

# **Barham & District Services Memorial Club Ltd**

ABN: 32 000 893 701

## **Financial Statements**

For the Year Ended 31 May 2020

# Barham & District Services Memorial Club Ltd

ABN: 32 000 893 701

For the Year Ended 31 May 2020

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# **Barham & District Services Memorial Club Ltd**

ABN: 32 000 893 701

## **Independent Audit Report to the members of Barham & District Services Memorial Club Ltd**

### **Report on the Financial Report**

We have audited the accompanying financial report of Barham & District Services Memorial Club Ltd, which comprises the balance sheet as at 31 May 2020, and the income statement, statement of changes in equity and statement of cash flows for the year ended that date a summary of significant accounting policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the Barham & District Services Memorial Club Ltd and the entities it controlled at the year's end or from time to time during the financial year.

### **Directors' Responsibility for the Financial Report**

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

# Barham & District Services Memorial Club Ltd

ABN: 32 000 893 701

## Independent Audit Report to the members of Barham & District Services Memorial Club Ltd

### Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Barham & District Services Memorial Club Ltd, would be in the same terms if provided to the directors as at the date of this auditor's report.

### Emphasis of Matter

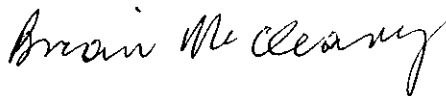
We draw attention to Item 2c. in the Directors Report of the Financial Report, which describes action taken as directed by the Australian Government re Covid-19 Pandemic. It describes the time of closure (23<sup>rd</sup> March 2020 -31<sup>st</sup> May 2020) and the government support received by the club. This closure had significant impact on the results of the club.

### Auditor's Opinion

In our opinion the financial report of Barham & District Services Memorial Club Ltd is in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the company's financial position as at 31 May 2020 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

Brian McCleary & Co  
Chartered Accountants



Brian McCleary (RCA665)  
Deniliquin

11<sup>th</sup> August 2020

# Barham & District Services Memorial Club Ltd

ABN: 32 000 893 701

Directors' Report

31 May 2020

Your directors present their report on the company and its controlled entities for the financial year ended 31 May 2020.

## 1. General information

### (a) Directors

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

#### Names

Douglas Carter	Director
Glenn Faul	Director
Annabel Barr	Director (resigned March 2020)
Colin D'Elton	Director (appointed October 2019)
Ian Ellis	Director
Stephen Fullerton	Director
Graeme Hare	Director (resigned March 2020)
Gerard Keane	Director (appointed October 2019)
Ruth Morpeth	Director (resigned October 2019)
Steven Tanner	Director

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

### (b) Principal Activities

The principal activities of the Group during the financial year were that of a NSW Registered Club.

No significant change in the nature of these activities occurred during the year.

### (c) Company Secretary

The following persons held the position of company secretary during the financial year:

Michael Alexander

## 2. Business review

### (a) Operating Results

The consolidated profit of the Group after providing for income tax amounted to \$51,591 (prior year \$632,887).

### (b) Dividends paid or declared

The constitution of this company prohibits the payment of dividends.

# Barham & District Services Memorial Club Ltd

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Directors' Report

31 May 2020

## (c) Covid-19

As a result of the Covid-19 pandemic, the Australian Government announced the closure of all Registered Clubs effective March 23rd 2020. The Club remained closed, with limited takeaway available, until the end of the financial year May 31<sup>st</sup>. This closure had a significant impact on the financial results of the Club.

The Club received Government support in the form of Jobkeeper wages subsidy, Economic Cashflow Boost and Payroll Tax relief of \$262,422.

## 3. Other items

### (a) After balance day events

On June 1<sup>st</sup> 2020 the Club reopened with restrictions in place and recommenced trading in all areas.

On July 7<sup>th</sup> 2020 the NSW Victorian border was closed, with a further tightening of border restrictions on July 21<sup>st</sup>. The border closure has had a significant impact on Club trading and the extent of the impact on the Club's financial position is being closely monitored by management and the Board.

In March 2020 the Club CEO lodged a workers compensation claim for bullying and harassment. The CEO returned to work, with medical clearance, for a short time in late June but has since recommenced and continues to be on workers compensation.

The CEO has engaged legal counsel and the Board has sought legal advice regarding the next course of action.

