and Back of House works along with some Plant and Equipment.

With the money spent back in 2015-2016 to renovate Club Dalmeny, it was pleasing to see that the efforts to improve the financial result has been successful with Club Dalmeny posting a \$44,884 profit, well above expectations.

The club bars were solid to post over \$ 2,132,000 in sales, an increase of well over \$90,000 on last year, even though the trend in NSW is a downturn in sales.

The clubs net gaming came in at \$ 5,331,732, slightly down on last year's trade.

The clubs catering department turned over \$1,803,905 in meals, an increase of almost \$200,000 on last year, and finished with a \$154,378 trading profit. Having the kitchen run in-house has been a great success for the club and the renovations and upgrades to the Narooma kitchen has enabled us to cater for the increased patronage. All staff involved should be congratulated.

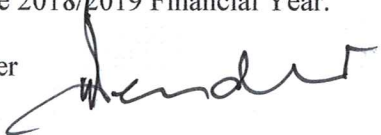
The Narooma Sporting & Services Club Group donated \$62,761 to local groups & charities which was a \$7,859 increase on last year and just over \$72,460 was donated to affiliated and non-affiliated sporting clubs in the Narooma district.

While all aspects of trade during the latter part of the year was impressive it was again pleasing to see that we have continued to build strong trade away from the holiday periods and the club continues to increase its patronage from local families. The Club Narooma renovations were completed in February and the expansion of the kitchen has proved to be a great success. Members have an upgraded club which, we hope, has made their visit to the club even more enjoyable.

I would like to thank the Management, the Staff and my fellow Directors for an excellent job done throughout the 2018/2019 Financial Year.

Warren Bender

Treasurer.

A handwritten signature in black ink, appearing to read 'Warren Bender', written over the name and title.

BUILDING & PLANNING REPORT

I would like to report on what was a very successful year for the company.

After we completed the new kitchen to Club Narooma, which proved to be a great success during the year, including the holiday season, the Builders Melot still had a number of major projects to complete on their contract; 2 sets of new Female and Male toilets, Mother and baby change room, Disabled toilets with automatic door for ease and entry/exit, the old bowlers lounge renovated with the introduction of a Bar, New Windows & Awning, Carpet, Auto Doors and new Ceiling. The lounge can now be divided off to be able to hold 3 functions at once if need be, and can hold over 250 people for a larger function, also the edition of new locker rooms for Ladies and Men bowlers.

The deck being so popular near the food hut, especially during summer, it was decided to install sliding glass doors, giving protection during inclement weather, also providing another function room. The TAB was refurbished, and an awning built down of the side of the Montague Room providing shelter for persons walking from the rear carpark to the Club entrance.

The Club also remodelled the seating arrangements to include Booth Seating, along with new Table & Chair sets throughout the club and Deck area.

Back of house was increased in area, with a new keg room, more storage area, safe and counting security room. The compressor area enclosed and a more efficient delivery dock. The congratulatory comments from staff, members and visitors has been most rewarding on what the Board decided to do and carried out by the builder under the watchful eye of Tony and Graham on costs and Brendan and the building committee during the construction.

All the building contract works came in on budget, with all planned extras paid for from our cash flow, you can't get better than that.

Club Dalmeny didn't need any major works during the year, but general maintenance was kept up to date and carried out under Brendan's watchful eye. The kitchen floor was in need of repair, new joists were installed under floor, and all equipment removed. A new epoxy floor covering was laid as well as the keg room, while the equipment while out was all cleaned and reinstalled with little amount of lost time in providing meals. The front gardens under the entrance were all renewed with stones and some new plants. Seating around bowling greens and the Croquet seats were replaced, along with a concrete slab being laid near the fishing club area at the back fence for disability parking.

At the next Board, strategic and planning meeting future development for both venues will be discussed and planned.

We are still awaiting permission from Eurobodalla Shire Council to get the go ahead with angle parking down the lane leading to the old croquet court, but this could be a fair way off with the oval and surrounding area under review for future redevelopment.

All in all the Board and the Building committee has achieved what we set out to do and has presented a club that everyone can be proud of. We are certainly the envy of a lot of other clubs. Once again, I would like to thank Tony, Brendan, Graham and my Building committee on a job well done.

Jon King
Chairman

Building & Planning Committee

SPORTS REPORT 2019

Welcome to the Sports Report for 2019.

Unfortunately, none of the pennant sides from both Club Narooma or Club Dalmeny were able to secure pennant flags this year.

It is extremely difficult to be competitive against clubs who have a vast number of bowlers to select from compared to our situation. I don't believe the problem is impossible to solve we just have to get our heads together to find a solution.

From what I have heard the fishing has been a little lean compared to previous years. Perseverance and favorable conditions would help. I hope all you fishing folk have tight lines for next season.

It is very encouraging to see all our croquet players out on the green enjoying their games. Keep up the good work.

