

Warragamba Workers & Sporting Club Limited

ABN: 40 000 880 393

Financial Report

For the Year Ended 31 December 2019

Warragamba Workers & Sporting Club Limited

ABN: 40 000 880 393

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Warragamba Workers & Sporting Club Limited

ABN: 40 000 880 393

Directors' Report

31 December 2019

Your directors present their report on Warragamba Workers & Sporting Club Limited for the financial year ended 31 December 2019.

1 General information

Information on directors

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

Terry Frazer
Maurie Hall
Clayton Jenkins (resigned April 2019)
Steve Key (resigned April 2019)
Dave Costello
Narelle Jones
Kim Streater
Robert Brooks (appointed April 2019)
Carmen Chetcuti (appointed April 2019)

Qualifications, experience and special responsibilities

The directors are residents of the local community and members of the club.

Clayton Jenkins served as President until his resignation in April 2019. Maurie Hall served as president from April 2019 to the date of this report.

Unless otherwise stated, directors have been in office since the start of the financial year to the date of this report.

Review of operations

The (loss)/profit of the company after providing for income tax amounted to \$ (30,471) (2018: loss of \$77,573).

Significant changes in state of affairs

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

Principal activities

The principal activities of Warragamba Workers & Sporting Club Limited during the financial year were to operate a sporting and recreation and licensed club.

No significant changes in the nature of the company's activities occurred during the financial year.

Directors' Report

31 December 2019

1 General information

Objectives

The company's short and long term objectives are to:

- provide members and guests with a relaxed, friendly place to meet with family and friends; and
- support local sporting and social organisations.

Strategy for achieving the objectives

To achieve these objectives, the company has adopted the following strategies:

- The company strives to attract and retain quality staff who are committed to providing quality service to members and guests;
- The company actively provides recordkeeping assistance to local clubs and organisations; and
- The company is committed to having relevant staff undertake training in the Responsible Conduct of Gaming and Responsible Service of Alcohol.

Performance measures

The company measures its performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the directors to assess the financial sustainability of the company and whether the company's objectives are being achieved.

Members guarantee

Warragamba Workers & Sporting Club Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up is limited to \$ 2.

2 Other items

After balance date events

In March 2020 the outbreak of COVID-19 was declared a pandemic by the World Health Organisation. As a result of social distancing measures mandated by the NSW government, the club was closed from March to June 2020 and has been subject to reduced capacity from June 2020 to the date of this report.

As the outbreak of COVID-19 occurred after 31 December 2019, it did not relate to conditions that existed at balance date. As a result, no adjustments have been made to these financial statements in relation to the impact of COVID-19.

COVID-19 is a rapidly evolving situation, and the future financial performance of the company can only be estimated based on the circumstances at the date of this financial report. As licensed venues have been subject to significant restrictions during the pandemic, it is possible that further restrictions on operations will occur in the future.

Directors' Report

31 December 2019

2 Other items

After balance date events

As a result of

- i) the significant uncertainty in relation to the impact of the pandemic on future operations; and
- ii) the reduction in cash reserves as a result of the cessation of operations

it is considered that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

Future developments

Future developments are disclosed in After balance date events above.

Environmental matters

The company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory.

Benefits received directly or indirectly by officers

No director has received or has become entitled to receive, during or since the financial year, a benefit because of a contract made by the company or related body corporate with a director, a firm which a director is a member or an entity in which the director has a substantial financial interest.

This statement excluded a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the company accounts, or the fixed salary of a full-time employee of the company or related body corporate.

Directors' Report
31 December 2019

Meetings of directors

During the financial year, 12 meetings of directors (including committees of directors) were held. Attendance by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Terry Frazer	12	12
Maurie Hall	12	12
Clayton Jenkins	3	3
Steve Key (resigned April 2019)	3	3
Dave Costello	12	11
Narelle Jones	12	10
Kim Streater	12	10
Robert Brooks (appointed April 2019)	9	8
Carmen Chetcuti (appointed April 2019)	9	7

Indemnification and insurance of officers and auditors

During the financial year, the company paid a premium in respect of a contract insuring the directors of the company against a liability incurred as a director to the extent permitted by the *Corporations Act 2001*. The insurance premium was included as part of the company's overall insurance package and the specific premium paid cannot be determined.

Proceedings on behalf of company

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

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

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the year ended 31 December 2019 has been received and can be found on page 5 of the financial report.

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

Director:

Maurie Hall

Director:

Terry Frazer

Dated this TWENTIETH day of OCTOBER 2020

Warragamba Workers & Sporting Club Limited

ABN: 40 000 880 393

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Warragamba Workers & Sporting Club Limited

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2019, 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.



Kelly Partners Assurance Services



Peter Dawkins
Registered Auditor Number 4334
North Sydney

Dated this 20th day of October 2020

Warragamba Workers & Sporting Club Limited

ABN: 40 000 880 393

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 December 2019

		2019	2018
	Note	\$	\$
Revenue from contracts with customers	3	1,579,343	1,583,228
Other income	3	15,454	20,822
Changes in inventories of finished goods and inventories purchased		(348,091)	(364,999)
Employee benefits expense		(534,929)	(539,738)
Depreciation expense		(129,775)	(124,807)
Other expenses		(617,152)	(658,062)
Finance costs		(4,067)	(5,674)
Profit/(loss) before income tax		(39,217)	(89,230)
Income tax expense		8,746	11,657
Profit/(loss) for the year attributable to members of the entity		(30,471)	(77,573)
Other comprehensive income, net of income tax			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		(30,471)	(77,573)

The accompanying notes form part of these financial statements.