An additional workers compensation claim has been lodged and provisionally accepted for the Golf Club Manager.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

### (b) Auditors Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out at page 32.

### (c) Significant Changes in State of Affairs

The Club has transferred ownership of the cluBarham Motel from Rivre Du Cinq Pty Ltd (Subsidiary company 100% owned) to Barham & District Services Memorial Club Ltd (Parent company). Rivre Du Cinq Pty Ltd has been deregistered.

No other significant changes in the Group's state of affairs occurred during the financial year.

# Barham & District Services Memorial Club Ltd

ABN: 32 000 893 701

## Directors' Report

31 May 2020

### (d) Meetings of Directors

15 meetings of directors were held during the year. The attendance by each director during the year was as follows:

	Directors' Meeting		Special Meeting	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Douglas Carter	11	11	4	4
Glenn Faul	11	9	4	4
Annabel Barr	9	6	2	2
Colin D'Elton	7	7	3	3
Ian Ellis	11	11	4	3
Stephen Fullerton	11	11	4	4
Graeme Hare	8	5	2	2
Gerard Keane	7	6	3	3
Ruth Morpeth	4	3	1	1
Steven Tanner	11	10	4	4

## 4. Remuneration Report

### (a) Remuneration Report

This report details the nature and amount of remuneration for each director of Barham & District Services Memorial Club Ltd.

### (b) Details of remuneration for year ended 31 May 2020

The remuneration for each director of the Group during the year was as follows:

Directors	Directors fees \$
Douglas Carter	8,000
Glenn Faul	4,000
Annabel Barr	3,000
Colin D'Elton	2,667
Ian Ellis	4,000
Stephen Fullerton	4,000
Graeme Hare	3,000
Gerard Keane	1,667
Ruth Morpeth	1,333
Steven Tanner	4,000
	<hr/> <hr/> 35,667

# Barham & District Services Memorial Club Ltd

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Directors' Report

31 May 2020

## 5. Indemnifying Officers or Auditors

### (a) Indemnities

During or since the end of the financial year the company has given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:

### (b) Insurance premiums paid for directors

The company has paid premiums to insure each of its directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company.

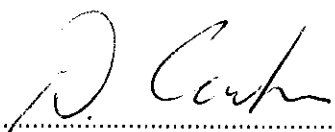
## 6. Proceedings on Behalf of Company

### (a) No Leave or proceedings

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

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

Director: .....  
  
Douglas Carter

Director: .....  
  
Glenn Faul

Dated this 11<sup>th</sup> August 2020



# Barham & District Services Memorial Club Ltd

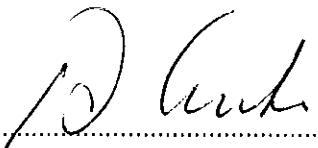
ABN: 32 000 893 701

## Directors' Declaration

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 8 to 30, are in accordance with the Corporations Act 2001 and:
  - (a) comply with Accounting Standards and the Corporations Regulations 2001; and
  - (b) give a true and fair view of the financial position as at 31 May 2020 and of the performance for the year ended on that date of the company and consolidated group.
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 .....  
  
Douglas Carter

Director .....  
  
Glenn Faul

Dated 11<sup>th</sup> August 2020

# Barham & District Services Memorial Club Ltd

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## Comprehensive Income Statement

For the Year Ended 31 May 2020

	Note	2020 \$	2019 \$
Sales revenue	2	3,412,066	4,270,478
Cost of sales		<u>(909,298)</u>	<u>(1,142,115)</u>
Gross profit		2,502,768	3,128,363
Other revenues	2	5,522,850	6,470,829
Marketing expenses		(315,115)	(390,703)
Occupancy expenses		(567,097)	(610,590)
Administration expenses		(139,073)	(161,594)
Depreciation & impairments		(1,004,490)	(964,656)
Employee benefits expense		(3,335,983)	(3,623,063)
Members expenses		(323,283)	(341,676)
Donations & sponsorships		(57,157)	(100,520)
Other expenses		<u>(2,231,829)</u>	<u>(2,773,503)</u>
<b>Profit attributable to members</b>		<b>51,591</b>	<b>632,887</b>