To all our Club champions and runners up my congratulations on your great success and don't be afraid to come back to defend your titles next season.

To all the players from both Clubs who have had great success away from the Club scene with individual and team victories. Well done!!

Lastly but by no means least I would like to take this opportunity to thank Karl and his Green's staff for the magnificent effort this season. They were young, inexperienced but very keen to produce great playing surfaces to use. They received some great advice and guidance from our retired greenkeeper Robby Dent and produced wonderful playing greens. I am very confident with last year under their belt that they will continue to improve and present us with some of the best greens in the area.

A handwritten signature in black ink, appearing to read 'Paul Naylor'.

Paul Naylor
Sports Director

NAROOMA SPORTING & SERVICES CLUB LIMITED
A.B.N. 82 000 997 286

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2019

NAROOMA SPORTING & SERVICES CLUB LIMITED
A.B.N. 82 000 997 286

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NAROOMA SPORTING & SERVICES CLUB LIMITED
A.B.N. 82 000 997 286

DIRECTORS' REPORT

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

Principal Activities

The principal activities of the company during the financial year were:

Operation of a licenced club and sports facilities

No significant changes in the state of affairs occurred during the financial year.

Objectives & Strategies

The short and long term objectives of the company are to provide club facilities to members and guests.

The strategy for achieving these objectives is to conservatively manage and monitor the company's financial position, and ensure that member facilities are kept at the highest of standards.

Performance Measurement

The company uses industry accepted financial and non-financial KPI's to monitor performance.

Membership

The number of members registered in the Register of Members at 30 June 2019 were as follows:

Members	5,509
Total Members	<u>5,509</u>

The company is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the company is wound up, the Constitution states that each member is liable to contribute a maximum of \$2 each towards meeting any outstanding obligations of the entity. At 30 June 2019 the collective liability of members was \$11,018 (30 June 2018: \$10,902).

Directors

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

Graham Reeve

President

Qualifications, experience, and special duties:

Retired

Board Member since 2004

Jon King

Senior Vice President

Qualifications, experience, and special duties:

Retired

Board Member since 2007

NAROOMA SPORTING & SERVICES CLUB LIMITED
A.B.N. 82 000 997 286

DIRECTORS' REPORT

Paul Naylor

Junior Vice President

Qualifications, experience, and special duties:

Retired

Board Member since 2013

Warren Bender

Treasurer

Qualifications, experience, and special duties:

Retired

Board Member since 2014

John Rowley

Director

Qualifications, experience, and special duties:

Retired

Board Member since 2011

Illya Naumoski

Director

Qualifications, experience, and special duties:

Retired

Board Member 2014

Pat McNamara

Director

Qualifications, experience, and special duties:

Retired

Board Member since 2014

Ian Weston

Director

Qualifications, experience, and special duties:

Retired

Board Member since 2017

Barry Goodwin

Director

Appointed 28/10/2018

Qualifications, experience, and special duties:

Retired

Board Member since 2018

Brian Mayer

Director

Term completed 28/10/2018

Qualifications, experience, and special duties:

Retired

Board Member since 2016

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

NAROOMA SPORTING & SERVICES CLUB LIMITED
A.B.N. 82 000 997 286

DIRECTORS' REPORT

Summary of Meeting Attendances:

12 ordinary meetings and 4 special meetings were held during the year.

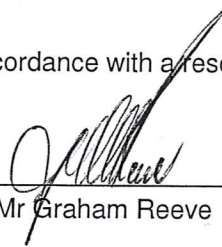
	<i>Number of Meetings Eligible To Attend</i>	<i>Number of Meetings Attended</i>
Graham Reeve	16	16
Jon King	16	14
Paul Naylor	16	15
Warren Bender	16	14
John Rowley	16	14
Illya Naumoski	13	13
Pat McNamara	16	16
Ian Weston	16	14
Barry Goodwin	10	9
Brian Mayer	6	6

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2019 has been received and can be found on page 6 of the financial report.

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

Director:


Mr Graham Reeve

Dated 13 September 2019

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF
NAROOMA SPORTING & SERVICES CLUB LIMITED
A.B.N. 82 000 997 286**

Audit Opinion

We have audited the financial report of Narooma Sporting & Services Club Limited (the company), which comprises the statement of financial position as at year ended 30 June 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Narooma Sporting & Services Club Limited is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the company's financial position as at the year ended 30 June 2019 and of their performance and cash flows for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis of Audit Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Other Information

The directors are responsible for the other information. The other information does not include the financial report and our auditor's report thereon, but comprises the Supplementary Information contained in the annual report, which we obtained prior to the date of this auditor's report, and the President's Report, Treasurer's Report, Facilities and Planning Report and the Sports Report, which are expected to be made available to us after the date of this auditor's report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF
NAROOMA SPORTING & SERVICES CLUB LIMITED
A.B.N. 82 000 997 286**

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 related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

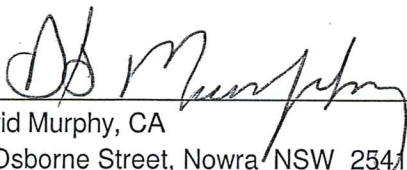
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that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

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

Matters Relating to the Electronic Presentation of the Audited Financial Report

The auditor's report relates to the financial report of Narooma Sporting & Services Club Limited for the financial year ended 30 June 2019 included on the company's website. The directors are responsible for the integrity of the company's website. We have not been engaged to report on the integrity of the company's website. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this website.

