

LEETON SOLDIERS' CLUB LIMITED

FINANCIAL REPORT FOR MANAGEMENT

FOR THE 6MTHS ENDED 31 DECEMBER 2016

LEETON SOLDIERS' CLUB LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR 6MTHS ENDED 31 DEC 2016

	Qtr to 30/09/16 \$	Qtr to 30/09/15 \$
Revenues from ordinary activities	1,519,498	1,432,225
Employee benefits expense	(699,248)	(554,154)
Depreciation and amortisation expense	(86,553)	(101,030)
Finance costs	(8,684)	(18,780)
Other expenses	<u>(569,573)</u>	<u>(572,463)</u>
Profit/(loss) before income tax expense	<u>155,440</u>	<u>185,798</u>
Income tax expense	<u>-</u>	<u>-</u>
Loss for the year	<u>155,440</u>	<u>185,798</u>
Other comprehensive expense - revaluation	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u>155,440</u>	<u>185,798</u>
Loss attributable to members of the entity	<u>155,440</u>	<u>185,798</u>
Total comprehensive income attributable to members of the entity	<u>155,440</u>	<u>185,798</u>

The accompanying notes form part of these financial statements.

LEETON SOLDIERS' CLUB LIMITED
STATEMENT OF FINANCIAL POSITION
FOR 6MTHS ENDED 31 DEC 2016

	Note	6mths to 31/12/16 \$	6mths to 31/12/15 \$
CURRENT ASSETS			
Cash and cash equivalents	3	322,255	429,764
Trade and other receivables	4	14,535	119,257
Inventories	5	65,183	37,095
Other current assets	6	54,063	13,515
TOTAL CURRENT ASSETS		456,036	599,631
NON-CURRENT ASSETS			
Property, plant and equipment	7	2,144,789	2,150,754
Intangible assets	8	715,000	715,000
Work In Progress	8b		-
TOTAL NON-CURRENT ASSETS		2,859,789	2,865,754
TOTAL ASSETS		3,315,826	3,465,385
CURRENT LIABILITIES			
Trade and other payables	9	213,971	644,386
Provisions	10	147,354	210,404
Borrowings	11	205,496	120,848
TOTAL CURRENT LIABILITIES		566,821	975,638
NON-CURRENT LIABILITIES			
Provisions	10	19,675	34,672
Borrowings	11	-	330,756
TOTAL NON-CURRENT LIABILITIES		19,675	365,429
TOTAL LIABILITIES		586,496	1,341,067
NET ASSETS		2,729,330	2,124,318
EQUITY			
Asset revaluation reserve		689,525	239,954
Retained profits		2,039,805	1,884,365
TOTAL EQUITY		2,729,330	2,124,318

The accompanying notes form part of these financial statements.

LEETON SOLDIERS' CLUB LTD

ABN 55 001 037 136

**STATEMENT OF CASH FLOWS
FOR 6MTHS ENDED 31 DEC 2016**

	6mths to 31/12/16 \$	6mths to 31/12/15 \$
Cash flows from operating activities		
Receipts from customers	1,624,220	1,438,330
Payments to suppliers and employees	(1,809,449)	(1,282,481)
Interest received	-	496
Finance costs	(8,684)	(18,780)
Net cash provided by operating activities	<u>(193,913)</u>	<u>137,564</u>
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	16,460	-
Payments for property, plant and equipment	(99,676)	(25,573)
Net cash provided by investing activities	<u>(83,216)</u>	<u>(25,573)</u>
Cash flows from financing activities		
Proceeds from borrowings	-	-
Repayment of borrowings	(246,108)	(126,882)
Net cash used in financing activities	<u>(246,108)</u>	<u>(126,882)</u>
Net increase in cash held	(523,236)	(14,891)
Cash at beginning of financial year	427,971	442,862
Cash at end of financial year	<u>(95,265)</u>	<u>427,971</u>

LEETON SOLDIERS' CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR 6MTHS TO 31 DEC 2016

	6mths to 31/12/16 \$	6mths to 31/12/15 \$
1 REVENUE		
Operating activities of the company:		
Sales revenue	702,415	717,719
Gaming revenue	1,345,694	1,274,025
Subscriptions and nominations	6,100	7,917
Interest received 1(a)	0	496
Other revenue	187,828	128,919
	2,242,037	2,129,075

(a) All interest received is from other corporations.

2 PROFIT FROM ORDINARY ACTIVITIES

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

Expenses:

Administration	763,047	650,900
Amenities and entertainment	96,107	74,578
Cost of goods sold	346,542	481,141
	1,205,696	1,206,618
Employee costs	775,570	577,736
Provision for employee entitlements	0	49,987
	775,570	627,723
Borrowing costs 3(a)	8,684	18,780
Depreciation & amortisation	86,553	101,030
Total expenses from ordinary activities	2,076,503	1,954,151

Non-operating activities:

Net gain/(loss) on disposal of non-current assets	14,013	0
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(a) All borrowing costs are payable to other corporations.

