

ANNUAL REPORT

2016-2017



www.leetonsoldiers.com.au



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PRESIDENTS REPORT

It is with pleasure that I present members with my report for the 2016/17 financial year.

Despite being in the final stages of paying out all "old" debt, your directors and management have presented members with a trading profit of \$159,944 for the year. Whilst this is a reduction from last year's effort, it is a respectable achievement given the continuing increase in operational expenses, and necessary constraints on infrastructure spending.

Aside from an increase in expenses, reduced income from some trading areas, has been the main cause of this trend. In the coming year management will concentrate on containing these expenses. Financial constraint and detailed reporting remains an integral part of our corporate governance process as we continue to strive for excellence in this area of our business. Members are reminded that quarterly financial reports are posted on our notice board and on our web site for their benefit.

Once again, Adam McIntyre and his staff have dedicated themselves to the task of restoring our club to its former glory following the disappointment of the past few years. They continue to try and contain the ever-increasing cost of maintaining our work force whilst sustaining a high level of customer service.

The Board is proud of the performance of our staff who have made a dedicated and sustained effort to service our most important asset – our members – and to ensure that their experience every time that they visit our club is as pleasant as possible.

Over the past twelve months, Leeton Soldiers Club has contributed over \$1.4M to the Leeton economy in wages alone, employing over sixty workers. The club has also contributed significantly in financial and in-kind support to the local community.

Our mandatory Category 1 community donation through ClubGRANTS for the year was \$11,790. Funds were allocated to Hospital Art Australia Inc. \$1,000, Road Safety Education Ltd. \$1,750, Light Up Leeton \$1,675, Jump Start Funds Inc. \$1,000, Leeton Community Care & Development Inc. \$1,000, Koori Kids \$350, Leeton Public School P&C \$1,500, Can Assist Leeton \$1,000, St Vincent DePaul Society \$950, Youth Off The Streets Limited \$1,000, Narrandera Rural Women's Gathering \$400 and \$165 to Leeton Community Care & Development.

Assistant Secretary Manager, Mary Sheehan, has been absent from duty for the latter part of the financial year due the birth of her first child. We congratulate Mary and her partner Greg and wish them a happy future as proud parents.

We continue to establish our restaurant as a major dining attraction in Leeton. Earlier in the year we welcomed new Chef Kris Quipot to our team and he has been working diligently to stabilise our catering department. Kris and his wife Loreian also recently became the proud parents of their second child, but Kris has now returned to duty and continues to provide our business with expertise and experience as we strive to make our restaurant as pleasant and profitable as possible.

Directors again up-dated our very comprehensive five year Strategic Plan and once our financial security is ensured, will proceed to implement key strategies. I again strongly recommend that all members take the time to read the document so that they can better understand the direction in which your Board is headed.

The Board continues its support for our sub-clubs and other interest/support groups and will continue to support them under negotiated sponsorship arrangements. Co-operation and counter support is vital in any sponsorship arrangements.

Recently, Director David Sarah was awarded life membership of the Leeton Soldiers Club Squash Club. David is a deserved recipient of this prestigious recognition. He is a multiple times Men's Club Champion, served as President of the Squash Club for a number of years, and has dedicated himself to the coaching of junior players for over a decade. Congratulations David, on behalf of all members for your selfless contribution.

On behalf of the Board of Directors I also would like to thank each and every member for their continued contribution to the success of the Leeton Soldiers Club. With your valued support, we will continue to work diligently towards a prosperous future for our Club.

Don't forget members that 2017 is a voting year for a new two-year term for our Board of Directors, and you should ensure that you cast your vote at the appropriate time to ensure that members are represented by the best possible candidates.

Finally, I would like to acknowledge my personal appreciation to the nine Directors who have volunteered their valuable time for the betterment of our club over the past two years. Whilst we do not always agree on some matters, we always strive to democratically achieve the right outcome for the benefit of our members.



A handwritten signature in black ink, appearing to read 'Barry Greatz'.

BARRY GREATZ
PRESIDENT

SECRETARY MANAGERS REPORT

It gives me great pleasure to deliver this annual report for the year 2016/ 2017. The Club has again been able to deliver a solid profit of \$159,944.

Whilst this is down on last year's efforts of \$331,931 the major contributing factor for this reduction in profitability was a downturn in gaming retention percentages. Turnover saw a small increase, but a half percentage point reduction in our retention rate saw profitability fall by \$147,771 on last year.

The Club managed to deliver a 6.84% increase in beverage sales for the year, which in the current economic climate is a very pleasing result.

During the year we welcomed a new Head Chef in Kristoffer Quipot. Kris comes to us with a wealth of experience and has been instrumental, along with Assistant Manager Mary Sheehan, in delivering much improved food offerings throughout the venue. To Kris and all of his team in our Catering Department, congratulations, keep up the good work.

Our Assistant Manager Mary Sheehan is currently on maternity leave after welcoming baby Addison into the world in June we wish Mary and Greg all success and happiness. Thank you for all of your effort and dedication throughout the year.