Booth Partners



David Murphy, CA

52 Osborne Street, Nowra NSW 2541

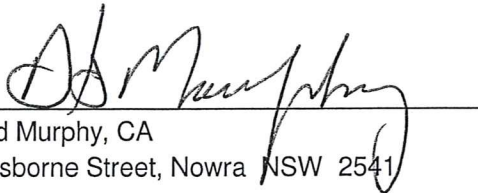
Dated 13 September 2019

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
NAROOMA SPORTING & SERVICES CLUB LIMITED
A.B.N. 82 000 997 286**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2019, 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.

Booth Partners

A handwritten signature in dark ink, appearing to read 'D Murphy', is written over a horizontal line.

David Murphy, CA
52 Osborne Street, Nowra NSW 2541
Dated 13 September 2019

NAROOMA SPORTING & SERVICES CLUB LIMITED
A.B.N. 82 000 997 286

STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
Revenue	2	9,668,037	9,370,231
Other income	2	78,716	-
Cost of sales		(1,597,111)	(1,481,157)
Advertising & members promotions		(475,384)	(451,352)
Depreciation & amortisation expenses		(1,099,321)	(986,892)
Employee benefits		(3,298,617)	(2,962,693)
Interest expense		(169,060)	(42,701)
Occupancy costs		(641,811)	(609,312)
Repairs & maintenance		(188,575)	(168,851)
Other expenses		(1,852,133)	(1,874,539)
Profit from trading		424,741	792,734
Write-down of obsolete property, plant, and equipment		(447,953)	-
Profit (Loss) before income tax	3	(23,212)	792,734
Income tax expense		-	-
Profit (loss) attributable to members of the company		(23,212)	792,734
Total comprehensive income (loss) attributable to members of the company		(23,212)	792,734

The accompanying notes form part of these financial statements.

NAROOMA SPORTING & SERVICES CLUB LIMITED
A.B.N. 82 000 997 286

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Note	2019 \$	2018 \$
CURRENT ASSETS			
Cash and cash equivalents	4	861,188	1,360,387
Trade and other receivables	5	24,700	21,382
Inventories	6	101,067	97,255
Other current assets	7	153,481	225,331
TOTAL CURRENT ASSETS		<u>1,140,436</u>	<u>1,704,355</u>
NON-CURRENT ASSETS			
Property, plant and equipment	8	13,309,569	10,661,292
TOTAL NON-CURRENT ASSETS		<u>13,309,569</u>	<u>10,661,292</u>
TOTAL ASSETS		<u>14,450,005</u>	<u>12,365,647</u>
CURRENT LIABILITIES			
Trade and other payables	9	664,005	848,067
Borrowings	10	515,660	403,500
Short term provisions	11	409,181	380,247
Other current liabilities	12	34,468	31,117
TOTAL CURRENT LIABILITIES		<u>1,623,314</u>	<u>1,662,931</u>
NON-CURRENT LIABILITIES			
Borrowings	10	2,874,833	733,967
Long term provisions	11	36,176	29,855
TOTAL NON-CURRENT LIABILITIES		<u>2,911,009</u>	<u>763,822</u>
TOTAL LIABILITIES		<u>4,534,323</u>	<u>2,426,753</u>
NET ASSETS		<u>9,915,682</u>	<u>9,938,894</u>
EQUITY			
Retained earnings		9,915,682	9,938,894
TOTAL EQUITY		<u>9,915,682</u>	<u>9,938,894</u>

The accompanying notes form part of these financial statements.

NAROOMA SPORTING & SERVICES CLUB LIMITED
A.B.N. 82 000 997 286

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

	Retained Profits
Balance at 1 July 2017	9,146,160
Profit (loss) for the year	792,734
Other comprehensive income for the year	-
Total comprehensive income attributable to members of the entity	<u>792,734</u>
Income tax expense	-
Balance at 30 June 2018	<u><u>9,938,894</u></u>
Balance at 1 July 2018	9,938,894
Profit (loss) for the year	(23,212)
Other comprehensive income for the year	-
Total comprehensive income attributable to members of the entity	<u>(23,212)</u>
Balance at 30 June 2019	<u><u>9,915,682</u></u>

The accompanying notes form part of these financial statements.

