

**JUNEE EX-SERVICES MEMORIAL
CLUB LIMITED
ACN 001 032 266**

**FINANCIAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2018**

JUNEE EX-SERVICES MEMORIAL CLUB LIMITED
ACN 001 032 266
DIRECTORS' REPORT

The Directors present their report together with the accounts of Junee Ex-Services Memorial Club Limited for the year ended 31 December 2018 and the auditors' report thereon.

DIRECTORS

The Directors of the club in office during the year are:-

William Hulm - President
 Retired
 Age 71
 Director – 9 Years

Margaret Waugh
 Retired
 Age 79
 Director - 30 Years

Graham Russell Besley - Junior Vice President
 Photographer
 Age 61
 Director – 7 Years

Ronald John Waugh
 Retired
 Age 80
 Director - 14 Years

Helen Fairweather
 Retired
 Age 70
 Director – 6 Years

Jodie Russell (Resigned 28/03/2018)
 Shop Assistant
 Age 50
 Director 3 Years

Alma Bruce (Resigned 28/03/2018)
 Retired
 Age 88
 Director – 4 Years

Glenda Burden
 Retired
 Age 69
 Director – 2 Years

Shane Logan – Senior Vice President
 Builder
 Age 64
 Director – 3 Years

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

At the date of this report the number of members of the company were:-

2,197 Ordinary members 52 Ex-Service members 8 Life Members

DIRECTORS' MEETINGS

The number of Directors meetings and number of meetings attended by each of the Directors of the company during the financial year are:

Director	Number attended	Number eligible to attend	Director	Number attended	Number eligible to attend
William Hulm	11	12	Ronald John Waugh	12	12
Margaret Waugh	12	12	Shane Michael Logan	12	12
Helen Fairweather	11	12	Jodie Russell	1	3
Graham Russell Besley	11	12	Glenda Burden	11	12
Alma Bruce	3	3			

JUNEE EX-SERVICES MEMORIAL CLUB LIMITED
ACN 001 032 266
DIRECTORS' REPORT

PRINCIPAL ACTIVITIES

The principal activities of the company in the course of the financial year remained unchanged and were to conduct a licensed club.

RESULT

The net profit of the company for the year ended 31 December 2018 was \$266,612 (2017 net profit of \$139,213).

STATE OF AFFAIRS

In the opinion of the Directors there were no significant changes in the state of affairs of the company that occurred during the financial year under review not otherwise disclosed in this report or the accounts.

EVENTS SUBSEQUENT TO BALANCE DATE

There has not arisen in the interval between the end of the financial year and the date of this report, any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the company, to affect significantly the operations of the company, the results of those operations, or the state of affairs of the company in subsequent financial years.

SHORT AND LONG TERM OBJECTIVES

The short term objectives of the Company is to continue to maintain the premier community facility in the area for the benefit of its members. The long term objectives of the Company are to continue to support associated charities, schools and sporting clubs and to improve the facilities offered to its members.

KEY PERFORMANCE INDICATORS

The Club monitors key performance indicators against industry standards and internal expectations. The indicators are both financial and non-financial with the results presented for Director's discussion.

LIKELY DEVELOPMENTS

The company will continue to pursue its policy of providing facilities for the recreation of its members and providing the company is successful in containing costs the Directors are confident that profits will be maintained.

DIRECTORS INTERESTS AND BENEFITS

Since the end of the previous financial year no Director has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by Directors shown in the accounts) because of a contract made by the company or a related corporation with a Director or with a firm of which a Director is a member, or with a company in which the Director has a substantial interest.

JUNEE EX-SERVICES MEMORIAL CLUB LIMITED
ACN 001 032 266
DIRECTORS' REPORT

INDEMNIFYING OFFICER OR AUDITOR

Indemnities

The Articles of Association of the Company provide an indemnity to the directors and other officers and the auditor of the club against any liabilities incurred by that person in defending any legal proceedings relating to that person's position with the club in specified circumstances.