Fran McLaughlin and her administration team continue to go from strength to strength delivering excellent budget forecasts and accurate and detailed financial reporting which allows for solid evidence based decision making. Congratulations to all involved.

Our ancillary staff who take care of all the Clubs cleaning, grounds, cellar and maintenance needs have again delivered excellent results on tight budgets. Members are seeing the results of your efforts, well done.

I would like to take this opportunity to congratulate all of our operational staff. Our business relies heavily on repeat custom to achieve sustainability, and your welcoming manner and professionalism go greatly to allowing our venue to achieve this. Further training programs will continue to allow you all to gain further knowledge regarding our great industry, and in turn provide Members and Visitors with the levels of customer service required.

Thank you also must go to our dedicated group of Directors who have again given much time, energy and expertise to the Club for the benefit of the members. The Board continues to work toward the ongoing financial sustainability and success of the venue. The Club, through this Board, has been able to achieve many things throughout the last 4 years and there remains much work to be done. You all should be proud of your efforts in changing the course for this venue and the role you have played in giving the Club a chance to become viable, sustainable and financially sound community asset.

Finally, to all of the members who have continued to support our Club, thank you. Without our memberships continued support of our venue, none of these results would be possible. Through your support, the Club has been able to substantially reduce debt levels and shore up the Clubs cash flow position from the once critical situation we faced.

Much has been achieved, but there remains much still to be accomplished.



A stylized, handwritten signature in black ink, appearing to read 'Adam McIntyre'.

ADAM MCINTYRE
SECRETARY MANAGER



FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2016

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LEETON SOLDIERS' CLUB LTD
ABN 55 001 037 136

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2017

Your directors present this report on the company for the financial year ended 30 June 2017.

DIRECTORS

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

| | |
|-------------------|---------------|
| Robert Greatz | Suzanne Gavel |
| John Martin | Garry Lanham |
| Domenico Delguzzo | David Sarah |
| Geoff Tuckett | Sue Mills |
| Brian Troy | |

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

INFORMATION ON DIRECTORS

| DIRECTOR | QUALIFICATIONS | SPECIAL |
|-------------------|---|----------------|
| Robert Greatz | Retired Director 10 years | President |
| John Martin | Retired Director 7 years | Vice President |
| Domenico Delguzzo | Retired Director 16 years | Vice President |
| Geoff Tuckett | Self Employed Director 4 years | Treasurer |
| Brian Troy | Retired Director 8 years | |
| Suzanne Gavel | Retired Director 4 years | |
| Garry Lanham | Business Owner Director 4 years | |
| David Sarah | Retired Director 3 years | |
| Sue Mills | Business Solutions Executive Director 1 year | |

MEETINGS OF DIRECTORS

| | ELIGIBLE | APOLOGY |
|-------------------|-----------------|----------------|
| Robert Greatz | 12 | 0 |
| John Martin | 12 | 3 |
| Domenico Delguzzo | 12 | 3 |
| Geoff Tuckett | 12 | 1 |
| Brian Troy | 12 | 1 |
| Suzanne Gavel | 12 | 1 |
| Garry Lanham | 12 | 3 |
| David Sarah | 12 | 1 |
| Sue Mills | 12 | 4 |

During the financial year there were 12 monthly meetings.

LEETON SOLDIERS' CLUB LTD
ABN 55 001 037 136

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2017

PRINCIPAL ACTIVITIES

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

GOING CONCERN

The Club entered administration on 3 April 2013. The Club subsequently came out of administration on 14 May 2013. As a result of this process, all creditors relating to the period prior 3 April 2013 were under a Deed of Company Arrangement (DOCA). RSM Bird Cameron were administering this process. From January 2014, the Club made payments of \$5,000 per month into the DOCA account to settle the creditors as soon as the Club possibly can whilst ensuring it continued to trade successfully. The DOCA finished on 22 August 2016 after a dividend of \$0.50 in the dollar was paid to DOCA creditors.

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:

The Club will provide staff with structured training and development. This will assist to provide members with a professional and welcoming Club through consistent levels of customer service.

A more strategic approach in regard to marketing has been implemented. This will maximise the Club's profile and therefore improve financial performance.

Policies and procedures continue to be introduced to all areas of Club operations to ensure "best practice" is adopted Club-wide. This will enable the Club to reduce costs and maximise efficiency.

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 \$1 each towards meeting any outstanding obligations of the entity. At 30 June 2017, the total amount that the members of the company are liable to contribute if the company is wound up is \$4,339 (2016: \$4,280).

LEETON SOLDIERS' CLUB LTD
ABN 55 001 037 136

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2017

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the year ended 30 June 2017 has been received and can be found on page 9 of the financial report.

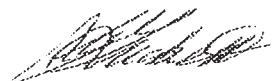
Signed in accordance with a resolution of the Board of Directors:

Director



Robert Greatz

Director



Geoff Tuckett

Dated: 20th September 2017

LEETON SOLDIERS' CLUB LTD
ABN 55 001 037 136

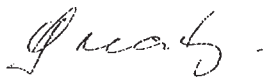
DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2017

In accordance with a resolution of the directors of Leeton Soldiers' Club Ltd, 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 2017 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, depending on trading conditions remaining stable and consistent.