NAROOMA SPORTING & SERVICES CLUB LIMITED
A.B.N. 82 000 997 286

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		10,611,123	10,246,538
Payments to suppliers and employees		(8,337,258)	(8,370,202)
Interest received		1,455	3,190
Interest and borrowing costs paid		(139,153)	(9,509)
Net cash provided by (used in) operating activities		<u>2,136,167</u>	<u>1,870,017</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(4,888,392)	(1,884,405)
Net cash provided by (used in) investing activities		<u>(4,888,392)</u>	<u>(1,884,405)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		4,031,070	907,267
Repayment of borrowings		(1,778,044)	(1,830,506)
Net cash provided by (used in) financing activities		<u>2,253,026</u>	<u>(923,239)</u>
Net increase (decrease) in cash held		(499,199)	(937,627)
Cash at beginning of financial year		1,360,387	2,298,014
Cash at end of year	4	<u><u>861,188</u></u>	<u><u>1,360,387</u></u>

The accompanying notes form part of these financial statements.

NAROOMA SPORTING & SERVICES CLUB LIMITED
A.B.N. 82 000 997 286

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

1 Summary of Significant Accounting Policies

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the requirements of the Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board and the Corporations Act 2001. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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

The financial statements, except for cash flow information, have been prepared on an accrual 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.

The financial statements of Narooma Sporting & Services Club Limited for the year ended 30 June 2019 were authorised for issue in accordance with a resolution of the directors on 13 September 2019.

NAROOMA SPORTING & SERVICES CLUB LIMITED
A.B.N. 82 000 997 286

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and cessation of all involvement in those goods.

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the period of the memberships.

Grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

Narooma Sporting & Services Club Limited receives non-reciprocal contributions of assets from the government and other parties for zero or nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of comprehensive income.

Donations and bequests are recognised as revenue when received.

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. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

Trade and Other Receivables

Trade receivables are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. 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.

At the end of each reporting period, the carrying amount of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in statement of comprehensive income.

NAROOMA SPORTING & SERVICES CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a first-in first-out basis.

Stores are valued at cost.

Prepayments

Prepayments are recognised when a payment is made for services that the company expects to utilise over a period of time. Prepayments are measured at the unexpended portion of the contractual cost of the services. Expenditure is transferred to profits and losses on a straight line basis over the period to which it relates.

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 impairment losses.

Property

Freehold land and buildings are measured at cost less depreciation. It is the policy of the entity to have annual appraisals by the directors to ensure the carrying amount is not in excess of the recoverable amount from those assets.

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 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.

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 during the financial period in which they are incurred.

NAROOMA SPORTING & SERVICES CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

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

Class of Fixed Asset	Depreciation Rate
Land & Buildings	0% - 20%
Plant & Equipment	10% - 40%

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

An 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 or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Financial Instruments

Initial Application of AASB 9: Financial Instruments

The company has adopted AASB9. As a result the company has changed its financial instruments accounting policies as detailed in this note.

Considering the initial application of AASB 9 during this financial period, financial statement line items have been affected for the current and prior period. The following tables summarise the adjustments made to the affected financial statement line items. AASB 9 requires retrospective application with some exemptions and exceptions.

There were no financials assets or liabilities which the company had previously designated as at fair value through profit or loss under AASB 139: Financial Instruments: Recognition and Measurement that were subjected to reclassification upon the application of AASB 9.

The company applied AASB 9 and the related consequential amendments to other AASB 's. New requirements were introduced for the classification and measurement of financial assets and financial liabilities as well as for impairment. Comparative amounts have been restated where appropriate.

Financial Assets

Financial assets in terms of AASB 9 need to be measured subsequently at either amortised cost or fair value on the basis of the company's business model and the cash flow characteristics of the financial assets:

- Debt investments that are held within a business model whose goal is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amounts outstanding, are subsequently measured at amortised cost;

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

- Debt investments that are held within a business model whose goal is both to collect contractual cash flows and to sell it, and that have contractual cash flows that are purely payments of principal and interest on the principal amount outstanding, are subsequently measured at fair value through other comprehensive income; and
- All other debt investments and equity investments are measured at fair value through profit or loss.

Debt instruments that are subsequently measured at amortised cost are subject to impairment.

The directors of the company determined that based on the facts and circumstances, initial application of AASB 9 had the following effect on existing financial assets:

- The company's investments in equity instruments not held for trading that were previously classified as available-for-sale financial assets and were measured at fair value have now been designated as at fair value through other comprehensive income.
- Financial assets as held-to-maturity and loans and receivables that were measured at amortised cost continue to be measured at amortised cost under AASB 9, as they are held to collect contractual cash flows that consist solely of payments of principal and interest on the principal amount outstanding.
- Financial assets measured at fair value through profit or loss under AASB 139 are still measured as such under AASB 9.