Insurance Premiums

During or since the financial year the Company has paid premiums in respect of a directors and officers liability insurance contract insuring against certain liabilities (subject to exclusions) all directors named in this report, the company secretary and all persons concerned in, or taking part in the management of the company.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

Signed in accordance with a resolution of the Directors:

Mr W Hulm
President

Dated the 31st of January 2019

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF
THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF
JUNEE EX-SERVICES MEMORIAL CLUB LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2018 there have been:

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

JOHN L BUSH & CAMPBELL
Chartered Accountants

Peter King
Partner

Wagga Wagga
31 January 2019

JUNEE EX-SERVICES MEMORIAL CLUB LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 \$	2017 \$
Sales revenue	2	529,117	463,543
Cost of sales		(263,829)	(240,081)
Gross profit		265,288	223,462
Other revenues from ordinary activities	2	1,478,916	1,352,588
Administration expenses		(88,485)	(92,551)
Depreciation expense		(264,240)	(222,253)
Employee expenses		(619,321)	(628,928)
Finance costs		(39,405)	(43,877)
Members expenses		(217,004)	(211,454)
Repairs and maintenance		(101,090)	(102,769)
Other expenses		(148,048)	(135,005)
Profit/(loss) from ordinary activities before income tax		266,612	139,213
Income tax expense	4	-	-
Net/(loss) profit from ordinary activities		266,612	139,213
Other comprehensive income		-	-
Total comprehensive income		266,612	139,213

The Statement of Comprehensive Income is to be read in conjunction with the notes to and forming part of the financial statements.

JUNEE EX-SERVICES MEMORIAL CLUB LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	Note	2018 \$	2017 \$
CURRENT ASSETS			
Cash and cash equivalents	5	658,147	560,950
Trade and other receivables	6	25,351	21,696
Inventories	1	19,388	40,812
TOTAL CURRENT ASSETS		<u>702,886</u>	<u>623,458</u>
NON-CURRENT ASSETS			
Property, plant and equipment	7	3,960,085	3,855,765
TOTAL NON-CURRENT ASSETS		<u>3,960,085</u>	<u>3,855,765</u>
TOTAL ASSETS		<u>4,662,971</u>	<u>4,479,223</u>
CURRENT LIABILITIES			
Trade and other payables	8	137,169	134,253
Financial liabilities	9	542,019	584,556
Provisions	10	51,296	62,521
TOTAL CURRENT LIABILITIES		<u>730,484</u>	<u>781,329</u>
NON-CURRENT LIABILITIES			
Financial liabilities	9	17,314	53,124
Provisions	10	8,275	4,484
TOTAL NON-CURRENT LIABILITIES		<u>25,589</u>	<u>57,608</u>
TOTAL LIABILITIES		<u>756,073</u>	<u>838,937</u>
NET ASSETS		<u>3,906,898</u>	<u>3,640,286</u>
EQUITY			
Retained earnings		3,906,898	3,640,286
TOTAL EQUITY		<u>3,906,898</u>	<u>3,640,286</u>

The Statement of Financial Position is to be read in conjunction with the notes
to and forming part of the financial statements.

JUNEE EX-SERVICES MEMORIAL CLUB LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	\$	\$
Retained profits at 1 January	3,640,286	3,501,073
Net Profit/(loss) from ordinary activities	266,612	139,213
Retained profits at 31 December	<u>3,906,898</u>	<u>3,640,286</u>

The Statement of Changes in Equity is to be read in conjunction with the notes
to and forming part of the financial statements.

JUNEE EX-SERVICES MEMORIAL CLUB LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018	2017
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts in the course of operations		2,004,379	1,815,716
Cash payments in the course of operations		(1,424,960)	(1,407,967)
Interest paid		(35,316)	(40,313)
Net cash provided by operating activities	11(ii)	544,103	367,437
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(368,560)	(289,637)
Receipts from disposals of property, plant and equipment		-	-
Net cash used in investing activities		(368,560)	(289,637)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(226,799)	(174,771)
Funding from borrowings		148,452	167,935
Net cash provided by / (used in) financing activities		(78,347)	(6,836)
Net increase/(decrease) in cash held		97,197	70,963
Cash at the beginning of the financial year		560,950	489,987
Cash at the end of the financial year	11(i)	658,147	560,950

The Statement of Cash Flows is to be read in conjunction with the notes
to and forming part of the financial statements.