# Barham & District Services Memorial Club Ltd

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Balance Sheet

31 May 2020

	Note	2020 \$	2019 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	3,481,143	4,964,850
Trade and other receivables	5	336,544	31,031
Inventories	6	118,950	155,819
Other current assets	9	22,107	42,653
<b>Total current assets</b>		<b>3,958,744</b>	<b>5,194,353</b>
<b>Non-current assets</b>			
Property, plant and equipment	7	29,118,560	28,399,809
Intangible assets	8	1,287,000	1,168,000
<b>Total non-current assets</b>		<b>30,405,560</b>	<b>29,567,809</b>
<b>TOTAL ASSETS</b>		<b>34,364,304</b>	<b>34,762,162</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	10	595,386	1,087,898
Financial liabilities	11	933	(1,121)
Short-term provisions	12	387,774	390,405
Other current liabilities	13	70,175	141,403
<b>Total current liabilities</b>		<b>1,054,268</b>	<b>1,618,585</b>
<b>Non-current liabilities</b>			
Long-term provisions	12	112,033	116,165
<b>Total non-current liabilities</b>		<b>112,033</b>	<b>116,165</b>
<b>TOTAL LIABILITIES</b>		<b>1,166,301</b>	<b>1,734,750</b>
<b>NET ASSETS</b>		<b>33,198,003</b>	<b>33,027,412</b>
<b>EQUITY</b>			
Reserves		6,491,058	6,372,058
Retained earnings		26,706,945	26,655,354
<b>TOTAL EQUITY</b>		<b>33,198,003</b>	<b>33,027,412</b>

# Barham & District Services Memorial Club Ltd

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## Statement of Changes in Equity

For the Year Ended 31 May 2020

2020		Retained Earnings \$	Asset Revaluation Reserve \$	Total \$
	Note			
Balance at 1 June 2019		26,655,354	6,372,058	33,027,412
Profit attributable to members		51,591	-	51,591
Revaluation increment /(decrement)			119,000	119,000
<b>Sub-total</b>		<b>51,591</b>	<b>119,000</b>	<b>170,591</b>
<b>Balance at 31 May 2020</b>		<b>26,706,945</b>	<b>6,491,058</b>	<b>33,198,003</b>

2019		Retained Earnings \$	Asset Revaluation Reserve \$	Total \$
	Note			
Balance at 1 June 2018		26,165,489	5,897,556	32,063,045
Profit attributable to members		632,887	-	632,887
Prior Year Adjustment - PM Jackpots		(143,019)		(143,019)
Revaluation increment /(decrement)			474,500	474,500
<b>Sub-total</b>		<b>489,868</b>	<b>474,500</b>	<b>964,368</b>
<b>Balance at 31 May 2019</b>		<b>26,655,357</b>	<b>6,372,056</b>	<b>33,027,413</b>

# Barham & District Services Memorial Club Ltd

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## Statement of Cash Flows

For the Year Ended 31 May 2020

	Note	2020 \$	2019 \$
<b>Cash from operating activities:</b>			
Receipts from customers		8,577,729	10,580,247
Payments to suppliers and employees		(8,381,961)	(8,851,141)
Interest received		53,943	80,443
Rent Received		22,327	20,555
<b>Net cash provided by (used in) operating activities</b>	14	<b>272,038</b>	1,830,104
<b>Cash flows from investing activities:</b>			
Proceeds from sale of plant and equipment		59,815	241,638
Acquisition of property, plant and equipment		(1,815,559)	(2,854,601)
<b>Net cash provided by (used in) investing activities</b>		<b>(1,755,744)</b>	(2,612,963)
<b>Net increase (decreases) in cash held</b>			
Cash at beginning of financial year		4,964,850	5,747,709
<b>Cash at end of financial year</b>	4	<b>3,481,143</b>	4,964,850

# Barham & District Services Memorial Club Ltd

ABN: 32 000 893 701

## Notes to the Financial Statements

For the Year Ended 31 May 2020

### 1 Statement of Significant Accounting Policies

#### (a) General information

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

The financial report covers the economic entity of Barham & District Services Memorial Club Ltd as an individual parent entity and Barham & District Services Memorial Club Ltd and the controlled entity as an economic entity. Barham & District Services Memorial Club Ltd is a company limited by guarantee, incorporated and domiciled in Australia.