Impairment

As per AASB 9 an expected credit loss model is applied and not an incurred credit loss model as per the previous applicable standard. To reflect changes in credit risk this expected credit loss model requires the company to account for expected credit losses since initial recognition.

AASB 9 also determines that a loss allowance for expected credit loss be recognised on debt investments subsequently measured at amortised cost at fair value through other comprehensive income, lease receivables, contract assets, loan commitments and financial guarantee contracts as the impairment provision would apply to them.

If the credit risk on a financial instrument has shown no significant change since initial recognition, an expected credit loss amount equal to the 12-month expected credit loss is used. However, a loss allowance is recognised at an amount equal to the lifetime expected credit loss if the credit risk on that financial instrument has increased significantly since initial recognition, or if the instrument is an acquired credit-impaired financial asset.

The company reviewed and assessed the existing financial assets. The assessment was done to test the impairment of these financial assets using reasonable and supportable information that was available to determine the credit risk of the respective items at the date they were initially recognised. The assessment was compared to the credit risk at the start of each applicable year and was done without undue cost or effort in accordance with AASB 9.

NAROOMA SPORTING & SERVICES CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

The application of the AASB 9 impairment requirements did not result in any change to the loss allowances previously recorded and as such, no restatement of comparatives was required.

Financial Liabilities

The application of AASB 9 has had no impact on the classification and measurement of the entity's financial liabilities.

The following summary indicates the reclassification of financial assets and liabilities due to AASB9 transition:

	Carrying amount under AASB 139 30 June 2018	Reclassif - ication	Carrying amount under AASB 9 1 July 2018
Financial assets			
Amortised Costs		21,382	21,382
Reclassification from AASB 139:			
- Loans & Receivables	21,382	(21,382)	-
Total	<u>21,382</u>	<u>-</u>	<u>21,382</u>
Total Financial Assets	<u>21,382</u>	<u>-</u>	<u>21,382</u>
Financial Liabilities			
Amortised Cost		1,883,080	1,883,080
Reclassification from AASB 139:			
- Amortised Cost	1,883,080	(1,883,080)	-
Total Financial Liabilities	<u>1,883,080</u>	<u>-</u>	<u>1,883,080</u>

The application of these changes in accounting policies had no impact on:

- The cash flows of the entity;
- The statement of financial position; or
- The statement of profit or loss and other comprehensive income.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Impairment of Assets

At each reporting date, the company reviews the carrying values 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 and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement, unless the asset is carried at a revalued amount in accordance with another standard. Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

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

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Trade and Other Payables

Trade 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.

Goods and Services Tax (GST)

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 Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented on a gross basis, except for the GST component of investing and financing activities which are disclosed as operating cash flows.

Income Tax

The company is exempt from income tax under section 50-45 of the Income Tax Assessment Act 1997.

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NOTES TO THE FINANCIAL STATEMENTS
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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 within 12 months after the end of the annual reporting period in which the employees render the related service, including wages and salaries. 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 and salaries are recognised as a part of current liabilities in the statement of financial position.

Other long-term employee benefits

The company classifies employee's long service leave and annual leave entitlements as other long-term employee benefits as they are 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. Provision is made for the company's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

The company's obligations for long-term employee benefits are presented as non-current liabilities in the 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 liabilities.

Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Leases

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss" in which case transaction costs are recognised immediately as expenses in profit or loss.

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

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the income statement in the period in which they are incurred.

Comparative Figures

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

Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information.

NAROOMA SPORTING & SERVICES CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Key judgments - Employee benefits

For the purpose of measurement, AASB 119: Employee Benefits (September 2011) defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. As the company expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the 12-month period that follows the directors believe that obligations for annual leave entitlements satisfy the definition of other long-term employee benefits and, therefore, are required to be measured at the present value of the expected future payments to be made to employees.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
2 Revenue		
Operating activities		
Trading Revenue	9,031,864	8,791,351
Interest	1,455	3,190
Member's Subscriptions	97,851	98,279
Sub Club Income	248,942	270,983
Other Income	210,864	128,459
Commissions	77,061	77,969
	<u>9,668,037</u>	<u>9,370,231</u>
Non-operating activities		
Profit on Disposal of Property, Plant and Equipment	78,716	-
	<u>78,716</u>	<u>-</u>
	<u>9,746,753</u>	<u>9,370,231</u>
3 Profit from Ordinary Activities		
Profit from ordinary activities before income tax expense has been determined after:		
Expenses:		
Cost of sales	1,597,111	1,481,157
Interest Expense	169,060	42,701
Depreciation	1,099,321	986,892
Write-down of Obsolete Property, Plant, & Equipment	447,953	-
Revenue and Net Gains:		
Net gain on disposal of property, plant, and equipment	78,716	-

