

WILCANNIA GOLF CLUB LIMITED
(a company limited by guarantee)
ABN 66 001 034 377

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2020

WILCANNIA GOLF CLUB LIMITED
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WILCANNIA GOLF CLUB LIMITED
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DIRECTORS' REPORT

Your directors present their report on the Wilcannia Golf Club Limited for the financial year ended 30 June 2020.

DIRECTORS

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

Brendan Adams (appointed 21 April 2020)	Stuart McArthur (resigned 24 November 2019)
Patrick Cunningham	William Murray (resigned 24 November 2019)
Christine Elliott	Peter Murphy (appointed 24 November 2019)
Dawn Evans (resigned 24 November 2019)	Anthony Schembri
Jeff Gracie (resigned 24 November 2019)	Owen Wyman (appointed 24 November 2019)
Leetisha Jones (appointed 24 November 2019)	

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

PRINCIPAL ACTIVITIES

The principal activity of Wilcannia Golf Club Limited is the provision of sporting and other facilities associated with a registered and licensed club. There was no significant change in the nature of that activity during the year.

The Club's short-term and long-term objectives are both to maintain the provision of sporting and other facilities associated with a registered and licensed club. These objectives are achieved through attracting and retaining quality staff and Board members that are committed to engage in continuous improvement with the Club, act in the best interests of the Club and assist with the success of the Club.

Likely developments in the operations of the club and the expected results of these operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the club.

INFORMATION ON DIRECTORS

Director	Experience	Special Responsibilities
Owen Whyman	Committee Member	President
Brendan Adams	Committee Member	Director
Patrick Cunningham	Committee Member	Director
Christine Elliot	Committee Member	Director
Leetisha Jones	Committee Member	Director
Peter Murphy	Committee Member	Director
Anthony Schembri	Committee Member	Director

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DIRECTORS' REPORT
(Continued)

MEETINGS OF DIRECTORS

During the year fifteen (15) meetings of directors were held. Attendances were:

	Number Eligible to Attend	Number Attended
B Adams	4	3
P Cunningham	15	12
C Elliott	15	13
D Evans	5	1
L Jones	10	9
J Gracie	5	-
S McArthur	5	3
P Murphy	10	9
W Murray	5	4
A Schembri	15	12
O Whyman	10	10

EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

The Covid-19 pandemic outbreak that was declared by the World Health Organisation as a global pandemic on 11 March 2020 continues to cause uncertainty after year end. The spread of the virus has resulted in Australia enacting border closures, travel restrictions, quarantine and social distancing measures. These responses have assisted in reducing the exponential spread of the virus, but until a vaccine is available it is likely that these types of control measures will remain in place for the foreseeable future. Since the end of the reporting period, the Club has been open in a Covid-19 environment with restrictions on the number of patrons and movement with the building. These rules and restrictions are altered regularly by the NSW Government in an attempt to keep the virus contained. It is unknown when or if the restrictions will be fully eased but until they are the results of the Club will continue to be adversely impacted.

Apart from the abovementioned no matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Club, the results of those operations, or the state of affairs of the Club in future financial years.

MEMBERS GUARANTEE

The Club is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the Club is wound up, the constitution states that each member is required to contribute a maximum of \$2.00 each towards meeting any outstanding obligations of the Club.

AUDITOR'S INDEPENDENCE DECLARATION

The auditors' independence declaration for the year ended 30 June 2020 has been received and can be found on page 3 of the financial statements.

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

Director

Director

Dated at Wilcannia on this 15th day of September 2020


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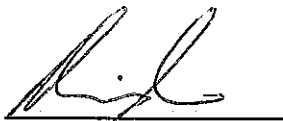
DIRECTORS' DECLARATION

The directors of the Wilcannia Golf Club Limited declare that:

1. The financial statement and notes as set out on pages 5 to 32 are in accordance with the Corporations Act 2001;
 - (a) Comply with Accounting Standards and the Corporations Regulations 2001; and
 - (b) Give a true and fair view of the financial position as at 30 June 2020 and the performance for the year ended on that date of the Club.
2. In the directors' opinion there are reasonable grounds to believe that the Club 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


Director

Dated at Wilcannia on this 15th day of September 2020.

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF WILCANNIA GOLF CLUB LIMITED**

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

LUKA GROUP

2 River Street
Dubbo
Dated: 15 September 2020

**JM SHANKS
PARTNER**



WILCANNIA GOLF CLUB LIMITED
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**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2020**

	Notes	2020 \$	2019 \$
Revenue	2	1,778,964	1,951,638
Changes in inventories of finished goods	4	4,078	(5,697)
Raw materials and consumables used	4	(673,566)	(586,038)
Employee benefits expense	4	(493,258)	(553,626)
Depreciation and amortisation expense	4	(109,437)	(106,266)
Other expenses	4	(549,089)	(588,862)
(Loss) / profit for the year	13	(42,308)	111,149
Other comprehensive income for the year		-	-
Total comprehensive income for the year		<u>\$(42,308)</u>	<u>\$111,149</u>