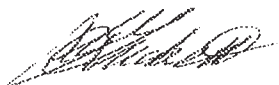
This declaration is made in accordance with a resolution of the Board of Directors.

Director



Robert Greatz

Director



Geoff Tuckett

Dated: 20 September 2017

LEETON SOLDIERS' CLUB LIMITED
ABN 55 001 037 136

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
LEETON SOLDIERS' CLUB LIMITED**

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Leeton Soldiers' Club Limited (the company), which comprises the statement of financial position as at 30 June 2017, 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 Leeton Soldiers' 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 30 June 2017 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 the company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

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

The directors are responsible for the other information. The other information comprises the information included in the company's annual report for the year ended 30 June 2017, but does not include the financial report and my auditor's report thereon. My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Principals

John P Keenan CPA
Morris G Massarotto CPA
Graeme J Lyons CA
Geoffrey M Marin CPA
Allan J Andreazza CPA
Angela C Favell CPA
John P Farronato CA

Consultant

Frank S Sergi CPA

LEETON SOLDIERS' CLUB LIMITED
ABN 55 001 037 136

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
LEETON SOLDIERS' CLUB LIMITED**

Responsibilities of the Directors for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with the Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intends 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 objective is 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.

Principals

John P Keenan CPA
Morris G Massarotto CPA
Graeme J Lyons CA
Geoffrey M Marin CPA
Allan J Andreatza CPA
Angela C Favell CPA
John P Farronato CA

Consultant

Frank S Sergi CPA


LEETON SOLDIERS' CLUB LIMITED
ABN 55 001 037 136

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
LEETON SOLDIERS' CLUB LIMITED

- conclude on the appropriateness of the Committee's 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 association'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.

- 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.

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



John P Keenan CPA
Registered Company Auditor 156228

PinnacleHPC Pty Ltd
135 Yambil Street Griffith NSW 2680

Dated: 20 September 2017

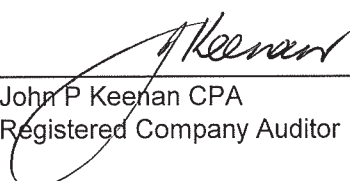
LEETON SOLDIERS' CLUB LTD
ABN 55 001 037 136

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

**TO THE DIRECTORS OF
LEETON SOLDIERS' CLUB LTD**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2017 there have been no contraventions of:

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



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

Dated: 20 September 2017

LEETON SOLDIERS' CLUB LIMITED
ABN 55 001 037 136

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017

| | Note | 2017 \$ | 2016 \$ |
|--|------|--------------------|--------------------|
| Revenues from ordinary activities | 2 | 4,125,848 | 4,180,165 |
| Employee benefits expense | 3 | (1,310,761) | (1,218,365) |
| Depreciation and amortisation expense | 3 | (188,126) | (202,037) |
| Finance costs | 3 | (12,483) | (31,546) |
| Other expenses | | <u>(2,454,535)</u> | <u>(2,396,285)</u> |
| Profit/(loss) before income tax expense | | <u>159,944</u> | <u>331,931</u> |
| Income tax expense | | <u>-</u> | <u>-</u> |
| Profit/(loss) for the year | | <u>159,944</u> | <u>331,931</u> |
| Other comprehensive income | | <u>-</u> | <u>-</u> |
| Total comprehensive income for the year | | <u>159,944</u> | <u>331,931</u> |
| Profit/(loss) attributable to members of the entity | | <u>159,944</u> | <u>331,931</u> |
| Total comprehensive income attributable to members of the entity | | <u>159,944</u> | <u>331,931</u> |

The accompanying notes form part of these financial statements.

LEETON SOLDIERS' CLUB LIMITED
ABN 55 001 037 136

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

| | Note | 2,017 \$ | 2016 \$ |
|--------------------------------------|-------|------------------|------------------|
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 4 | 229,528 | 292,528 |
| Trade and other receivables | 5 | 12,574 | 13,187 |
| Inventories | 6 | 38,200 | 37,234 |
| Other current assets | 7 | 63,540 | 44,691 |
| TOTAL CURRENT ASSETS | | 343,842 | 387,640 |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 8 | 2,038,016 | 2,059,114 |
| Intangible assets | 9 | 1,072,500 | 780,000 |
| TOTAL NON-CURRENT ASSETS | | 3,110,516 | 2,839,114 |
| TOTAL ASSETS | | 3,454,359 | 3,226,754 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 10 | 181,059 | 171,959 |
| Provisions | 11 | 132,694 | 141,858 |
| Borrowings | 12 | 91,631 | 229,632 |
| TOTAL CURRENT LIABILITIES | | 405,384 | 543,448 |
| NON-CURRENT LIABILITIES | | | |
| Provisions | 11 | 25,352 | 18,970 |
| Borrowings | 12 | - | 90,680 |
| TOTAL NON-CURRENT LIABILITIES | | 25,352 | 109,650 |
| TOTAL LIABILITIES | | 430,737 | 653,098 |
| NET ASSETS | | 3,023,622 | 2,573,656 |
| EQUITY | | | |
| Asset revaluation reserve | 14(a) | 597,454 | 304,954 |
| Retained profits | | 2,426,168 | 2,268,702 |
| TOTAL EQUITY | | 3,023,622 | 2,573,656 |

The accompanying notes form part of these financial statements.