NAROOMA SPORTING & SERVICES CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
4 Cash and Cash Equivalents		
Current		
Cash on Hand	317,000	325,000
TAB Bond	5,000	5,000
Cash at Bank	428,349	920,672
Sub Clubs	110,839	109,715
	<u>861,188</u>	<u>1,360,387</u>
5 Trade and Other Receivables		
Current		
Trade Debtors	<u>24,700</u>	<u>21,382</u>
6 Inventories		
Current		
Stock on Hand	<u>101,067</u>	<u>97,255</u>
7 Other Current Assets		
Current		
Prepayments	<u>153,481</u>	<u>225,331</u>
8 Property, Plant and Equipment		
Land and Buildings		
Land at Cost	180,620	180,620
Buildings & Surrounds - at Cost	12,281,831	9,639,273
Less: Accumulated Amortisation	<u>(1,837,533)</u>	<u>(1,639,326)</u>
	<u>10,624,918</u>	<u>8,180,567</u>
Total Land and Buildings	<u>10,624,918</u>	<u>8,180,567</u>

NAROOMA SPORTING & SERVICES CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
Plant and Equipment		
Plant & Equipment	5,921,580	5,585,793
Less: Accumulated Depreciation	(3,236,929)	(3,105,068)
	<u>2,684,651</u>	<u>2,480,725</u>
Total Plant and Equipment	<u>2,684,651</u>	<u>2,480,725</u>
Total Property, Plant and Equipment	<u>13,309,569</u>	<u>10,661,292</u>

The Club's core property comprises all of the land & buildings at the Narooma and Dalmeny Club sites.

All other land is considered non-core property.

Movements in Carrying Amounts

Movements in carrying amount for each class of property, plant and equipment between the beginning and the end of the financial year:

	Carrying Value				Carrying Value
	1 Jul 2018	Additions	Disposals	Depreciation	30 Jun 2019
Land & Buildings	8,180,567	3,189,892	(436,737)	(308,804)	10,624,918
Plant & Equipment	2,480,725	1,044,503	(50,060)	(790,517)	2,684,651
	<u>10,661,292</u>	<u>4,234,395</u>	<u>(486,797)</u>	<u>(1,099,321)</u>	<u>13,309,569</u>

9 Trade and Other Payables

Current

Trade & Other Creditors	664,005	848,067
	<u>664,005</u>	<u>848,067</u>

NAROOMA SPORTING & SERVICES CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
10 Borrowings		
Current		
Hire Purchase Liability	65,660	216,000
Bank Loans Secured	450,000	187,500
	<u>515,660</u>	<u>403,500</u>
Non-Current		
Hire Purchase Liability	-	39,200
Bank Loans Secured	2,874,833	694,767
	<u>2,874,833</u>	<u>733,967</u>
<p>Bank loans are secured by a registered first mortgage over the land and buildings, and a fixed and floating charge over the assets and undertakings of the business.</p> <p>Hire purchase liabilities are secured over the underlying assets.</p>		
11 Provisions		
Current		
Employee Entitlements	401,559	370,903
Provision for Member Points	7,622	9,344
	<u>409,181</u>	<u>380,247</u>
Non-Current		
Employee Entitlements	36,176	29,855
	<u>36,176</u>	<u>29,855</u>
Aggregate Employee Benefit Liability	<u>437,735</u>	<u>400,758</u>
12 Other Liabilities		
Current		
Income in Advance	34,468	31,117
	<u>34,468</u>	<u>31,117</u>

NAROOMA SPORTING & SERVICES CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
13 Capital and Leasing Commitments		
Finance Lease Commitments		
Payable - minimum lease payments		
Not later than 12 months	69,527	237,135
Between 12 months and five years	-	43,067
Minimum lease payments	69,527	280,202
Less future finance charges	(3,867)	(25,002)
Present value of minimum lease payments	<u>65,660</u>	<u>255,200</u>
14 Key Management Personnel Compensation		
Total Compensation	<u>521,359</u>	<u>521,804</u>
15 Related Party Transactions		
Transactions between related parties are on normal commercial terms and conditions. These terms and conditions are no more favourable than those available to other parties unless otherwise stated.		
16 Financial Risk Management		
The company's financial instruments consist mainly of deposits with banks, accounts receivable and payable, and leases.		
The carrying amounts for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:		
Financial Assets		
Financial assets at amortised cost:		
- Cash and cash equivalents	861,188	1,360,387
- Trade and other receivables	24,700	21,382
Total Financial Assets	<u>885,888</u>	<u>1,381,769</u>

NAROOMA SPORTING & SERVICES CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
<hr/>		
Financial Liabilities		
Financial Liabilities at amortised cost		
- Trade and other payables	505,036	745,613
- Borrowings	3,390,493	1,137,467
Total Financial Liabilities	<u>3,895,529</u>	<u>1,883,080</u>

NAROOMA SPORTING & SERVICES CLUB LIMITED
A.B.N. 82 000 997 286

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes are in accordance with the Corporations Act 2001 and:
 - (a) comply with Australian Accounting Standards.
 - (b) give a true and fair view of the financial position of the company as at 30 June 2019 and of its performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the board of directors.