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STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	Notes	2020 \$	2019 \$
CURRENT ASSETS			
Cash and cash equivalents	5	1,068,915	1,269,435
Trade and other receivables	6	59,705	6,750
Inventories	7	71,290	68,691
Other assets	8	9,534	11,951
TOTAL CURRENT ASSETS		1,209,444	1,356,827
NON-CURRENT ASSETS			
Property, plant and equipment	9	1,088,416	1,091,741
Intangible assets	10	240,000	240,000
TOTAL NON-CURRENT ASSETS		1,328,416	1,331,741
TOTAL ASSETS		2,537,860	2,688,568
CURRENT LIABILITIES			
Trade and other payables	11	55,020	122,806
Provisions	12	7,808	24,614
TOTAL CURRENT LIABILITIES		62,828	147,420
NON-CURRENT LIABILITIES			
Provisions	12	46,868	70,676
TOTAL NON-CURRENT LIABILITIES		46,868	70,676
TOTAL LIABILITIES		109,696	218,096
NET ASSETS		\$2,428,164	\$2,470,472
EQUITY			
Accumulated funds	13	2,428,164	2,470,472
TOTAL EQUITY		\$2,428,164	\$2,470,472

The accompanying notes form part of these financial statements

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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020

	Accumulated Funds \$	Total \$
Balance at 1 July 2018	2,359,323	2,359,323
Profit for the year	111,149	111,149
Total other comprehensive income for the year	-	-
Balance at 30 June 2019	2,470,472	2,470,472
Loss for the year	(42,308)	(42,308)
Total other comprehensive income for the year	-	-
Balance at 30 June 2020	\$2,428,164	\$2,428,164

The accompanying notes form part of these financial statements.

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020

	2020 \$	2019 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	1,885,281	2,107,536
Interest received	2,790	5,989
Payments to suppliers and employees	(1,982,479)	(1,888,245)
	<hr/>	<hr/>
Net cash flows provided by / (used in) operating activities (Note 14.3)	(94,408)	225,280
	<hr/>	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	-	21,913
Purchase of property, plant and equipment	(106,112)	(155,725)
	<hr/>	<hr/>
Net cash flows used in investing activities	(106,112)	(133,812)
	<hr/>	<hr/>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(200,520)	91,468
Cash and cash equivalents at beginning of year	1,269,435	1,177,967
	<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 5)	\$1,068,915	\$1,269,435
	<hr/>	<hr/>

The accompanying notes form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements cover Wilcannia Golf Club Limited as an individual entity, incorporated and domiciled in Australia. Wilcannia Golf Club Limited is a company limited by guarantee.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001.

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

The financial statements 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 financial statements were authorised for issue on 15 September 2020 by the directors of the Club.

Accounting Policies

1.1. Income Tax

Under current income tax law, clubs established for the promotion and encouragement of the games of golf are exempt from income tax, providing this is their predominant purpose. Accordingly, no provision for income tax is made in the financial statements.

1.2. Revenue

Revenue Recognition

The Company has applied AASB 15: *Revenue from Contracts with Customers* (AASB 15) and AASB 1058: *Income of Not-for-Profit Entities* (AASB 1058) using the cumulative effective method of initially applying AASB 15 and AASB 1058 as an adjustment to the opening balance of equity at 1 July 2019. Therefore the comparative information has not been restated and continues to be presented under AASB 118: *Revenue* and AASB 1004: *Contributions*. The details of accounting policies under AASB 118 and AASB 104 are disclosed separately since they are different from those under AASB 15 and AASB 1058, and the impact of changes is disclosed in Note 1.

In the current year

Sales of goods

Revenue from sales of goods comprises revenue earned from the sale of goods purchased for resale and gifts donated for resale. Sales revenue is recognised when the control of goods passes to the customer which is at the time that the goods are physically transferred.

None of the items sold have any warranty attached to them.

Fees and charges

The member or guest receives and consumes the benefits of the services as the company provides them. Revenue is recognised on a straight-line basis over the term of the contract.

Donations

Donations collected, including cash and goods for resale, are recognised as revenue when the company gains control of the asset.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020
(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.2. Revenue (Continued)

Grant income and Government rebates

Grant income arising from an agreement which contains enforceable and sufficiently specific performance obligations is recognised when control of each performance obligation is satisfied. Within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.

Where control is transferred over time, generally the revenue is recognised based on either cost or time incurred which best reflects the transfer of control.

1.3. Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a first-in first-out basis. Net realisable value is the estimated selling price in the ordinary course of business and the estimated costs necessary to make the sale.

1.4. Comparative Amounts

When the presentation or classification of items in the financial statements is amended, comparative amounts shall be reclassified unless the reclassification is impractical.

1.5. Cash and Cash Equivalents

For the purpose of the statement of cash flows, cash includes cash on hand, at call deposits and term deposits with banks or financial institutions, net of bank overdrafts.

1.6 Trade and Other Receivables

Trade and other receivables include amounts receivable from customers. 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.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

1.7. Property, Plant and Equipment

Property

Freehold land and buildings are measured at fair value, less where applicable, accumulated depreciation.

Plant and equipment

Plant and equipment, motor vehicles, improvements and poker machines are stated at cost, less accumulated depreciation and any impairment in value.