LEETON SOLDIERS' CLUB LTD
ABN 55 001 037 136

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017

| | Note | Retained Earnings | Asset Revaluation Reserve | Total |
|---|-------|----------------------|---------------------------------|------------------|
| Balance at 1 July 2015 | | 1,696,759 | 239,954 | 1,936,713 |
| Comprehensive income | | | | |
| Surplus for the year attributable to members | | 331,931 | - | 331,931 |
| Revaluation of assets | 14(a) | - | 65,000 | 65,000 |
| Writedown of creditors | | 195,215 | - | 195,215 |
| Write off accrued sick leave | | 40,050 | | 40,050 |
| Adjustment to prior year earnings | | 4,747 | | 4,747 |
| Total comprehensive income attributable to members | | 571,943 | 65,000 | 636,943 |
| Balance at 30 June 2016 | | 2,268,702 | 304,954 | 2,573,656 |
| Comprehensive income | | | | |
| Surplus for the year attributable to members | | 159,944 | - | 159,944 |
| Revaluation of assets | 14(a) | - | 292,500 | 292,500 |
| Writedown of creditors | | | - | - |
| Adjustment to prior year earnings | 15 | (2,478) | - | (2,478) |
| Total comprehensive income attributable to members | | 157,466 | 292,500 | 449,966 |
| Balance at 30 June 2017 | | 2,426,168 | 597,454 | 3,023,622 |

The accompanying notes form part of these financial statements.

LEETON SOLDIERS' CLUB LTD
ABN 55 001 037 136

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017

| | Note | 2017 \$ | 2016 \$ |
|---|------|------------------|------------------|
| Cash flows from operating activities | | | |
| Receipts from customers | | 4,112,271 | 4,263,908 |
| Payments to suppliers and employees | | (3,781,270) | (3,962,130) |
| Interest received | | 177 | 1,161 |
| Finance costs | | (12,483) | (31,546) |
| Net cash provided by operating activities | | <u>318,696</u> | <u>271,392</u> |
| Cash flows from investing activities | | | |
| Proceeds from sale of property, plant and equipment | | 16,460 | - |
| Payments for property, plant and equipment | | (169,476) | (36,979) |
| Net cash provided by investing activities | | <u>(153,016)</u> | <u>(36,979)</u> |
| Cash flows from financing activities | | | |
| Proceeds from borrowings | | - | - |
| Repayment of borrowings | | (228,681) | (258,174) |
| Net cash used in financing activities | | <u>(228,681)</u> | <u>(258,174)</u> |
| Net increase/(decrease) in cash held | | (63,001) | (23,761) |
| Cash at beginning of financial year | | 292,529 | 316,289 |
| Cash at end of financial year | 4 | <u>229,528</u> | <u>292,529</u> |

The accompanying notes form part of these financial statements.

LEETON SOLDIERS' CLUB LTD
ABN 55 001 037 136

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

The financial statements cover Leeton Soldiers' Club Ltd as an individual entity, incorporated and domiciled in Australia. Leeton Soldiers' Club Ltd is a company limited by guarantee.

The financial statements were authorised for issue on 20 September 2017 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

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

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

(c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair values 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.

LEETON SOLDIERS' CLUB LTD
ABN 55 001 037 136

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 1: Summary of Significant Accounting Policies (cont'd)

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 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. Poker machines are depreciated on a diminishing value basis.

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

| | |
|---------------------|-----------|
| Land and Buildings | 2.5% |
| Plant and Machinery | 5% - 100% |

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.

LEETON SOLDIERS' CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 1: Summary of Significant Accounting Policies (cont'd)

The entity holds poker machine licences either acquired through a past business combination or granted for no consideration by the NSW government. AIFRS requires that licences outside of a pre-AIFRS transition business combination be recognised initially at its fair value as at the date it was granted with a corresponding adjustment to profit and loss to recognise the grant immediately as income. Until new gaming legislation taking effect in April 2002 allowing poker machine licences to be traded for the first time, the entity has determined the fair value at grant date for licences granted pre April 2002 to be zero. Licences granted to the entity post April 2002 are initially recognised at fair value. Poker machine entitlements are subsequently valued at market value and have been stated at the market value amount at 30 June 2017.

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

(e) Financial Instruments

Initial recognition and measurement

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 (ie 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 as expenses in profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the *effective interest method*.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

Note 1: Summary of Significant Accounting Policies (cont'd)

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense item in profit or loss.