Director:



Mr Graham Reeve

Dated 13 September 2019

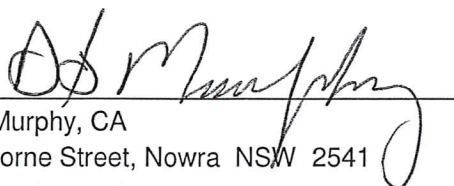
NAROOMA SPORTING & SERVICES CLUB LIMITED
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DISCLAIMER ON ADDITIONAL FINANCIAL INFORMATION

The additional information on the following pages is in accordance with the books and records of Narooma Sporting & Services Club Limited which have been subjected to the auditing procedures applied in the audit of the company for the year ended 30 June 2019. It will be appreciated that the audit did not cover all details of the additional financial information. Accordingly, we do not express an opinion on such financial information and no warranty of accuracy or reliability is given.

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

Booth Partners

A handwritten signature in dark ink, appearing to read 'D Murphy', is written over a horizontal line.

David Murphy, CA

52 Osborne Street, Nowra NSW 2541

Dated 13 September 2019

NAROOMA SPORTING & SERVICES CLUB LIMITED
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SUPPLEMENTARY INFORMATION
DEPARTMENTAL PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
Bar Trading Account			
Sales - Bar		2,132,508	2,037,973
		<u>2,132,508</u>	<u>2,037,973</u>
LESS: COST OF GOODS SOLD			
Purchases		899,394	861,679
		<u>899,394</u>	<u>861,679</u>
GROSS PROFIT FROM TRADING		<u>1,233,114</u>	<u>1,176,294</u>
EXPENDITURE			
Cleaning		3,004	3,169
Payroll Tax		27,093	24,072
Replacements		18,686	18,307
Requisites		13,037	10,353
Wages		612,092	598,898
		<u>673,912</u>	<u>654,799</u>
NET PROFIT		<u><u>559,202</u></u>	<u><u>521,495</u></u>

The accompanying notes form part of these financial statements.

NAROOMA SPORTING & SERVICES CLUB LIMITED
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SUPPLEMENTARY INFORMATION
DEPARTMENTAL PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
Poker Machine Trading Account			
Gross Poker Machine Revenue		4,882,925	4,941,441
		<u>4,882,925</u>	<u>4,941,441</u>
EXPENDITURE			
CMS Fee		64,203	63,239
Depreciation - Poker Machines		561,351	537,576
Finance Charges		19,672	33,192
Payroll Tax		6,503	8,217
Poker Machine Tax		721,529	769,541
Promotions		85,274	86,511
Repairs and Maintenance		91,439	99,722
Wages		147,261	144,711
		<u>1,697,232</u>	<u>1,742,709</u>
NET PROFIT		<u><u>3,185,693</u></u>	<u><u>3,198,732</u></u>

The accompanying notes form part of these financial statements.

NAROOMA SPORTING & SERVICES CLUB LIMITED
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SUPPLEMENTARY INFORMATION
DEPARTMENTAL PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
Keno Trading Account			
Keno Commissions Received		104,221	92,170
		<u>104,221</u>	<u>92,170</u>
EXPENDITURE			
Payroll Tax		1,445	1,401
Stationery & Maintenance		7,543	6,500
Wages		32,725	32,313
		<u>41,713</u>	<u>40,214</u>
NET PROFIT		<u><u>62,508</u></u>	<u><u>51,956</u></u>

The accompanying notes form part of these financial statements.

NAROOMA SPORTING & SERVICES CLUB LIMITED
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SUPPLEMENTARY INFORMATION
DEPARTMENTAL PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
TAB Trading Account			
Commission		22,099	25,643
		<u>22,099</u>	<u>25,643</u>
EXPENDITURE			
Payroll Tax		1,083	1,371
Repairs & Maintenance		856	1,130
Sky Channel		41,901	43,886
Wages		24,543	24,119
		<u>68,383</u>	<u>70,506</u>
NET LOSS		<u><u>(46,284)</u></u>	<u><u>(44,863)</u></u>

The accompanying notes form part of these financial statements.

NAROOMA SPORTING & SERVICES CLUB LIMITED
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SUPPLEMENTARY INFORMATION
DEPARTMENTAL PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
Bistro Trading Account			
Bistro Sales		1,803,905	1,605,397
		<u>1,803,905</u>	<u>1,605,397</u>
LESS: COST OF GOODS SOLD			
Purchases		697,717	619,478
		<u>697,717</u>	<u>619,478</u>
GROSS PROFIT FROM TRADING		<u>1,106,188</u>	<u>985,919</u>
EXPENDITURE			
Cleaning		28,390	26,038
Payroll Tax		37,794	34,440
Repairs		26,265	17,710
Wages		785,158	693,158
		<u>877,607</u>	<u>771,346</u>
NET PROFIT		<u><u>228,581</u></u>	<u><u>214,573</u></u>

The accompanying notes form part of these financial statements.