Depreciation

The depreciable amount of all fixed assets including buildings, but excluding freehold land, are depreciated over their useful lives commencing from the time the assets are held ready for use.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020
(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.7. Property, Plant and Equipment (Continued)

The depreciation rates for each class of assets are:

Class	Rate
Motor vehicles	15-30%
Plant and equipment	13-30%
Improvements	2.5-20%
Poker machines	20-40%

Impairment

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

The recoverable amount of plant and equipment is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses are recognised as a line item in the statement of comprehensive income.

1.8. Leases

The Club as Lessee

At the inception of a contract, the Club assesses if the contract contains or is a lease. If there is a lease present, a right of use asset and a corresponding lease liability is recognised by the Club where the Club is the lessee. However all contracts that are classified as short-term leases (leases with a remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate, implicit in the lease. If this rate cannot be readily determined, the Club uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- Fixed lease payments less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The expected amount to be payable by the lessee under residual value guarantees;

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020
(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.8. Leases (Continued)

- The exercise of purchase options, if the lessee is reasonably certain to exercise the options;
- Lease payments made under extension options, if the lessee is reasonably certain to exercise the options; and
- Payment of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right of use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right of use assets is at cost less accumulated depreciation and impairment losses.

Right of use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right of use asset reflects that the Club anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

The Club as lessor

The Club does not have any leases where it is the lessor.

1.9. Employee Benefits

Short-term benefits

Liability for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be paid within 12 months of reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wages and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on the national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash out flows.

1.10. Other Taxes

Revenues, expenses and assets are recognised net of the amount of Goods and Services Tax (GST) except:

- where the GST incurred on a purchase of goods and services is not recoverable from the Australian Taxation Office (ATO), in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020
(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.10. Other Taxes (Continued)

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the ATO are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the ATO.

1.11. Trade and Other Payables

Trade payables and other accounts payable are recognised when the Club becomes obliged to make future payments resulting from the purchase of goods and services.

1.12. Intangible Assets

Intangible assets represent the poker machine licences of the Club. For initial recognition poker machine licences were brought to account at fair value. Any subsequent acquisition of poker machine licences has been brought to account at cost.

The useful lives of these intangible assets are assessed to be indefinite.

Intangible assets are tested for impairment on an annual basis or when an indicator for impairment exists.

1.13. Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Club becomes party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the Club commits itself to either purchase or sell the asset (that is, trade date accounting is adopted).

Financial instruments (except trade receivables) 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 in profit or loss immediately.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component.

Classification and subsequent measurement

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability cannot be reclassified.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020
(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.13 Financial Instruments (Continued)

Financial assets

Financial assets are subsequently measured at amortised cost.

A financial asset is subsequently measured at amortised cost when it meets the following conditions:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely the payments of principal and interest on the principal amount outstanding on specified dates.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual right to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Club no longer controls the asset.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020
(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.13 Financial Instruments (Continued)

Impairment

The Club recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective rate of the financial instrument.

The Club uses the simplified approach.

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times. This approach is applicable to trade receivables that result from transactions within the scope of AASB 15: *Revenue from Contracts with Customers* and which do not contain a significant financing component.

In measuring the expected credit loss, a provision matrix for trade receivables was used taking into consideration various data to get an expected credit loss (i.e. diversity of customer base, appropriate groupings of historical loss experience, etc.)

Recognition of expected credit losses in financial statements

At each reporting date, the Club recognised the movement in the loss allowance as an impairment gain or loss in the statement of comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance related to that asset.

1.14 Impairment of Assets

At each reporting date, the Club 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 cost to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the assets ability to generate net cash inflows and when the Club 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 Club estimates the recoverable amount of the cash generating unit to which the class of assets belong.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020
(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.15 Fair Value of Assets and Liabilities

The Club measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Club would receive to sell an asset or would have to pay to transfer a liability in an orderly transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair value of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from the principal market for the asset or liability (that is, the market with the greatest volume and level of activity for the asset or liability). In the absence of such a market, information is extracted from the most advantageous market available to the Club at reporting date (that is, the market that maximises the receipts from the sale of the asset or minimises the payment made to transfer the liability, after taking into account transaction costs and transport costs).

For non financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities may be valued, where there is no observable market price in relation to the transfer of an identical or similar financial instrument, by reference to observable market information where identical or similar assets are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective notes to the financial statements.

1.16 Critical Accounting Estimates and Judgements

The Club evaluates estimates and judgements 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 Club.

Key estimates

(i) Impairment - general

The Club assess impairment at the end of each reporting period by evolution of conditions and events specific to the Club that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using the value in use calculations which incorporate various key assumptions.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020
(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.16 Critical Accounting Estimates and Judgements (Continued)

Key Judgements

(i) Employee benefits

For the purpose of measurement, AASB119: Employee Benefits defines obligations for short term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employee render the related services. As the Club expects that most employees will not use all of their annual leave entitlement in the same year in which they are earned or during the following 12 month period, obligations for annual leave entitlements are classified under AASB 119 as long term employee benefits and therefore, are assumed to be measured at the present value of the expected future payments to be made to employees. Long service leave entitlements are classified under AASB 119 as long term employee benefits and therefore, are assumed to be measured at the present value of the expected future payments to be made to employees.

(ii) Useful lives of depreciable assets

As describe in note 1.7, the Club reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of assets.