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iv) Available-for-sale financial assets

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 1: Summary of Significant Accounting Policies (cont'd)

(v) Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset or a group of financial assets will be deemed to be impaired if, and only if, there is objective evidence of impairment as a result of the occurrence of one or more events (a 'loss event'), which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors, or a group of debtors, are experiencing financial difficulty, default or delinquency in interest or principal payments; indications that they will enter into bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having undertaken all possible measures of recovery, if the management establishes that the carrying amount cannot be recovered by any means, at that point the writing off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance accounts.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or have expired. The difference between the carrying amount of the financial liability, which is extinguished or transferred to another party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 1: Summary of Significant Accounting Policies (cont'd)

(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 it is not possible to estimate the recoverable amount of an assets class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

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

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

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

(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.

(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 Services Tax

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

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

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 1: Summary of Significant Accounting Policies (cont'd)

(k) Provisions

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

(l) Comparative Figures

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

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

(m) Accounts Payable and Other Payables

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

(n) Critical Accounting Estimates and Judgments

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.

(o) Not-For-Profit Status

Under AIFRS, there are requirements that apply specifically to not-for-profit entities that are not consistent with International Financial Reporting Standards (IFRS) Requirements. The Club has analysed its purpose, objectives and operating philosophy and determined that it does not have profit generation as a prime objective. Consequently, where appropriate, the Club has elected to apply options and exemptions within AIFRS that are applicable to not-for-profit entities.

LEETON SOLDIERS' CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR TO 30 JUNE 2017

| | 2017 \$ | 2016 \$ |
|--|------------------|------------------|
| 2 REVENUE | | |
| Operating activities of the company: | | |
| Sales revenue | 1,401,635 | 1,366,657 |
| Gaming revenue | 2,314,001 | 2,448,293 |
| Subscriptions and nominations | 10,141 | 10,801 |
| Interest 2(a) | 177 | 1,161 |
| Other revenue | 385,881 | 353,252 |
| | 4,111,835 | 4,180,165 |
| (a) All interest received is from other corporations. | | |
| Non-operating activities: | | |
| Net gain/(loss) on disposal of non-current assets | 14,013 | - |
| | 14,013 | - |
| Total Revenue | 4,125,848 | 4,180,165 |
| 3 PROFIT FROM ORDINARY ACTIVITIES | | |
| Profit from ordinary activities before income tax has been determined after: | | |
| Expenses: | | |
| Administration | 1,644,540 | 1,706,460 |
| Amenities and entertainment | 192,534 | 80,685 |
| Cost of goods sold | 617,461 | 609,140 |
| | 2,454,535 | 2,396,285 |
| Employee costs | 1,312,027 | 1,203,385 |
| Provision for employee entitlements | (1,266) | 14,980 |
| | 1,310,761 | 1,218,365 |
| Borrowing costs 3(a) | 12,483 | 31,546 |
| Depreciation & amortisation | 188,126 | 202,037 |
| Total expenses from ordinary activities | 3,965,904 | 3,848,233 |
| (a) All borrowing costs are payable to other corporations. | | |
| 4 CASH AND CASH EQUIVALENTS | | |
| Cash on hand | 229,528 | 292,528 |

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 | 138,217 | 137,071 |
| NAB TAB Account | 70,000 | 65,000 |
| NAB Poker Machine Acquisition | 55 | 3 |
| Macquarie Administrator's Account | - | 6,670 |
| Westpac Working Account | 15,077 | 23,555 |
| NAB Poker Tax Account | 113 | 11,603 |
| NAB Working Account | 6,019 | 22,258 |
| Westpac Community Solutions | 1 | 25,094 |
| Australia Post Prepaid Visa Card | 45 | 1,273 |
| | 229,528 | 292,528 |

LEETON SOLDIERS' CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR TO 30 JUNE 2017

| | 2017 \$ | 2016 \$ |
|---|----------------------------|---------------|
| 5 ACCOUNTS AND OTHER RECEIVABLES | | |
| CURRENT | | |
| Accounts receivable | <u>12,574</u> | <u>13,187</u> |
| (ii) 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. | | |
| <p>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.</p> <p>The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.</p> | | |
| | Accounts receivable | |
| | 2017 | 2016 |
| Gross amount | | |
| Past due and impaired | | |
| < 30 | 11,617 | 11,814 |
| 31 - 60 | - | - |
| 61 - 90 | - | - |
| > 90 | 957 | 1,373 |
| | <u>12,574</u> | <u>13,187</u> |
| 6 INVENTORIES | | |
| CURRENT | | |
| At cost: | | |
| Stock on hand | <u>38,200</u> | <u>37,234</u> |
| 7 OTHER ASSETS | | |
| CURRENT | | |
| Prepaid expenses | <u>63,540</u> | <u>44,691</u> |

LEETON SOLDIERS' CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR TO 30 JUNE 2017

| | 2017 \$ | 2016 \$ |
|--|------------------|------------------|
| 8 PROPERTY, PLANT AND EQUIPMENT | | |
| Land at valuation | 265,000 | 265,000 |
| Buildings at valuation | 1,324,755 | 1,324,755 |
| Less accumulated depreciation | (124,600) | (91,878) |
| Total buildings | 1,200,155 | 1,232,877 |
| Total land and buildings | 1,465,155 | 1,497,877 |
| Plant and equipment at valuation | 1,361,960 | 1,202,485 |
| Less: accumulated depreciation | (789,099) | (641,248) |
| | 572,862 | 561,236 |
| Total property, plant and equipment | 2,038,016 | 2,059,114 |

Asset revaluations

The plant and equipment were independently valued at 30 June 2013 as part of the Administration process. The valuation was based on the fair value less cost to sell. The Board decided to adopt the valuation as of 1 July 2013 in order to clearly reflect the current values of plant and equipment. The valuation resulted in a revaluation increment of \$44,954 being recognised in the revaluation reserve for the year ended 30 June 2014. The poker machine licences were revalued to \$780,000 as at 30 June 2016 and then to \$1,072,500 as at 30 June 2017.