The financial report of Barham & District Services Memorial Club Ltd and the controlled entity and Barham & District Services Memorial Club Ltd as an individual parent entity complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

The following is a summary of the material accounting policies adopted by the Group in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

#### (b) Basis of Preparation

The financial statements have been prepared on a going concern basis that contemplates continuity of normal business activities.

- a. Working Capital Surplus 2,904,476 (2019 - 3,575,768 surplus)
- b. Cash from Operations 272,038 surplus (2019 - 1,830,104 surplus)

#### (c) Comparative Figures

Where appropriate, comparative figures have been adjusted to conform with changes in presentation for the current financial year. Due to the deregistration of Rivre du Cinq Pty Ltd the reports are no longer presented as Parent & Subsidiary, but as a single entity.

#### (d) Property, Plant and Equipment

##### Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over their useful lives to the Group commencing from the time the asset is held ready for use. Low value pool assets are depreciated on the diminishing value basis in accordance with Div 40 ITAA1997.

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

##### Class of Fixed Asset

Buildings	0%
Plant and Equipment	5-20%
Furniture, Fixtures and Fittings	5-20%
Low Value Asset Pool	37.5%

# Barham & District Services Memorial Club Ltd

ABN: 32 000 893 701

Notes to the Financial Statements

For the Year Ended 31 May 2020

## 1 Statement of Significant Accounting Policies continued

### (d) Property, Plant and Equipment continued

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

#### Plant and equipment

Plant and equipment are measured on cost basis.

#### Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least every five years, valuations by external independent valuers, less subsequent depreciation for buildings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

A valuation of Land Buildings and Intangibles was conducted in May 2018 and the change in values reflected in the May 2018 Financial Statements.

### (e) Inventories

Inventories are measured at the lower of cost and net realisable value.

### (f) Financial Instruments

#### Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

#### Fair value

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

#### Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

# Barham & District Services Memorial Club Ltd

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## Notes to the Financial Statements

For the Year Ended 31 May 2020

### Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

### Held-to-maturity investments

These investments have fixed maturities, and it is the Group's intention to hold these investments to maturity. Any held-to-maturity investments held by the Group are stated at amortised cost using the effective interest rate method.

### Impairment

At each reporting date, the Group assess whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

### 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 stated at amortised cost using the effective interest rate method.

### Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

## (g) Intangibles

### Goodwill

Goodwill and goodwill on consolidation are initially recorded at the amount by which the purchase price for a business or for an ownership interest in a controlled entity exceeds the fair value attributed to its net assets at date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investment in associates. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

### Poker Machine Entitlements

The company holds 144 poker machine entitlements. These entitlements were granted to the company at no cost by the NSW government prior to June 1 2004. The entitlements can be sold should the company decide to reduce or cease its poker machine activities. The company cannot record these initial poker machine entitlements in the financial report as there was no purchase price paid on acquisition.



# Barham & District Services Memorial Club Ltd

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## Notes to the Financial Statements

For the Year Ended 31 May 2020

### Water entitlements

The company holds water entitlements of 635 megalitres of general security and 219 megalitres of high security water. Of the water entitlements held, only 170 megalitres of high security water has been purchased and is recognised in the financial reports. The remaining entitlements have come into ownership as a result of entitlements being created out of land ownership of the company. The company cannot record these entitlements in the financial reports as there was no purchase price paid on acquisition.

### (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 six months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

### (i) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. 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, plus related on-costs. Employee benefits payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits.

### (j) Provisions

Provisions are recognised when the group 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.

### (k) Income Tax

The company adopts the principal of mutuality in relation to income and expenditure. This means that the company is taxable to the extent of net income from non members after allowing for statutory income and specified expenses. Income tax is calculated using the tax rates that have been enacted or are substantially enacted by the balance sheet date.

The club has significant tax losses carried forward from prior years, and the directors are of the opinion that they are unlikely to be recouped and have not recognised these losses as an asset of the company.

### (l) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

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

Revenue from investment properties is recognised on an accruals basis or straight-line basis in accordance with lease agreements.

Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the rendering of services is recognised upon the delivery of the service to the

# Barham & District Services Memorial Club Ltd

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## Notes to the Financial Statements

For the Year Ended 31 May 2020

customers.