3 CASH AND CASH EQUIVALENTS

Cash on hand	322,255	429,764
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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	138,362	137,777
NAB TAB Account	-	(18)
NAB DOCA	6,215	88,604
NAB Keno Account	-	(19)
Macquarie Administrator's Account	-	73,649
Westpac Working Account	71,251	8,127
WPC BAS Account	30,015	40,015
NAB Employee Provisions	72,000	40,000
NAB OSR	467	24,982
NAB Working Account	6,819	16,785
Australia Post Prepaid Visa Card	45	(140)
NAB Credit Card	(2,919)	
	322,255	429,764

LEETON SOLDIERS' CLUB LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR 6MTHS TO 31 DEC 2016**

	6mths to 31/12/16 \$	6mths to 31/12/15 \$
4 ACCOUNTS AND OTHER RECEIVABLES		
CURRENT		
Accounts receivable	14,535	174,513
Less provision for doubtful debts	-	(55,256)
	<u>14,535</u>	<u>119,257</u>
5 INVENTORIES		
CURRENT		
At cost:		
Stock on hand	<u>65,183</u>	<u>37,095</u>
6 OTHER ASSETS		
CURRENT		
Prepaid expenses	<u>54,063</u>	<u>13,515</u>
7 PROPERTY, PLANT AND EQUIPMENT		
Land at valuation	<u>265,000</u>	<u>265,000</u>
Buildings at valuation	1,324,755	1,324,755
Less accumulated depreciation	<u>(108,368)</u>	<u>(77,558)</u>
Total buildings	<u>1,216,387</u>	<u>1,247,197</u>
Total land and buildings	<u>1,481,387</u>	<u>1,512,197</u>
Plant and equipment at valuation	1,367,160	1,193,117
Less: accumulated depreciation	<u>(703,758)</u>	<u>(556,561)</u>
	<u>663,402</u>	<u>636,557</u>
Total property, plant and equipment	<u>2,144,789</u>	<u>2,150,754</u>
8 INTANGIBLE ASSETS		
NON CURRENT		
Poker machine licences	<u>715,000</u>	<u>715,000</u>
8b Work In Progress		-
9 ACCOUNTS AND OTHER PAYABLES		
CURRENT		
Accounts payable	108,344	530,972
Other current payables	105,627	113,414
	<u>213,971</u>	<u>644,386</u>
10 PROVISIONS		
CURRENT		
Employee entitlements	143,375	194,475
Sundry provisions	3,979	15,929
	<u>147,354</u>	<u>210,404</u>
NON CURRENT		
Employee entitlements	<u>19,675</u>	<u>34,672</u>

LEETON SOLDIERS' CLUB LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR 6MTHS TO 31 DEC 2016**

	6mths to 31/12/16 \$	6mths to 31/12/15 \$
BORROWINGS		
CURRENT		
Equipment finance liability	45,496	26,840
NAB Credit Card	-	4,007
NAB Keno Account	-	-
NAB Poker Tax Account	-	-
NAB Working Account	-	-
Bank loans	160,000	90,000
	<u>205,496</u>	<u>120,848</u>
NON-CURRENT		
Equipment finance liability	-	80,756
Bank loans	-	250,000
	<u>-</u>	<u>330,756</u>