(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 30th June 2017.

- (a) all property held by the company, not listed as non-core property below, is to be classified as core property; and
- (b) the non-core property of the company consists of:
 - Drill Hall block;
 - bowling greens;
 - tennis courts & BBQ area; and
 - property on which manager's residence was previously situated.

9 INTANGIBLE ASSETS
NON CURRENT

| | | |
|------------------------|-----------|---------|
| Poker machine licences | 1,072,500 | 780,000 |
|------------------------|-----------|---------|

10 ACCOUNTS AND OTHER PAYABLES
CURRENT

| | | |
|------------------------|----------------|----------------|
| Accounts payable | 109,656 | 88,701 |
| Other current payables | 71,404 | 83,258 |
| 10(a) | 181,059 | 171,959 |

(a) Financial liabilities at amortised cost classified as trade and other payables

| | | |
|-----------------------------|----------------|----------------|
| Accounts and other payables | | |
| - Total current | 181,059 | 171,959 |
| - Total non-current | - | - |
| | 181,059 | 171,959 |

LEETON SOLDIERS' CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR TO 30 JUNE 2017

| | 2017 \$ | 2016 \$ |
|-----------------------|-----------------------|-----------------------|
| 11 PROVISIONS | | |
| CURRENT | | |
| Employee entitlements | 127,472 | 135,121 |
| Sundry provisions | 5,222 | 6,737 |
| | <u>132,694</u> | <u>141,858</u> |
| NON CURRENT | | |
| Employee entitlements | <u>25,352</u> | <u>18,970</u> |

Provision for Non-current Employee Benefits

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of the leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1(g) to these financial statements.

12 BORROWINGS

CURRENT

| | | |
|-----------------------------|----------------------|-----------------------|
| Equipment finance liability | 20,680 | 49,632 |
| NAB credit card | 951 | - |
| Bank loans | 70,000 | 180,000 |
| | <u>91,631</u> | <u>229,632</u> |

NON-CURRENT

| | | |
|-----------------------------|-----------------|----------------------|
| Equipment finance liability | - | 20,680 |
| Bank loans | - | 70,000 |
| | <u>-</u> | <u>90,680</u> |

Lease liabilities are secured by the underlying leased assets.

13 CAPITAL AND LEASING COMMITMENTS

(a) Finance Lease Commitments

| | | |
|---|--------|--------|
| Payable - minimum lease payments | | |
| - not later than 12 months | 20,680 | 49,632 |
| - later than 12 months but not later than 5 years | - | 20,680 |
| - greater than 5 years | - | - |
| Present value of minimum lease payments | | |

14 RESERVES

(a) Revaluation Reserve

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

15 PRIOR YEAR ADJUSTMENT

An adjustment to retained earnings was required of \$2,478 at 30 June 2017 due to an adjustment of the previous year's writedown of creditors.

LEETON SOLDIERS' CLUB LIMITED
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TRADING ACCOUNTS
FOR THE YEAR ENDING 30 JUNE 2017

| | 2017 \$ | 2016 \$ |
|----------------------------------|------------------|------------------|
| BAR TRADING | | |
| Sales | 793,986 | 743,110 |
| Less: cost of goods sold | 344,336 | 324,859 |
| Gross profit from bar | <u>449,650</u> | <u>418,251</u> |
| POKER MACHINES | | |
| Net income | 2,314,001 | 2,448,293 |
| Less: direct costs | 427,054 | 440,791 |
| Gross profit from Poker Machines | <u>1,886,947</u> | <u>2,007,502</u> |
| KENO & TAB | | |
| Commission Income | 105,859 | 99,197 |
| Less: direct costs | 32,844 | 24,855 |
| Gross profit from Keno & TAB | <u>73,015</u> | <u>74,342</u> |
| BOWLS | | |
| Income | 19,436 | - |
| Less: direct costs | 22,927 | - |
| Gross profit from Bowls | <u>(3,491)</u> | <u>-</u> |
| SQUASH | | |
| Income | 21,445 | - |
| Less: direct costs | 10,371 | - |
| Gross profit from Squash | <u>11,074</u> | <u>-</u> |
| DINING ROOM | | |
| Sales | 607,649 | 623,547 |
| Less: cost of goods sold | 273,125 | 284,281 |
| Less: direct costs | 361,118 | 301,331 |
| Gross profit from Dining Room | <u>(26,594)</u> | <u>37,936</u> |