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

### (m) 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 Taxation 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 balance sheet are shown inclusive of GST.

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

### (n) Rounding of Amounts

The company has applied the relief available to it under ASIC Class Order 98/100 and accordingly, amounts in the financial report and directors' report have been rounded off to the nearest \$1.

# Barham & District Services Memorial Club Ltd

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Notes to the Financial Statements

For the Year Ended 31 May 2020

## 2 Revenue

	Note	2020 \$	2019 \$
<b>Revenue from Operating activities</b>			
Sales revenue		3,412,066	4,270,478
Bingo & raffles		177,118	222,535
Members subscriptions		165,417	167,662
Gaming Income		4,137,701	4,987,328
Other income		921,766	896,322
		<u>8,814,068</u>	<u>10,544,325</u>
<b>Revenue from Other activities</b>			
Interest received	2(a)	48,781	76,948
Rental income		22,327	20,555
Profit on Sale of Assets	3(b)	49,740	98,873
		<u>120,848</u>	<u>196,376</u>
<b>Total Revenue</b>		<u>8,934,916</u>	<u>10,741,307</u>

### (a) Interest revenue breakup

	2020 \$	2019 \$
Interest revenue from:		
bank	48,781	76,948
<b>Total interest revenue</b>	<u>48,781</u>	<u>76,948</u>

# Barham & District Services Memorial Club Ltd

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## Notes to the Financial Statements

For the Year Ended 31 May 2020

### 3 (a) Auditors' Remuneration

	2020	2019
	\$	\$
Remuneration of the auditor of the parent entity for:		
Auditing or reviewing the financial report	12,000	11,900
Taxation and accounting services	3,850	5,190

### (b) Significant Revenue & Expenses

#### Net gain/(loss) on disposal of non-current assets

##### Property, Plant and Equipment

Proceeds on disposal	59,815	241,638
Written down value	84,409	142,764
<b>Net gain/(loss) on disposal at 31st May</b>	<b>(24,595)</b>	<b>98,874</b>

### 4 Cash and Cash Equivalents

	2020	2019
	\$	\$
Cash on hand	240,147	704,885
Cash at bank	1,737,355	1,624,796
Short-term bank deposits	1,503,642	2,635,169
	<b>3,481,143</b>	<b>4,964,850</b>

The effective interest rate on short term bank deposits was 1.08% (2019: 2.45%) these deposits have an average maturity of 91 days.

#### Reconciliation of Cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:

	2020	2019
	\$	\$
Cash and cash equivalents	3,481,143	4,964,850
	<b>3,481,143</b>	<b>4,964,850</b>

# Barham & District Services Memorial Club Ltd

ABN: 32 000 893 701

Notes to the Financial Statements

For the Year Ended 31 May 2020

## 5 Trade and Other Receivables

		2020	2019
	Note	\$	\$
CURRENT			
Trade Receivables		<u>336,544</u>	<u>31,031</u>
		<u>336,544</u>	<u>31,031</u>

## 6 Inventories

		Consolidated	
	Note	2020	2019
		\$	\$
CURRENT			
At Cost			
Stock on hand		<u>118,950</u>	<u>155,819</u>
		<u>118,950</u>	<u>155,819</u>

# Barham & District Services Memorial Club Ltd

ABN: 32 000 893 701

Notes to the Financial Statements

For the Year Ended 31 May 2020

## 7 Property Plant and Equipment

	2020	2019
	\$	\$
<b>LAND AND BUILDINGS</b>		
<hr/>		
Land & Buildings		
At cost	25,155,579	24,966,361
Less accumulated depreciation	-	-
<b>Total land &amp; buildings</b>	<b>25,155,579</b>	<b>24,966,361</b>
<b>Total land and buildings</b>	<b>25,155,579</b>	<b>24,966,361</b>
<hr/>		
<b>PLANT AND EQUIPMENT</b>		
Capital works in progress		
At cost	918,421	235,752
<b>Total capital works in progress</b>	<b>918,421</b>	<b>235,752</b>
<hr/>		
Plant and equipment		
At cost	7,498,523	7,824,850
Less accumulated depreciation	(4,857,964)	(5,066,235)
<b>Total plant and equipment</b>	<b>2,640,559</b>	<b>2,758,615</b>
<hr/>		
Furniture, fixture and fittings		
At cost	814,940	896,326
Less accumulated depreciation	(410,939)	(457,246)
<b>Total furniture, fixture and fittings</b>	<b>404,001</b>	<b>439,080</b>
<b>Total plant and equipment</b>	<b>3,962,981</b>	<b>3,433,448</b>
<b>Total property, plant and equipment</b>	<b>29,118,560</b>	<b>28,399,809</b>