1.17. New and Amended Accounting Policies Adopted by the Club

The Club has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 January 2019. New and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the company include:

- AASB 16 Leases
- AASB 15 Revenue from Contracts with Customers

AASB 16 - Leases

The Club has elected to adopt AASB 16 Leases using the modified retrospective (cumulative catch-up) method from 1 January 2019 and therefore the comparative information for the year ended 30 June 2020 has not been restated and has been prepared in accordance with AASB 117 Leases and associated Accounting Interpretations.

The Club has no material leases. As a result, the impact of adopting AASB 16 on the company's financial report for the year ended 30 June 2020 has had no impact.

AASB 15 Revenue from contracts with Customers

The Club has adopted AASB 15 Revenue from Contracts with Customers for the first time in the current year with a date of initial application of 1 January 2019.

There is no impact of adopting AASB 15 on the Club's financial report for the year ended 30 June 2020.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020
(Continued)

	2020 \$	2019 \$
2. REVENUE		
Operating activities:		
Bar sales	850,568	790,687
Cigarettes sales	166,898	158,208
Poker machine income	541,781	828,825
Bingo	15,081	16,297
Coffee machine	1,854	1,610
Commission	32,442	36,838
Christmas raffles and trees	6,761	5,246
Gain on disposal of plant and equipment	-	21,449
Grants and subsidy – cashflow boost	62,500	-
Grants and subsidy – jobkeeper	27,000	-
Interest received	5,975	5,744
Keno income	11,011	17,538
Poker machine subsidy	17,180	17,180
Pool table and juke box	509	1,684
Raffles	25,464	33,545
Rent	5,236	7,800
Souvenir and equipment sales	459	608
Subscriptions	4,716	4,430
Other	3,529	3,949
	<u>\$1,778,964</u>	<u>\$1,951,638</u>
3. AUDITOR'S REMUNERATION		
Remuneration of the auditor of the Club:		
- Auditing services	<u>\$26,400</u>	<u>\$25,200</u>
4. RESULT FROM OPERATIONS		
Expenses		
Cost of sales		
Changes in inventories of finished goods	(4,078)	5,697
Raw materials and consumables used	673,566	586,038
	<u>\$669,488</u>	<u>\$591,735</u>
Depreciation expense		
Plant and equipment	31,403	32,648
Poker machines	56,343	57,225
Motor vehicle	9,377	6,217
Improvements	12,314	10,176
	<u>\$109,437</u>	<u>\$106,266</u>

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NOTES TO THE FINANCIAL STATEMENTS
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(Continued)

	2020 \$	2019 \$
4. RESULT FROM OPERATIONS		
Employee benefits expense		
Wages	483,155	482,198
Superannuation	41,415	42,594
Employee leave entitlements	(40,604)	15,823
Employee amenities	8,690	10,738
Other	602	2,273
	<u>\$493,258</u>	<u>\$553,626</u>
Gain / (loss) on disposal of property, plant and equipment		
Proceeds on disposal	-	21,913
Disposal at carrying amount	-	(464)
	<u>\$-</u>	<u>\$21,449</u>
Other expenses		
Advertising	2,660	4,670
Audit and accounting fees	26,400	25,200
Bar consumables	4,448	7,514
Bingo	23,913	21,724
Cleaning	5,519	5,223
Director expenses	2,919	2,465
Donations	16,374	3,653
Electricity	53,417	63,954
Entertainment expenses	2,966	3,121
Freight and cartage	39,791	42,719
Insurance	34,748	32,798
Keno expense	1,997	2,567
Members draws and promotions	10,900	16,800
Members give away and discounts	52,027	45,748
Motor vehicle expenses	6,198	12,814
Poker machine analysis	10,688	13,176
Printing, postage and stationery	8,983	4,770
Promotional expenses	11,689	16,790
Raffles	37,037	49,851
Rates	16,439	19,206
Repairs and maintenance	64,785	46,961
Security	54,481	69,008
Sky channel and pay television	12,908	23,284
Subscriptions	7,948	7,546
Tab expenses	3,887	5,845
Telephone	5,518	6,529
Workers compensation	14,128	14,103
Other	16,321	20,823
	<u>\$549,089</u>	<u>\$588,862</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020
(Continued)

	2020 \$	2019 \$
5. CASH AND CASH EQUIVALENTS		
Cash at bank		
Main account	132,602	279,154
TAB	4,359	7,966
Money market account	-	406,912
Poker machine account	-	22,542
Keno Investment account	249,075	341,544
	<hr/> 386,036	<hr/> 1,058,118
Cash on hand	86,618	117,220
Term deposits	596,261	94,097
	<hr/> \$1,068,915	<hr/> \$1,269,435
6. TRADE AND OTHER RECEIVABLES		
Trade receivables	<hr/> \$59,705	<hr/> \$6,750

6.1 Provision for Impairment of Receivables

Current trade receivables are generally on 30-day terms. These receivables are assessed for recoverability and a provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired. These amounts have been included in other expenses.

There was no provision for impairment at year end (2019 - \$Nil).

6.2 Credit Risk — Trade and Other Receivables

The Club does not have any material credit risk exposure to any single receivable or group of receivables.