LEETON SOLDIERS' CLUB LIMITED

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**PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDING 30 JUNE 2017**

| | 2017 | 2016 |
|-----------------------------------|-----------------------|-----------------------|
| | \$ | \$ |
| INCOME | | |
| Gross profit from bar trading | 449,650 | 418,251 |
| Gross profit from poker machines | 1,886,947 | 2,007,502 |
| Gross profit from keno & TAB | 73,015 | 74,342 |
| Gross profit from bowls | (3,491) | - |
| Gross profit from squash | 11,074 | - |
| Gross profit from dining room | (26,594) | 37,936 |
| Member subscriptions | 10,141 | 10,801 |
| Bingo income | 40,120 | 27,568 |
| Raffle income | 97,355 | 72,629 |
| Rental income | 21,092 | 29,112 |
| Sports fees | 68 | 37,667 |
| Event ticket sales | 9,372 | - |
| Sundry income | 71,133 | 85,917 |
| Donations received | - | 1,162 |
| Interest received | 177 | 1,161 |
| Profit/(loss) on asset sales | 14,013 | - |
| | <u>2,654,073</u> | <u>2,804,048</u> |
| LESS EXPENDITURE | | |
| Advertising | 36,586 | 36,156 |
| Amenities/entertainment - general | 192,534 | 80,685 |
| Amenities - bingo | - | 14,854 |
| Amenities - members promotions | - | 43,144 |
| Audit fees | 13,000 | 10,600 |
| Accountancy fees | - | 30,270 |
| Bad debts | - | 660 |
| Bank charges | 8,146 | 7,778 |
| Bowls expenses | - | 10,388 |
| Cleaning and rubbish removal | 22,396 | 22,867 |
| Computer costs | 34,533 | 29,475 |
| Consultancy fees | 12,371 | 2,490 |
| Depreciation | 188,126 | 202,037 |
| Dining room expenses | - | 422 |
| Directors expenses | 5,212 | 4,048 |
| Donations and sponsorships | 28,751 | 51,495 |
| Electricity and heating | 135,065 | 132,337 |
| Employee entitlements | (1,266) | 14,980 |
| Freight | 937 | - |
| Functions | - | 1,733 |
| Insurance | 98,970 | 88,011 |
| Interest | 12,483 | 31,546 |
| Lease payments | 4,361 | 727 |
| Licences and permits | 6,897 | - |
| Motor vehicle expenses | 3,009 | 3,301 |
| Overs and unders | 2,779 | 6,197 |
| Payroll tax | 43,254 | 36,323 |
| Postage, printing and stationery | 20,798 | 20,631 |
| Raffle expenses | 121,857 | 106,540 |
| Rates and land taxes | 44,460 | 64,489 |
| Repairs and maintenance | 134,752 | 201,178 |
| Security expenses | 7,761 | 11,780 |
| Squash expenses | - | 3,191 |
| Staff welfare and training | 42,621 | 30,734 |
| Subscriptions | 9,075 | 6,127 |
| Sundry expenses | 802 | 12,632 |
| Superannuation | 112,622 | 115,796 |
| Telephone | 20,792 | 15,960 |
| Ticket sales & event expenses | 16,918 | - |
| Wages and salaries | 1,113,530 | 1,020,533 |
| | <u>2,494,129</u> | <u>2,472,117</u> |
| Profit/(loss) | <u>159,944</u> | <u>331,931</u> |

LEETON SOLDIERS CLUB - SQUASH CLUB

PRESIDENT'S REPORT

It gives me great pleasure and satisfaction to deliver my 2nd President's report on behalf of the Squash Club.

2016-17 has been a year of improvement. Not only improvement in numbers relating to Club Championships entries, Senior and Junior Competition or attendance at our Presentation night but also other improvements to our Club in respect to modernisation, appearance and the way in which we operate.

The 2016 Club Championships saw record entries of 45 players, with Matt Dunn and Sarah Quinlivan crowned Club Champions for 2016. The presentation night followed with increased attendance from the 1st year. Championship and Junior trophies were awarded on the night. The Nolan Award for Junior Sportsmanship was presented to a worthy recipient in Blayne Thompson.

On average we have fielded approximately 70 players in senior competitions this year, an increase on last year's good numbers, which for a small town is quite an achievement. I believe this reflects directly on the great job our committee does.

Saturday afternoon Juniors also continues to grow. We have averaged 30 children over the 3 school terms this year. Danny Boardman and Michelle Quinlivan have been doing the lion's share of the work on and off the courts this year. I would like to thank them for their continued efforts to improve the Junior program. I would also like to thank Col Thompson who has filled in for me most weeks.

The Committee is always looking for new and innovative ways to improve our Club. One of these was to replace the out-dated club logo with a more modern design. In addition to the new logo a range of apparel, designed by Chris Billingham, was introduced. These included Shirts, Shorts and Skorts which were made available for purchase. This proved very successful and we have plans to include other items going forward.

Recently we introduced the use of a Tournament software management system. Sean Ryan and Col Thompson investigated various options prior to settling on Sporty HQ. For the most part, this has been successful. It has been very useful in preparation of the 2017 Club Championship draw. There has been a few identified shortfalls in its capabilities to service our needs, but going forward we hope that these will be rectified.