JUNEE EX-SERVICES MEMORIAL CLUB LIMITED
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2018

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with the Corporations Act 2001 and Australian Accounting Standards – Reduced Disclosure Regime, and comply with other requirements of the law.

The financial report is for Junee Ex-Services Memorial Club Limited as an individual entity, incorporated and domiciled in Australia. Junee Ex-Services Memorial Club Limited is a company limited by guarantee.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs. It does not take into account changing money values or, except where stated, current valuations of non current assets. Cost is based on the fair values of the consideration given in exchange for assets.

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

Accounting Policies

(a) Revenue

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

Interest revenue and distribution of income from investments is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

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

Poker machine revenue is stated net of any gaming machine tax.

Revenue for membership subscriptions is recognised on a cash basis.

(b) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost less, where applicable, accumulated depreciation and impairment losses.

The depreciable amount of all fixed assets including building, but excluding freehold land, is depreciated on a straight-line basis over their useful lives to the economic entity commencing from the time the asset is held ready for use.

Class of fixed assets

Freehold Buildings and improvements	2.5-10%
Plant, furniture and equipment	15-40%
Poker Machines	20%

(c) Inventories

Inventories are measured at the lower of cost and current replacement cost. Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition. At year end goods for resale of \$19,389 were held.

JUNEE EX-SERVICES MEMORIAL CLUB LIMITED
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2018

(d) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts are shown as a financial liability in the Statement of Financial Position.

(e) Employee Benefits

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages, salaries and annual leave which may be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on costs. Other employee benefits payable later than one year have been measured at the net present value.

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

(f) Financial instruments 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.

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.

Held-to-maturity investments

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

Financial liabilities

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

Impairment

At each reporting date, the entity assesses 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 Statement of Comprehensive Income.

(g) 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 expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

(h) Amendments to Australian Accounting Standards

The directors have considered the application of AASB108 "Accounting Policies, Changes in Accounting Estimates and Errors" and are of the opinion that the standard does not result in a material impact on the entity's financial report.

(i) Income Tax

The mutuality principle has been applied to the calculation of the company's income tax. The club has estimated that the assessable proportion of mutual income represented by results of trading attributable to non members of the club is to be 16%.

JUNEE EX-SERVICES MEMORIAL CLUB LIMITED
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	\$	\$
NOTE 2 - REVENUE		
Sale of goods	529,117	463,543
Poker machine revenue	1,325,320	1,195,606
Other operating revenue	136,416	139,802
Poker machine rebate	17,180	17,180
	2,008,034	1,816,131
NOTE 3 - OPERATING PROFIT		
Operating profit has been determined after:		
(i) Charging as expenses:		
Depreciation of property, plant and equipment	264,240	222,253
Auditors remuneration	16,500	16,250
(ii) Crediting as income:		
Poker machine rebate	17,180	17,180
NOTE 4 - INCOME TAX EXPENSE		
(a) The major components of income tax expense		
Statement of Comprehensive Income		
<i>Current income tax</i>		
Current income tax charge	-	-
Income tax expense reported in the Statement of Comprehensive Income	-	-
(b) Reconciliation of tax expense		
<i>Sales Revenue</i>		
Mutual Income	1,892,885	1,698,869
Fully Taxable	105,181	101,153
Non Taxable (exempt income)	9,968	16,109
	2,008,034	1,816,131
<i>Taxable Income</i>		
Non member's income (16%)	303,790	272,651
Fully taxable income	105,181	101,153
	408,971	373,804
<i>Allowable Expenses</i>		
Non members expenses (16%)	263,301	252,017
Fully deductible expenses	72,412	67,714
Prior years tax losses utilised	73,258	54,073
	408,971	373,804
Taxable income/(loss)	-	-

(c) Tax losses

The club has accumulated tax losses for 2018 for which no deferred tax asset has been recognised of \$338,639 (2017: \$411,897). The deferred tax asset associated with the loss will only be realised in the future in the event of sufficient taxable profits being available to utilise the tax losses, subject to loss recoupment rules.