The following table details the Club's trade and other receivables 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 Club and the customer or counter party to the transaction. For receivables that are past due, there are specific circumstances indicating that the debt may not be fully repaid to the Club.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020
(Continued)

6. TRADE AND OTHER RECEIVABLES (Continued)

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

	Gross amount \$	Past due and impaired \$	Past due but not impaired (days overdue)				Within initial trade terms \$
			< 30 \$	31-60 \$	61-90 \$	> 90 \$	
2020							
Trade receivables	59,705	-	-	-	-	-	59,705
Total	59,705	-	-	-	-	-	59,705
2019							
Trade receivables	6,750	-	-	-	-	-	6,750
Total	6,750	-	-	-	-	-	6,750

The Club does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired. There are no balances within trade receivables that contain assets that are not impaired and are past due (2019 - \$Nil). It is expected that these balances will be received when due.

	2020 \$	2019 \$
7. INVENTORIES		
Bar	33,187	43,995
Bingo	-	1,480
Cigarettes	36,639	23,085
Golf equipment	118	131
Souvenirs	1,346	-
	<u>\$71,290</u>	<u>\$68,691</u>
8. OTHER ASSETS		
Prepayments	7,744	10,161
Electricity deposits	1,790	1,790
	<u>\$9,534</u>	<u>\$11,951</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020
(Continued)

	2020 \$	2019 \$
9. PROPERTY, PLANT AND EQUIPMENT		
Land and building - at cost	366,698	366,698
Improvements - at cost	565,066	460,154
Less: accumulated depreciation	(136,246)	(123,932)
	<u>428,820</u>	<u>336,222</u>
Motor vehicles - at cost	46,886	46,886
Less: accumulated depreciation	(15,594)	(6,217)
	<u>31,292</u>	<u>40,669</u>
Poker machines - at cost	575,592	575,592
Less: accumulated depreciation	(382,427)	(326,084)
	<u>193,165</u>	<u>249,508</u>
Plant and equipment - at cost	426,633	425,433
Less: accumulated depreciation	(358,192)	(326,789)
	<u>68,441</u>	<u>98,644</u>
	<u>\$1,088,416</u>	<u>\$1,091,741</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020
(Continued)

9. PROPERTY, PLANT AND EQUIPMENT (Continued)

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

	Land and Buildings \$	Improvements \$	Motor Vehicles \$	Poker Machines \$	Plant and Equipment \$	Total \$
Balance at the 1 July 2018	366,698	311,654	-	236,113	128,282	1,042,747
Additions	-	35,208	46,886	70,620	3,010	155,724
Disposals	-	(464)	-	-	-	(464)
Depreciation	-	(10,176)	(6,217)	(57,225)	(32,648)	(106,266)
Balance at the 30 June 2019	366,698	336,222	40,669	249,508	98,644	1,091,741
Additions	-	104,912	-	-	1,200	106,112
Disposals	-	-	-	-	-	-
Depreciation	-	(12,314)	(9,377)	(56,343)	(31,403)	(109,437)
Balance at the 30 June 2020	366,698	428,820	31,292	193,165	68,441	1,088,416

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020
(Continued)

	2020 \$	2019 \$
10. INTANGIBLE ASSETS		
Poker machine licences - at fair value	\$240,000	\$240,000
11. TRADE AND OTHER PAYABLES		
Trade payables	31,681	86,945
Accrued expenses	22,698	34,896
Income in advance	641	965
	<u>\$55,020</u>	<u>\$122,806</u>
12. PROVISIONS		
Current		
Annual leave	\$7,808	\$24,614
Non-Current		
Annual leave	19,659	43,401
Long service leave	27,209	27,275
	<u>\$46,868</u>	<u>\$70,676</u>
Reconciliation of employee benefits		
Opening balance	95,290	79,467
Amount used	(48,006)	(8,015)
Additional provision raised	7,392	23,838
Closing balance	<u>\$54,676</u>	<u>\$95,290</u>

Provision for Long-term 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 long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1 to this report.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020
(Continued)

	2020 \$	2019 \$
13. ACCUMULATED FUNDS		
Accumulated funds at the beginning of the financial year	2,470,472	2,359,323
Net result attributable to members	(42,308)	111,149
	<hr/>	<hr/>
Accumulated funds at the end of the financial year	\$2,428,164	\$2,470,472
	<hr/>	<hr/>
14. CASH FLOW INFORMATION		
14.1 Reconciliation of cash and cash equivalents		
Cash at the end of the financial year as shown in the statement of cash flows equates to cash and cash equivalents disclosed in note 5.		
Cash and cash equivalents	\$1,068,915	\$1,269,435
	<hr/>	<hr/>
14.2 Credit standby arrangements and loan facilities		
Overdraft facilities	30,000	30,000
Current borrowing	-	-
	<hr/>	<hr/>
Available	\$30,000	\$30,000
	<hr/>	<hr/>
Credit facilities	5,000	5,000
Current borrowing	-	-
	<hr/>	<hr/>
Available	\$5,000	\$5,000
	<hr/>	<hr/>
14.3 Reconciliation of cash flow from operations with operating result		
(Loss) / profit from operations	(42,308)	111,149
Non-cash flows in result from operations:		
Depreciation	109,437	106,266
Net (gain) / loss on disposal of assets	-	(21,449)
Changes in assets and liabilities		
(Decrease) / increase in provisions	(40,614)	15,823
(Decrease) / increase in payables	(67,786)	13,020
(Increase) / decrease in inventories	(2,599)	4,218
(Increase) / decrease in receivables	(52,955)	(1,996)
Decrease / (increase) in prepayments	2,417	(1,751)
	<hr/>	<hr/>
Cash flows from operations	\$(94,408)	\$225,280
	<hr/>	<hr/>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020
(Continued)