# Barham & District Services Memorial Club Ltd

ABN: 32 000 893 701

Notes to the Financial Statements

For the Year Ended 31 May 2020

## 7(a) Property Plant and Equipment – Movement in Carrying Amounts

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<b>Consolidated</b>					
	<b>Capital Works in Progress \$</b>	<b>Land &amp; Buildings \$</b>	<b>Plant and Equipment \$</b>	<b>Furniture, Fixtures and Fittings \$</b>	<b>Total \$</b>
Balance at the beginning of year	235,753	24,966,362	2,758,611	439,082	28,399,808
Additions	1,176,446	8,301	630,812	-	1,815,558
Disposals	-	(13,687)	(61,949)	(8,773)	(84,409)
Transfers	(493,777)	194,605	250,772	48,400	-
Depreciation expense	-	-	(937,696)	(74,702)	(1,012,398)
Carrying amount at the end of year	<b>918,422</b>	<b>25,155,581</b>	<b>2,640,551</b>	<b>404,007</b>	<b>29,118,560</b>

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# Barham & District Services Memorial Club Ltd

ABN: 32 000 893 701

## Notes to the Financial Statements

For the Year Ended 31 May 2020

### 8 Intangible Assets

	2020	2019
	\$	\$
<b>Other intangible assets</b>		
Cost	1,168,000	693,498
Valuation increment / (impairment)	119,000	474,502
Net Carrying Value	1,287,000	1,168,000
<b>Total Intangibles</b>	<b>1,287,000</b>	<b>1,168,000</b>

	2020	2019
	\$	\$
<b>Other Intangible Assets</b>		
<b>Goodwill</b>		
Balance at the beginning of the year	12,000	12,000
Balance at the end of the year	12,000	12,000
<b>Water entitlements</b>		
Balance at the beginning of the year	1,156,000	681,498
Valuation increment / (impairment)	119,000	474,502
Balance at the end of the year	1,275,000	1,156,000
<b>Total Intangible Assets</b>	<b>1,287,000</b>	<b>1,168,000</b>

The water entitlement of \$1,287,000 is made up of 170 megalitres of high security water. The company holds additional water entitlements of 635 megalitres of general security and 49 megalitres of high security water, as well as 144 poker machine entitlements.

As detailed in Note 1(g), these additional entitlements cannot be recognised in the accounts.

### 9 Other Assets

	2020	2019
Note	\$	\$
CURRENT		
Prepayments	19,947	35,900
Accrued Income	1,929	7,308
	<b>21,876</b>	<b>43,208</b>



# Barham & District Services Memorial Club Ltd

ABN: 32 000 893 701

## Notes to the Financial Statements

For the Year Ended 31 May 2020

### 10 Trade and Other Payables

	Note	2020 \$	2019 \$
CURRENT			
Unsecured liabilities			
Trade payables		460,244	435,232
Accrued Expenses		27,826	374,876
Tax and other payables		(5,090)	147,894
		<u>482,979</u>	<u>958,002</u>

### 11 Financial Liabilities

The credit card facility is an ongoing arrangement with a facility limit of \$35,000.

#### Bank Facility

	2020 \$	2019 \$
CURRENT		
Credit Card Facility	933	(1,121)
	<u>933</u>	<u>(1,121)</u>

# Barham & District Services Memorial Club Ltd

ABN: 32 000 893 701

Notes to the Financial Statements

For the Year Ended 31 May 2020

## 12 Provisions

### Analysis of Total Provisions

	Note	2020 \$	2019 \$
Current		387,774	390,405
Non-current		112,033	116,165
		<u>499,807</u>	<u>506,570</u>

	Employee Entitlements	Total
Opening balance at 1 June 2019	506,570	506,570
Additional provisions raised / (used) during the year	(6,763)	(6,763)
Balance at 31 May 2020	<u>499,807</u>	<u>499,807</u>