JUNEE EX-SERVICES MEMORIAL CLUB LIMITED
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	\$	\$
NOTE 5 - CASH AND CASH EQUIVALENTS		
Cash at bank	523,183	438,839
Cash on hand	134,964	122,111
	658,147	560,950
 NOTE 6 - TRADE AND OTHER RECEIVABLES		
Current		
Prepaid insurance	20,468	17,568
Sundry debtors	4,883	4,128
	25,351	21,696
 NOTE 7 - PROPERTY, PLANT AND EQUIPMENT		
Freehold Land (at cost) - core property	16,646	16,646
Buildings & improvements (at cost) - core property	6,386,925	6,237,643
Less - Accumulated depreciation	(2,974,874)	(2,825,952)
	3,412,051	3,411,691
Plant and equipment (at cost)	2,253,620	2,034,342
Less - Accumulated depreciation	(1,722,233)	(1,606,915)
	531,387	427,427
	3,960,085	3,855,765

JUNEE EX-SERVICES MEMORIAL CLUB LIMITED
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	\$	\$
NOTE 7 - PROPERTY, PLANT AND EQUIPMENT		
(Continued)		
Buildings & Improvements - core property		
Balance at the beginning of the year	3,411,691	3,510,361
Additions	149,282	45,409
Depreciation	(148,922)	(144,079)
Carrying amount at the end of the year	3,412,051	3,411,691
 Plant and Equipment		
Balance at the beginning of the year	427,427	261,374
Additions	219,278	244,227
Depreciation	(115,318)	(78,174)
Carrying amount at the end of the year	531,387	427,427
 NOTE 8 - TRADE AND OTHER PAYABLES		
Current		
Trade creditors	137,169	134,253
 NOTE 9 - FINANCIAL LIABILITIES		
Current		
Business Loan - ANZ	426,688	490,005
Poker Machine Finance	108,556	76,836
Premium funding loan	-	11,508
Hire purchase	7,259	7,260
Unexpired interest	(484)	(1,053)
	542,019	584,556
 Non-Current		
Poker Machine Finance	15,525	44,559
Hire purchase	1,815	9,075
Unexpired interest	(26)	(510)
	17,314	53,124

9 (a) Security

The ANZ Business Loan is secured by:

- (i) A registered first mortgage over commercial property situated at 175-177 Broadway Street, JUNEE.
- (ii) A specific security agreement over the Clubs liquor licence
- (iii) A general security agreement over all present and after acquired property

9 (b) Repayment Terms

The ANZ Business loan term is 10 years, expiring August 2024. The continuing availability of the facility is subject to annual review and therefore has been classified as a current liability.

JUNEE EX-SERVICES MEMORIAL CLUB LIMITED
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	\$	\$
NOTE 10 - PROVISIONS		
Current		
Provision for employee entitlements	51,296	62,521
Non-current		
Provision for employee entitlements	8,275	4,484
	<u>59,571</u>	<u>67,005</u>
	<u>59,571</u>	<u>67,005</u>

NOTE 11 - NOTES TO THE STATEMENT OF CASH FLOWS

(i) Reconciliation of cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at bank and short term deposits at call, net of outstanding bank overdrafts. Cash as at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows.

	2018	2017
	\$	\$
Cash at Bank	523,183	438,839
Cash on Hand	134,964	122,111
	<u>658,147</u>	<u>560,950</u>
	<u>658,147</u>	<u>560,950</u>

(ii) Reconciliation of operating profit to net cash provided by operating activities

Profit/(loss) for the year	266,612	139,213
Add/(Less) non-cash items		
Depreciation	264,240	222,253
Profit on disposal of assets	-	-
Net cash provided by operating activities before change in assets and liabilities during the financial year	<u>530,852</u>	<u>361,466</u>
(Increase)/decrease in inventories	21,424	(8,659)
(Increase)/decrease in receivables	(3,655)	(415)
Increase/ (decrease) in payables	2,916	3,440
Increase/ (decrease) in provisions	(7,434)	11,604
Net cash provided by operating activities	<u>544,103</u>	<u>367,437</u>
	<u>544,103</u>	<u>367,437</u>

**JUNEE EX-SERVICES MEMORIAL CLUB LIMITED
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

NOTE 12 - RELATED PARTIES

Related party transactions were made between Terrie Leanne Waugh who is an employee of the Club and the daughter of Ronald and Margaret Waugh, who are Directors.