15. KEY MANAGEMENT PERSONNEL COMPENSATION

15.1 Key Management Personnel

The names of the key management personnel during the year are:

Brendan Adams (appointed 21 April 2020)	Stuart McArthur (resigned 24 November 2019)
Patrick Cunningham	William Murray (resigned 24 November 2019)
Christine Elliott	Peter Murphy (appointed 24 November 2019)
Dawn Evans (resigned 24 November 2019)	Anthony Schembri
Jeff Gracie (resigned 24 November 2019)	Owen Wyman (appointed 24 November 2019)
Leetisha Jones (appointed 24 November 2019)	Boydie Awege (Bar Manager/ Acting General Manager)
Margret Stribbles (General Manager resigned 27 March 2020)	

15.2 Remuneration to Key Management Personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the club, directly or indirectly, including any director (whether executive or otherwise) is considered key management personnel.

	Salary and fees	Superannuation	Total
2020	\$	\$	\$
Total compensation	190,638	14,858	205,496
<hr/>			
2019			
Total compensation	176,072	16,049	192,121

16. RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal terms and conditions no more favourable than those available to other parties unless otherwise stated. During the year payments to Patrick Cunningham for accommodation totalled \$12,200.

17. MEMBERS GUARANTEE

Wilcannia Golf Club Limited has no authorised capital as it is a company limited by guarantee of its members. On winding up, each member is required to contribute an amount not exceeding \$2.00.

18. FINANCIAL INSTRUMENTS

18.1 Financial risk management

The Club's financial instruments mainly consist of deposits with banks, short-term investments, accounts receivable, accounts payable and bank borrowings.

The Club does not have any derivative instruments at 30 June 2020.

18.2 Financial risk exposures and management

The main risks the Club is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020
(Continued)

18. FINANCIAL INSTRUMENTS (Continued)

18.2 Financial risk exposures and management (Continued)

Interest rate risk

Interest rate risk is managed with a mixture of fixed and floating rate debt. At 30 June 2020 the Club has no debt.

Credit risk

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

The Club does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Club.

Liquidity risk

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

18.3 Net fair values

The net fair values of financial assets and liabilities approximate the carrying value. No financial assets or financial liabilities are readily traded on organised markets. The aggregate net fair values and carrying amounts of financial assets or financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

18.4 Terms, conditions and accounting policies

Creditors

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Club. Creditors are normally settled within normal trading terms and no interest is incurred on these accounts.

Short term money market securities and deposits at call

Short term money market securities and deposits at call are stated at the lower of cost and net realisable value. At reporting date the market securities and deposits have an average maturity of 140 days (2019 - 140-days) and the effective weighted average rate was 0.5% (2019 - 0.7%).

18.5 Sensitivity analysis

Interest rate risk

The Club has performed a sensitivity analysis relating to its exposure to interest rate risk at reporting date. This sensitivity analysis demonstrates the effect on the current year results from a change in this risk.

As at 30 June 2020, the effect on profits and equity as a result of a 1% change in the interest rate, with all other variables remaining constant would be \$11,196 (2019 - \$11,103)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020
(Continued)

18. FINANCIAL INSTRUMENTS (Continued)

18.6. Interest Rate Risk

The Club's exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised at the reporting date, are as follows:

	Floating interest rate		Fixed interest rate maturing in:				Non-interest bearing		Total carrying amount as per the statement of financial position		Weighted average effective interest rate	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Financial Instrument	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(i) Financial assets												
Cash and cash equivalents	386,036	1,058,118	596,261	94,097	-	-	86,618	117,220	1,068,915	1,269,435	0.5	0.5
Trade and other receivables	-	-	-	-	-	-	59,705	6,750	59,705	6,750	N/A	N/A
Total financial assets	386,036	1,058,118	596,261	94,097	-	-	146,323	123,970	1,128,620	1,276,185		
(ii) Financial liabilities												
Trade and other payables	-	-	-	-	-	-	55,020	122,806	55,020	122,806	N/A	N/A
Total financial liabilities	-	-	-	-	-	-	55,020	122,806	55,020	122,806		

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020
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19. FAIR VALUE MEASUREMENTS

The Club measures and recognises the following assets and liabilities at fair value on a recurring basis after initial recognition:

- Financial assets at fair value through profit and loss;
- Available-for-sale financial assets; and
- Freehold land and buildings.

The Club does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

a) Fair Value Hierarchy

AASB 13: Fair Value Measurement requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest that an input that is significant to the measurement can be categorised into as follows:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined by using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Club selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the club are consistent with one or more of the following valuation approaches.

- *Market approach:* valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- *Income approach:* valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- *Cost approach:* valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020
(Continued)

19. FAIR VALUE MEASUREMENTS (Continued)

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the club gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

The following tables provide the fair values of the club's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy.