## 13 Other Liabilities

### Current

	2020 \$	2019 \$
Subs and revenue in advance	15,157	130,700
Other payables	55,018	9,157
	<u>70,175</u>	<u>139,856</u>

# Barham & District Services Memorial Club Ltd

ABN: 32 000 893 701

## Notes to the Financial Statements

For the Year Ended 31 May 2020

### 14 Cash Flow Information

#### (a) Reconciliation of Cash Flow from Operations with Profit after Income Tax

	2020	2019
	\$	\$
Net income/loss for the period	51,591	632,887
<b>Cash flows excluded from profit attributable to operating activities</b>		
<b>Non-cash flows in profit:</b>		
Depreciation	1,012,398	971,744
Net (gain)/loss on disposal of property, plant and equipment	24,596	(98,873)
<b>Changes in assets and liabilities:</b>		
(Increase)/decrease in trade and other receivables	(305,513)	38,811
(Increase)/decrease in other assets	20,546	14,765
(Increase)/decrease in inventories	36,869	1,278
Increase/(decrease) in trade and other payables	(492,512)	207,376
Increase/(decrease) in financial liabilities	2,054	(5,738)
Increase/(decrease) in other liabilities	(71,228)	(326)
Increase/(decrease) in provisions	(6,763)	68,180
	<b>272,038</b>	<b>1,830,104</b>

# Barham & District Services Memorial Club Ltd

ABN: 32 000 893 701

## Notes to the Financial Statements

For the Year Ended 31 May 2020

### 15 Financial instruments

#### (a) Effective interest rates

In respect of income-earning financial assets and interest-bearing financial liabilities, the following table indicates their effective interest rates at the balance sheet date and the periods in which they mature or fall due.

	2020		
	Effective interest rate	Total \$	12 months or less \$
Loans & Receivables	- %	336,544	336,544
Cash and cash equivalents	1.08%	3,481,143	3,481,143
Trade payables	- %	(595,386)	(595,386)
Credit card facility	15.75%	(933)	(933)
<b>Total</b>		<b>3,221,368</b>	<b>3,221,368</b>

	2019		
	Effective interest rate	Total \$	12 months or less \$
Loans & Receivables	- %	31,031	31,031
Cash and cash equivalents	2.45%	4,964,850	4,964,850
Trade payables	- %	(1,087,898)	(1,087,898)
Credit card facility	15.75%	1,121	1,121
<b>Total</b>		<b>3,909,104</b>	<b>3,909,104</b>

# Barham & District Services Memorial Club Ltd

ABN: 32 000 893 701

## Notes to the Financial Statements

For the Year Ended 31 May 2020

### (b) Financial Risk Management

The Group's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable, loans to and from subsidiaries, and leases.

The main purpose for financial instruments is to raise finance for group operations.

The Group does not have any derivative financial instruments at 31 May 2020.

### (i) Treasury Risk Management

A finance committee consisting of senior executives of the Group meet on a regular basis to analyse interest rate exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

#### Interest rate risk

Interest rate risk is managed with a mixture of fixed and floating rate debt. At 31 May 2020, approximately 0% of group debt is fixed. It is the policy of the group to keep debt at a minimum, and to finance expansion from operating cashflows.

#### Foreign currency risk

The group is not exposed to fluctuations in foreign currencies.

#### Liquidity risk

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

#### Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

The consolidated group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the consolidated group.

# Barham & District Services Memorial Club Ltd

ABN: 32 000 893 701

## Notes to the Financial Statements

For the Year Ended 31 May 2020

### (c) Net Fair Value

The net fair values of:

- Term receivables, government and fixed interest securities and bonds are determined by discounting the cash flows, at the market interest rates of similar securities, to their present value.
- Listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred.
- Other loans and amounts due are determined by discounting the cash flows, at market interest rates of similar borrowings to their present value.
- Other assets and other liabilities approximate their carrying value.

No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments.

Financial assets where the carrying amount exceeds net fair values have not been written down as the consolidated group intends to hold these assets to maturity.