NAROOMA SPORTING & SERVICES CLUB LIMITED
A.B.N. 82 000 997 286

SUPPLEMENTARY INFORMATION
DEPARTMENTAL PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
Greens Account			
Green Fees		86,206	88,727
		<u>86,206</u>	<u>88,727</u>
EXPENDITURE			
Land Lease		16,463	16,285
Payroll Tax		7,402	5,886
Repairs & Maintenance		30,749	15,129
Wages		165,629	137,091
Water Usage		24,184	15,354
		<u>244,427</u>	<u>189,745</u>
NET LOSS		<u>(158,221)</u>	<u>(101,018)</u>

The accompanying notes form part of these financial statements.

NAROOMA SPORTING & SERVICES CLUB LIMITED
A.B.N. 82 000 997 286

SUPPLEMENTARY INFORMATION
PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

		2019 \$	2018 \$
INCOME			
Bar Trading Account		559,202	521,495
Poker Machine Trading Account		3,185,693	3,198,732
Keno Trading Account		62,508	51,956
TAB Trading Account		(46,284)	(44,863)
Bistro Trading Account		228,581	214,573
Greens Account		(158,221)	(101,018)
Commissions		77,061	77,969
Interest Received		1,455	3,190
Member's Subscriptions		97,851	98,279
Other Income		210,864	128,459
Profit on Sale of Non-current Assets		78,716	-
Sub Club Income	17	248,942	270,983
		<u>4,546,368</u>	<u>4,419,755</u>
LESS : EXPENDITURE			
Accountancy Fees		6,000	6,000
Advertising & Promotion		56,735	83,034
Annual Leave & Long Service Leave Provision		253,369	205,433
Audit Services		15,600	15,600
Bank Charges		32,654	30,605
CDM Directors & Volunteers		3,485	3,602
CDM Staff Members		29,320	26,243
Cleaning Materials		163,486	150,233
Computer Software & Expenses		42,877	40,909
Consultant Fees		4,283	-
Depreciation		537,970	449,316
Directors Training & Expenses		7,652	12,329
Donations		48,075	54,768
Heat & Power		197,234	202,741
Insurance		171,237	133,410

The accompanying notes form part of these financial statements.

NAROOMA SPORTING & SERVICES CLUB LIMITED
A.B.N. 82 000 997 286

SUPPLEMENTARY INFORMATION
PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
Interest Paid	149,388	9,509
Legal Costs	10,032	2,821
Licensing Fees	6,491	6,064
Motor Vehicle Expenses	38,267	31,009
Payroll Tax	36,201	33,629
Printing & Stationery	54,308	54,573
Promotions	232,908	172,283
Raffle Costs	3,742	4,844
Rates & Taxes	62,783	58,948
Rental Plant & Equipment	-	1,210
Repairs	117,852	135,116
Security Costs	30,687	25,893
Social & Shows	96,725	104,680
Sporting Costs - Other	301,770	274,165
Staff Drinks	38,574	24,785
Staff Training	48,870	43,249
Sub Club Expenses	18 247,817	277,451
Subscriptions	18,190	19,793
Superannuation Contributions	252,369	225,816
Telephone	21,371	21,565
Uniforms	17,218	9,187
Wages - Admin & Other	762,831	672,743
Welfare	3,256	3,465
	<u>4,121,627</u>	<u>3,627,021</u>
OPERATING PROFIT	<u><u>424,741</u></u>	<u><u>792,734</u></u>

The accompanying notes form part of these financial statements.

NAROOMA SPORTING & SERVICES CLUB LIMITED
A.B.N. 82 000 997 286

NOTES TO THE SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
17 Sub Club Income		
Croquet Club	7,192	6,569
Darts Club	-	110
Fishing Clubs	34,002	39,185
Indoor Bowls	962	1,650
Mens Bowling Clubs	145,078	157,576
Tai Chi	4,469	4,827
Womens Bowling Clubs	57,239	61,066
	<u>248,942</u>	<u>270,983</u>
18 Sub Club Expenses		
Croquet Club	6,995	7,482
Darts Club	16	575
Fishing Clubs	34,877	46,088
Indoor Bowls	1,136	1,550
Mens Bowling Clubs	144,258	163,463
Tai Chi	4,972	4,062
Womens Bowling Clubs	55,563	54,231
	<u>247,817</u>	<u>277,451</u>

The accompanying notes form part of these financial statements.
These statements should be read in conjunction with the attached disclaimer of Booth Partners.