2020		Level 1	Level 2	Level 3	Total
	Note	\$	\$	\$	\$
Recurring fair value measurements					
<i>Non-financial assets</i>					
Freehold land and buildings	9	-	366,698	-	366,698
Poker machine entitlements	10	-	240,000	-	240,000
Total non-financial assets recognised at fair value		-	606,698	-	606,698

2019		Level 1	Level 2	Level 3	Total
	Note	\$	\$	\$	\$
Recurring fair value measurements					
<i>Non-financial assets</i>					
Freehold land and buildings	9	-	366,698	-	366,698
Poker machine entitlements	10	-	240,000	-	240,000
Total non-financial assets recognised at fair value		-	606,698	-	606,698

There were no transfers between Level 1 and Level 2 for assets measured at fair value on a recurring basis during the reporting period (2019: no transfers).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020
(Continued)

19. FAIR VALUE MEASUREMENTS (Continued)

b) Valuation Techniques and Inputs Used to Measure Level 2 Fair Values

Description	Fair value at 30 June 2020	Valuation Technique(s)	Inputs Used
	\$		
<i>Non-financial assets</i>			
Freehold land and buildings	366,698	Market approach using recent observable market data for similar properties; income approach using discounted cash flow methodology	Land -Price per hectare; market borrowing rate Building- Price per square metre; market borrowing rate
Poker machine entitlements	240,000	Market approach using recent observable market data for similar assets; income approach using discounted cash flow methodology	Entitlement value traded at average market exchange rates.
	\$606,698		

There were no changes during the period in the valuation techniques used by the club to determine Level 2 fair values.

c) Disclosed Fair Value Measurements

The following assets and liabilities are not measured at fair value in the statement of financial position, but their fair values are disclosed in the notes.

- Trade receivable and other debtors;
- Government and fixed interest securities; and
- Trade payable and other payables.

The following table provides the level of the fair value hierarchy within which the disclosed fair value measurements are categorised in their entirety and a description of the valuation technique(s) and inputs used.

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NOTES TO THE FINANCIAL STATEMENTS
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19. FAIR VALUE MEASUREMENTS (Continued)

Description	Note	Fair Value Hierarchy Level	Valuation Technique(s)	Inputs Used
<i>Assets</i>				
Trade receivables and other debtors	6	1	Income approach using discounted cash flow methodology	Market interest rates for similar assets
Government and fixed interest securities	5	2	Income approach using discounted cash flow methodology	Yield curves based on market interest rates for remaining maturity period for similar assets
<i>Liabilities</i>				
Trade payables and other payables	11	1	Income approach using discounted cash flow methodology	Market interest rates for similar assets

There has been no change in the valuation technique(s) used to calculate the fair values disclosed in the financial statements.

20. EVENTS AFTER THE REPORTING PERIOD

The Covid-19 pandemic outbreak that was declared by the World Health Organisation as a global pandemic on 11 March 2020 continues to cause uncertainty after year end. The spread of the virus has resulted in Australia enacting border closures, travel restrictions, quarantine and social distancing measures. These responses have assisted in reducing the exponential spread of the virus, but until a vaccine is available it is likely that these types of control measures will remain in place for the foreseeable future. Since the end of the reporting period, the Club has been open in a Covid-19 environment with restrictions on the number of patrons and movement with the building. These rules and restrictions are altered regularly by the NSW Government in an attempt to keep the virus contained. It is unknown when or if the restrictions will be fully eased but until they are the results of the Club will continue to be adversely impacted.

21. COMPANY DETAILS

The registered office of the company is:

Wilcannia Golf Club Limited
Ross Street
WILCANNIA NSW 2836

[End of the Audited Financial Statements]

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WILCANNIA GOLF CLUB LIMITED

Opinion

We have audited the financial statements of Wilcannia Golf Club Limited, which comprises the statement of financial position as at 30 June 2020, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, accompanying notes to the financial statements and directors' declaration.

In our opinion, the financial statements of Wilcannia Golf Club Limited are in accordance with:

- (a) the Corporations Act 2001, including:
 - (i) giving a true and fair view of the company's financial position as at 30 June 2020 and of its performance for the year ended on that date; and
 - (ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and
- (b) other mandatory professional reporting requirements in Australia.

Material Uncertainty Regarding Events After the Reporting Period – Covid-19

Without qualifying our audit opinion, we draw attention to Note 20 in the financial statements which indicate uncertainty in events after the reporting period due to the ongoing Covid-19 pandemic with border closures, travel restrictions, quarantine and social distancing measures. These control measures will remain in place for the foreseeable future. Tighter restrictions by the Government to manage the pandemic may impact the operations of the Club into the future. These conditions provide a material uncertainty regarding events after the reporting period.

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 for the Audit of the Financial Statements* 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) and the *Corporations Act 2001* that are relevant to our audit of the financial statements in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
WILCANNIA GOLF CLUB LIMITED
(Continued)**

Other Information

The Directors are responsible for the other information. The other information comprises the detailed income and expenditure statement and detailed trading account for the year ended 30 June 2020.

Our opinion on the financial statements 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 statements, our responsibility is to read the other information and in doing so consider whether the other information is materially inconsistent with the financial statements 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.

Responsibilities of Management and the Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, and for such internal control as management deems necessary to enable the preparation of the financial statements that are free from material misstatement, where due to fraud or error.