12 PRIOR YEAR ADJUSTMENT

LEETON SOLDIERS' CLUB LIMITED

**PROFIT AND LOSS STATEMENT
FOR THE 6MTHS ENDED DEC 2016**

	6mths to 31/12/16	6mths to 31/12/15
	\$	\$
INCOME		
Gross profit from Bar Trading	214,647	212,106
Gross profit from Poker Machines	979,792	1,047,441
Gross Profit Dining Room	142,132	24,472
Gross Profit Keno & TAB	37,859	
Gross Profit Bowls	(3,622)	
Gross Profit Squash	2,716	
Functions Income		11,616
Ticket Sales/Events	9,335	-
Member subscriptions	6,100	7,917
Commission		59,785
Bingo income	21,368	9,824
Raffle income	50,686	31,913
Rental income	11,599	9,740
Sports Fees		13,718
Sundry income	32,874	2,455
Donations received	-	742
Interest received	-	496
Profit/(loss) on asset sales	14,013	-
	<u>1,519,498</u>	<u>1,432,225</u>
LESS EXPENDITURE		
Advertising	17,688	17,441
Amenities	21,684	-
Amenities - General	7,565	49,682
Amenities - Bingo	20,382	5,549
Amenities - Members Promotions	29,822	19,347
Amenities - Taxis	16,654	
Amortisation	-	-
Audit fees	8,000	7,902
Accountancy fees	-	23,190
Bad debts	-	-
Bank charges	4,388	4,065
Cleaning and rubbish removal	10,527	11,559
Computer costs	15,860	14,711
Consultancy fees	12,371	1,781
Data processing	-	-
Depreciation	86,553	101,030
Dining room expenses		422
Directors expenses	3,214	1,932
Donations and sponsorships	13,970	32,194
Electricity and heating	69,637	67,092
Employee entitlements		49,987
Provisions - LSL	2,822	-
Provisions - Holiday Pay	6,147	-
Fringe benefits		-
Functions		1,428
Insurance	56,084	42,836
Interest	8,684	18,780
Lease - Ricoh 2016	2,180	
Legal and professional fees		-
Licences & Permits	2,755	
Motor vehicle expenses	955	2,386
Overs and unders	1,829	1,209
Payroll tax	19,861	15,444
Postage, Printing and stationery	12,547	10,074
Raffle Expenses	65,390	41,762
Rates and land taxes	31,384	23,031
Repairs and maintenance	25,452	103,057
Security expenses	4,379	6,352
Staff amenities and welfare	17,402	9,982
Staff training		
Subscriptions	5,215	3,333
Sundry expenses	1,086	1,467
Superannuation	56,461	58,125
Telephone	9,346	5,092
Ticket Sales/Events Expenses	13,918	
Travel expenses		
Trophies		
Valuation fees		-
Wages and salaries	681,846	494,185
	<u>1,364,058</u>	<u>1,246,427</u>
Profit/(loss) for period	<u>155,440</u>	<u>185,798</u>

LEETON SOLDIERS' CLUB LIMITED

**PROFIT AND LOSS STATEMENT
FOR THE QTR ENDED DEC 2016**

	Qtr to 31/12/16	Qtr to 31/12/15
	\$	\$
INCOME		
Gross profit from Bar Trading	136,033	117,138
Gross profit from Poker Machines	482,712	523,488
Gross Profit Dining Room	76,342	16,969
Gross Profit Keno & TAB	17,364	
Gross Profit Bowls	(1,294)	
Gross Profit Squash	242	
Functions		9,296
Ticket Sales/Events	6,941	-
Member subscriptions	1,627	4,170
Commission	9,862	29,858
Bingo income	10,654	4,617
Raffle income	29,471	22,139
Rental income	5,782	4,096
Sports Fees	-	8,204
Sundry income	10,688	1,877
Donations received		324
Interest received	-	
Profit/(loss) on asset sales	14,013	-
	<u>800,437</u>	<u>742,176</u>
LESS EXPENDITURE		
Advertising	9,883	9,580
Amenities	11,995	
Amenities - General	5,398	26,215
Amenities - Bingo	9,480	3,940
Amenities - Members Promotions	15,624	7,510
Amenities - Taxis	8,619	
Amortisation		-
Audit fees	2,500	6,150
Accountancy fees	-	6,735
Bad debts		-
Bank charges	1,879	1,845
Cleaning and rubbish removal	5,222	6,702
Computer costs	9,296	8,436
Consultancy fees	11,363	-
Data processing		-
Depreciation	44,833	50,829
Dining room expenses		211
Directors expenses	2,834	1,648
Donations and sponsorships	11,861	3,730
Electricity and heating	30,671	31,763
Employee entitlements		30,000
Provisions - LSL	(406)	
Provisions - Holiday Pay	16,881	
Fringe benefits		-
Functions		1,251
Insurance	27,286	21,683
Interest	3,822	8,662
Lease - Ricoh 2016	1,090	
Legal and professional fees		-
Licences & Permits	1,378	
Motor vehicle expenses	745	1,924
Overs and unders	1,696	865
Payroll tax	10,970	7,928
Postage, Printing and stationery	5,516	4,152
Raffle Expenses	37,023	26,737
Rates and land taxes	15,657	13,115
Repairs and maintenance	46,252	53,369
Security expenses	2,036	4,367
Staff amenities and welfare	6,924	3,379
Staff training		
Subscriptions	2,642	1,605
Sundry expenses	410	56
Superannuation	28,121	28,981
Telephone	4,674	3,330
Ticket Sales/Events Expenses	3,010	
Travel expenses		
Trophies		
Valuation fees		-
Wages and salaries	340,586	268,784
	<u>737,771</u>	<u>645,482</u>
Profit/(loss) for period	<u>62,666</u>	<u>96,694</u>