Aggregate net fair values and carrying amounts of financial assets and financial liabilities at balance date:

	2020		2019	
	Carrying Amount	Net Fair Value	Carrying Amount	Net Fair Value
	\$	\$	\$	\$
<b>Financial Assets</b>				
Loans and receivables	336,544	336,544	31,031	31,031
	<b>336,544</b>	<b>336,544</b>	<b>31,031</b>	<b>31,031</b>
<b>Financial Liabilities</b>				
Credit Card Facility	(933)	(933)	1,121	1,121
	<b>(933)</b>	<b>(933)</b>	<b>1,121</b>	<b>1,121</b>

Fair values are materially in line with carrying values.

# Barham & District Services Memorial Club Ltd

ABN: 32 000 893 701

## Notes to the Financial Statements

For the Year Ended 31 May 2020

### 16 Contingent Assets & Liabilities

#### a) Accounts payable guaranteed by bank

To secure amounts owing to certain suppliers, the reporting company limited by guarantee has provided bank guarantees of \$ 5,000 in favour of these suppliers. As at 31 May 2020, amounts owing to these suppliers were approximately \$0.

#### b) Other Contingent Liabilities

Two workers compensation claims have been lodged and at the time of report the financial impact of these claims is not known and cannot be quantified. The Club expects these disputes to escalate and if found against the Club it is expected to have an unknown financial impact.

### 17 Capital Commitments

A contract has been signed for redevelopment at cluBarham, 6-8 Niemur St. The redevelopment encompasses building works including relocation of gym & kitchen and the construction of covered bowls greens. Total project cost is \$3.872m and total amount spent at time of report is \$1.053m. The project is currently on hold.

### 18 Key Management Personnel Compensation

#### (a) Key Management Personnel

Names and positions held of key management personnel in office at any time during the financial year are:

#### Key Management

Person	Position
Douglas Carter	Director
Glenn Faul	Director
Annabel Barr	Director (resigned March 2020)
Colin D'Elton	Director (appointed October 2019)
Ian Ellis	Director
Stephen Fullerton	Director
Graeme Hare	Director (resigned March 2020)
Gerard Keane	Director (appointed October 2019)
Ruth Morpeth	Director (resigned October 2019)
Steven Tanner	Director

#### Other Key Management Personnel

Michael Alexander	CEO
Lisa Morris	Operations Manager

# Barham & District Services Memorial Club Ltd

ABN: 32 000 893 701

## Notes to the Financial Statements

For the Year Ended 31 May 2020

Key management personnel remuneration has been included in the Remuneration Report section of the Directors Report.

### **(b) Compensation**

Total compensation paid to key management personnel for the year ended 31<sup>st</sup> May 2020 is \$389,745 (2019 - \$366,329).



# Barham & District Services Memorial Club Ltd

ABN: 32 000 893 701

## Notes to the Financial Statements

For the Year Ended 31 May 2020

### 19 Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transactions with related parties:

	2020	2019
	\$	\$
<b>(a) Purchase of goods &amp; services</b>		
Barham IGA	21,039	9,852
Boyd Plumbing & Supplies Pty Ltd	N/A	30,700
Doug Carter Painting	19,375	35,730
Riveredge Embroidery	N/A	5,607

### 20 Members' Guarantee

The company is limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$2 each towards any outstanding obligations of the company. At 31 May 2020 the number of members was 7,545 (2018: 6,593).

### 21 Controlled Entities

#### (a) Detailed table

Name	Country of incorporation	Percentage Owned 2020	Percentage Owned 2019
<b>Parent Entity:</b>			
Barham & District Services Memorial Club Ltd	Australia	100%	100%
<b>Subsidiaries of parent entity:</b>			
Rivre Du Cinq Pty Ltd	Australia		100%

Rivre Du Cinq Pty Ltd has been deregistered and all assets & liabilities transferred to the Barham & District Services Memorial Club Ltd.

### 22 Company Details

#### (a) Registered office

The registered office of the company is:  
Barham & District Services Memorial Club Ltd  
6-8 Niemur St  
BARHAM NSW 2732

# **Barham & District Services Memorial Club Ltd**

ABN: 32 000 893 701

## **Auditors Independence Declaration under Section 307C of the Corporations Act 2001**

I declare that, to the best of my knowledge and belief, during the year ended 31 May 2020 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Brian McCleary & Co  
Chartered Accountants



Brian McCleary (RCA665)

11<sup>th</sup> August 2020

Deniliquin