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

NOTE 13 – ENTITY DETAILS

The registered office of the entity is:
Junee Ex-Services Memorial Club Limited
175-177 Broadway Street
JUNEE NSW 2663

NOTE 14 – MEMBERS GUARANTEE

The entity is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$1.00 each towards meeting any outstandings and obligations of the entity. At 31 December 2018 the number of members was 2,257.

NOTE 15 – CAPITAL COMMITMENTS

There are no capital commitments outstanding at the end of the year.

JUNEE EX-SERVICES MEMORIAL CLUB LIMITED

DIRECTORS DECLARATION

The directors of the entity declare that:

1. The financial statements and notes, as set out in this financial report, 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 December 2018 and of the performance for the year ended on that date of the entity.
2. In the directors' opinion there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:

Mr W Hulm
President

Dated the 31st of January 2019

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF:**

JUNEE EX-SERVICES MEMORIAL CLUB LIMITED

Opinion

We have audited the accompanying financial report of Junee Ex-Services Memorial Club Limited, which comprises the statement of financial position as at 31 December 2018, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes and the directors' declaration.

In our opinion, the financial report of Junee Ex-Services Memorial 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 31 December 2018 and of their performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Regime and the *Corporations Regulations 2001*.

Basis for Opinion

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

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

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

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 31 December 2018, but does not include the financial report and our auditor's report thereon.

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

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

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

Directors' Responsibility for the Financial Report

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

In preparing the financial report, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility

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

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

JOHN L BUSH & CAMPBELL
Chartered Accountants

Peter King
Partner

Wagga Wagga
31 January 2019

JUNEE EX-SERVICES MEMORIAL CLUB LIMITED

DISCLAIMER:

The additional financial data presented with this report being the profit and loss account and bar trading account is in accordance with the books and records of Junee Ex-Services Memorial Club Limited which have been subjected to the audit procedures applied in our statutory audit of the entity for the year ended 31 December 2018. It will be appreciated that our statutory audit did not cover all details of additional financial data. Accordingly, we do not express an opinion on such financial data and no warranty of accuracy or reliability is given.

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

JOHN L BUSH & CAMPBELL
Chartered Accountants

Peter King
Partner

Wagga Wagga
31 January 2019

JUNEE EX-SERVICES MEMORIAL CLUB LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
INCOME	\$	\$
Gross profit from bar trading	265,288	223,462
Poker machines	1,325,320	1,195,606
Subscriptions	7,910	13,390
Keno commission	36,034	31,022
Other commission	30,148	36,133
Poker machine rebate	17,180	17,180
Rent Received	21,818	21,818
Room hire fees	37,110	32,220
Sundry income	3,396	5,219
	<hr/>	<hr/>
	1,744,205	1,576,051
EXPENDITURE		
Advertising and donations	10,751	12,851
Auditors remuneration	16,500	16,250
Bank charges	4,089	3,564
Cleaning	6,931	7,442
Depreciation	264,240	222,253
Donations and sponsorship	58,936	48,124
Licences & Subscriptions	18,841	17,963
Light, heat and power	110,665	91,233
Freight	113	79
General expenses	-	351
Insurance	50,378	52,243
Interest	35,316	40,313
Members amenities and entertainment	99,408	112,779
Poker machine costs	53,658	52,238
Printing, postage and stationery	4,777	6,134
Rates	17,299	15,741
Repairs, maintenance and minor equipment	101,090	102,769
Salaries and allowances	564,209	571,376
Superannuation	55,112	51,706
Telephone	5,280	5,581
Training Expense	-	5,845
	<hr/>	<hr/>
	1,477,593	1,436,837
Net Profit/(loss) from ordinary activities	<hr/> <hr/>	<hr/> <hr/>
	266,612	139,213

JUNEE EX-SERVICES MEMORIAL CLUB LIMITED
BAR TRADING ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	\$	\$
Sales	529,117	463,543
Less: Cost of goods sold		
Opening stock	40,812	32,153
Purchases	242,406	248,740
	283,218	280,893
Less Closing stock	(19,389)	(40,812)
	263,829	240,081
Gross profit	265,288	223,462
Percentage of gross profit to sales	50.14%	48.21%