In preparing the financial statements, management is 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 management intends to liquidate the Company or cease operations, or has no realistic alternative but to do so.

The Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 it 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, 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 our 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 management.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
WILCANNIA GOLF CLUB LIMITED
(Continued)**

- Conclude on the appropriateness of management'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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

LUKA GROUP

2 River Street
Dubbo

Dated: 15 September 2020

**JM SHANKS
PARTNER**

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COMPILATION REPORT TO THE MEMBERS OF WILCANNIA GOLF CLUB LIMITED

We have compiled the accompanying special purpose financial statements of Wilcannia Golf Club Limited, which comprise the detailed income and expenditure statement and detailed trading statement for the year ended 30 June 2020 on the basis of information provided by the directors. The specific purpose for which the special purpose financial statements have been prepared is to provide detailed information relating to the performance of the club that satisfies the information needs of directors and members.

The Responsibility of the Directors of Wilcannia Golf Club Limited

The Directors of Wilcannia Golf Club Limited are solely responsible for the information contained in the special purpose financial statements and have determined that the basis of accounting adopted is appropriate to meet their needs and for the purpose that the financial statements were prepared.

Our Responsibility

On the basis of information provided by the directors of Wilcannia Golf Club Limited, we have compiled the accompanying special purpose financial statements in accordance with the basis of accounting adopted and APES 315: Compilation of Financial Information.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the directors provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit of review has been performed and accordingly no assurance is expressed.

The special purpose financial statements were compiled exclusively for the benefits of the directors and members of Wilcannia Golf Club Limited. We do not accept responsibility to any person for the contents of the special purpose financial statements.

LUKA GROUP

2 River Street

Dubbo

Dated: 15 September 2020

JM SHANKS

PARTNER



CHARTERED ACCOUNTANTS
AUSTRALIA • NEW ZEALAND

Liability limited by a scheme approved under Professional Standards Legislation

WILCANNIA GOLF CLUB LIMITED
(a company limited by guarantee)
ABN 66 001 034 377

DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020

	2020 \$	2019 \$
INCOME		
Gross trading profit	348,437	357,769
ATM commission	21,644	22,417
Bingo	15,081	16,297
Coffee machine	1,854	1,610
Christmas raffles and trees	6,761	5,246
Gain on disposal of plant and equipment	-	21,449
Grants and subsidy – cashflow boost	62,500	-
Grants and subsidy – jobkeeper	27,000	-
Interest received	5,975	5,744
Keno income	11,011	17,538
Poker machine income	541,781	828,825
Poker machine subsidy	17,180	17,180
Pool table and juke box	509	1,684
Raffles	25,464	33,545
Rent	5,236	7,800
Subscriptions	4,716	4,430
Tab commission	10,798	14,421
Other	3,529	3,948
	\$1,109,476	\$1,359,903

EXPENDITURE		
Accountancy fees	906	400
Advertising	2,660	4,670
Audit fees	26,400	25,200
Bar consumables	4,447	7,514
Bank charges	2,661	3,141
Bingo	23,913	21,724
Christmas trees	1,131	1,344
Cleaning	5,519	5,223
Coffee supplies	80	424
Computer expenses	722	290
Depreciation	109,437	106,266
Director amenities and training	3,292	2,465
Donations	16,374	3,653
Electricity	53,417	63,954
Employee amenities	8,690	10,738
Employee leave entitlements	(40,604)	15,823
Entertainment expenses	2,966	3,121
Filing fees	1,147	763
Freight and cartage	39,791	42,719
Insurance	34,748	32,798
Interest paid	1	1
Keno expense	1,997	2,567
Members draws and promotions	10,900	16,800
Members give away and discounts	52,027	45,748
Motor vehicle expenses	6,198	12,814
Pay television	-	5,807
Poker machine analysis	10,688	13,176

WILCANNIA GOLF CLUB LIMITED
(a company limited by guarantee)
ABN 66 001 034 377

DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020
(Continued)

	2020 \$	2019 \$
EXPENDITURE		
Printing, postage and stationery	8,983	4,770
Promotional expenses	11,689	16,790
Raffles	37,037	49,851
Rates	16,439	19,206
Repairs and maintenance	64,785	46,961
Security	54,481	69,008
Sky channel	12,908	17,477
Subscriptions	7,948	7,546
Superannuation	41,415	42,594
Tab expenses	3,887	5,845
Telephone	5,518	6,529
Training	567	101
Travelling	353	1,328
Trivia expenses	3,876	6,825
Uniforms	35	2,172
Wages	483,155	482,198
Workers compensation	14,128	14,103
Other	5,072	6,307
	<hr/> \$1,151,784	<hr/> \$1,248,754
 OPERATING RESULT	 <hr/> \$(42,308)	 <hr/> \$111,149

WILCANNIA GOLF CLUB LIMITED
(a company limited by guarantee)
ABN 66 001 034 377

**DETAILED TRADING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020**

	2020 \$	2019 \$
TRADING		
Sales	1,017,926	949,504
Cost of goods sold		
Opening stock	67,212	72,909
Purchases	673,567	586,038
Less: Closing stock	(71,290)	(67,212)
	669,489	591,735
GROSS TRADING PROFIT	\$348,437	\$357,769

Gross trading profit- 34.2% (2019 – 37.7%)