PVC covers were fitted to the upstairs door and stairwell to prevent drafts in the winter months. This assisted greatly in player comfort over the winter competition. Thank you to Rod Harrison for doing the ground work for these.

A lot goes into the running of a Club and it can never be done by just a few. Our committee has passion and I would like to sincerely thank my Executive and other committee member for their hard work and dedication throughout the year. I would like to wish the incoming committee all the best for the upcoming year and I hope that they can continue on the good work into the future.

Thank you

SCOTT QUINLIVAN

President

Leeton Soldiers Club Squash Club

LEETON SOLDIERS CLUB - MEN'S BOWLS CLUB PRESIDENT'S REPORT

Welcome and good luck for next year's bowls.

Thanks to all my committee for their dedication and support for the year. Unfortunately I will not be standing for the committee this year but I am sure that Len and his new committee will ensure that bowls will continue the same or better than it has. I hope every bowler gives Len all the support they can.

Congratulations to all the new committee members – have a good year.

Financially bowls had a very good year under management of Adam and staff. Thank you, Adam, for ensuring bowls continues at our club. Your payment of our bowls fees allows us to continue and hopefully grow.

Thanks to all our bowlers for participating in the pennant season. Though it wasn't a very successful year we fulfilled our commitments. We must think seriously about playing pennants in cooler weather. If district continues to play in February we should consider whether we should play at all. March is much cooler. Thanks to our overworked selectors who recruited bowlers from somewhere to fill our teams. Maybe two teams next year?

Congratulations to our singles champ John Leech as well as all other winners. It was great to see participation rates so good.

Thanks to Garry for excellent greens, recognised as the best greens in the area.

Thanks to Dennis and Len for sorting out Wednesday and Saturday Bowls Matches. Anyone in the club is welcome to take over their job. Good luck if you do.

Finally, I wish everyone all the best for the year. I will still be around to help if needed. BOWL WELL.

Thank you

LEO PLANT

President

Leeton Soldiers Club- Men's Bowls Club

LEETON SOLDIERS CLUB - WOMEN'S BOWLS CLUB

PRESIDENT'S REPORT

Another year has gone by at which we have completed our obligations, sometimes under duress.

Many thanks to members who have stepped up or filled in whenever or wherever needed. We were able to complete our Pennants and Mini Pennants; attended all Presidents' days; and hosted the Murrumbidgee District Women's Bowling Association (MWDBA) Pairs Championships.

Many thanks to the Leeton Soldiers Club for their generosity in paying our membership and Capitation fees. Also they have been supportive in all our requests. The staff have been very friendly and we have settled in well at the main Club.

There are many thankyou's in running a club, none more deserving than that of our Secretary Jan Munro. We are appreciative of your work ethic, but also of the extras you are so willing to do for our club. You make the President's job very easy.

Our Match Committee of E. Rice, M. Stoll, S. Middleton and L. Noble are also to be congratulated on everything they do for us. Without you it would be chaos. It can be very trying at times. Thank you.

Publicity Officer J. Pike, thank you for the news you produce for the paper each week. Not always easy with nothing much to report sometimes. We appreciate your efforts.

Thank you to our Vice President T. Sarah, being available when needed. Another big thank you to our acting Referee M. McKenzie, always ready to support her club but also MDWBA when called upon.

Each week we arrive at bowls to find the greens and surrounds very well presented. Thank you Green Keeper G.Pengally.

Last I'd like to thank you, all the members, who come most weeks to keep our club going. Numbers will be diminishing but how to fix it I don't know.

If I have missed anyone my apologies. It wasn't intentional.

Thank you

LORRAINE MCKELLAR

President

Leeton Soldiers Club- Women's Bowls Club

LEETON SOLDIERS CLUB BOARD OF DIRECTORS 2016 -2017



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PAST PRESIDENTS

| | |
|----------------|-----------|
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| R A Struck | 1948 - 58 |
| J W Hough | 1958 - 61 |
| D J Clark | 1961 - 62 |
| C P O'Brien | 1962 - 63 |
| S J Axtill | 1963 - 79 |
| K L Roberts | 1979 - 81 |
| A Bowyer | 1981 - 83 |
| N T Blencowe | 1983 - 86 |
| J H Martin | 1986 - 87 |
| N T Blencowe | 1987 - 88 |
| A J F Sullivan | 1988 - 90 |
| L Bonham | 1990 - 10 |
| R B Greatz | 2010 - |

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Leslie Bonham 2010 -

LIFE MEMBERS

J Sharpe *
 O H Edwards *
 T H Dunn *
 E Wightwood *
 J Ramsbotham *
 C Andrews *
 J Breed *
 A Palmer *
 MF Ross *
 R A Struck *
 R E Hinch *
 A E Vincent *
 S J Axtill *
 W Miller *
 R McGhee *
 N L Gray *
 A A Payten *
 W B Campbell *
 A G Brackpool *
 A Bowyer *
 J P Troy *
 N T Blencowe *
 J A Dunbar
 K E Moss
 L Bonham
 * Deceased