Warragamba Workers & Sporting Club Limited

ABN: 40 000 880 393

Statement of Financial Position

As At 31 December 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	135,330	150,041
Trade and other receivables	7	10,038	4,995
Inventories	8	28,681	28,983
Other assets	11	14,340	14,160
TOTAL CURRENT ASSETS		<u>188,389</u>	198,179
NON-CURRENT ASSETS			
Property, plant and equipment	9	4,216,192	4,338,520
Investment property	10	440,000	440,000
Deferred tax assets	12	91,815	82,906
TOTAL NON-CURRENT ASSETS		<u>4,748,007</u>	4,861,426
TOTAL ASSETS		<u>4,936,396</u>	5,059,605
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	188,271	240,462
Borrowings	14	41,975	65,140
Other liabilities	15	17,977	17,266
TOTAL CURRENT LIABILITIES		<u>248,223</u>	322,868
NON-CURRENT LIABILITIES			
Deferred tax liabilities	12	111,021	110,858
Long-term provisions	16	1,580	9,025
Other liabilities	15	3,339	14,150
TOTAL NON-CURRENT LIABILITIES		<u>115,940</u>	134,033
TOTAL LIABILITIES		<u>364,163</u>	456,901
NET ASSETS		<u>4,572,233</u>	4,602,704
EQUITY			
Reserves		2,043,728	2,043,728
Retained earnings		2,528,505	2,558,976
TOTAL EQUITY		<u>4,572,233</u>	4,602,704

The accompanying notes form part of these financial statements.

Warragamba Workers & Sporting Club Limited

ABN: 40 000 880 393

Statement of Changes in Equity

For the Year Ended 31 December 2019

2019

	Retained Earnings	Asset Revaluation Surplus	Total
	\$	\$	\$
Balance at 1 January 2019	2,558,976	2,043,728	4,602,704
Profit for the year attributable to members of the entity	(30,471)	-	(30,471)
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	(30,471)	-	(30,471)
Balance at 31 December 2019	2,528,505	2,043,728	4,572,233

2018

	Retained Earnings	Asset Revaluation Surplus	Total
	\$	\$	\$
Balance at 1 January 2018	2,636,549	2,043,728	4,680,277
Profit for the year attributable to members of the entity	(77,573)	-	(77,573)
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	(77,573)	-	(77,573)
Balance at 31 December 2018	2,558,976	2,043,728	4,602,704

The accompanying notes form part of these financial statements.

Warragamba Workers & Sporting Club Limited

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Statement of Cash Flows

For the Year Ended 31 December 2019

	2019	2018
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	1,738,486	1,752,884
Payments to suppliers and employees	(1,718,625)	(1,706,810)
Interest received	105	142
Interest paid	(2,978)	(5,674)
Net cash provided by (used in) operating activities	<u>16,988</u>	<u>40,542</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of non-current assets	-	7,160
Purchase of property, plant and equipment	(7,445)	(65,266)
Net cash provided by (used in) investing activities	<u>(7,445)</u>	<u>(58,106)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of borrowings	(24,254)	(21,880)
Net cash provided by (used in) financing activities	<u>(24,254)</u>	<u>(21,880)</u>
Net increase (decrease) in cash and cash equivalents held	(14,711)	(39,444)
Cash and cash equivalents at beginning of year	<u>150,041</u>	<u>189,485</u>
Cash and cash equivalents at end of financial year	6 <u><u>135,330</u></u>	<u><u>150,041</u></u>

The accompanying notes form part of these financial statements.

Warragamba Workers & Sporting Club Limited

ABN: 40 000 880 393

Notes to the Financial Statements

For the Year Ended 31 December 2019

The financial report covers Warragamba Workers & Sporting Club Limited as an individual entity. Warragamba Workers & Sporting Club Limited is a not-for profit company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Warragamba Workers & Sporting Club Limited is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

In accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, amounts in the financial statements and Directors' Report have been rounded to the nearest dollar.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

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.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

(a) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the weighted average costs basis and is net of any rebates and discounts received.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

(b) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Assets measured using the revaluation model are carried at fair value at the revaluation date less any subsequent accumulated depreciation and impairment losses. Revaluations are performed whenever there is a material movement in the value of an asset under the revaluation model.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the company, commencing when the asset is ready for use.

Notes to the Financial Statements

For the Year Ended 31 December 2019

2 Summary of Significant Accounting Policies

(b) Property, plant and equipment

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Buildings	2.5%
Plant and Equipment	7.5% - 50%
Furniture, Fixtures and Fittings	11.25% - 20%
Poker Machines	25% - 37.5%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(c) Investment property

Investment property is held to generate long-term rental yields and capital growth. Investment property is carried at fair value, determined annually by independent valuers or the directors. Changes to fair value are recorded in the statement of profit or loss and other comprehensive income as other income/expenses.

(d) Financial instruments

Financial instruments are recognised initially on the date that the company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Financial assets are not reclassified subsequent to their initial recognition unless the company changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The company's financial assets measured at amortised cost comprise trade and other receivables, cash and cash equivalents and term deposits in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Notes to the Financial Statements

For the Year Ended 31 December 2019

2 Summary of Significant Accounting Policies

(d) Financial instruments

Financial assets

Interest income and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Trade receivables and contract assets

Impairment of trade receivables and contract assets have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The company has determined the probability of non-payment of the receivable and contract asset and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced a significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the company comprise trade payables and bank and other loans.

(e) Impairment of non-financial assets

At the end of each reporting period the company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

Notes to the Financial Statements

For the Year Ended 31 December 2019

2 Summary of Significant Accounting Policies

(e) Impairment of non-financial assets

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(f) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(g) Leases

At the inception of a contract, the company assesses whether a lease exists i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The company has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

At the lease commencement, the company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the company believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the company's incremental borrowing rate is used.

Notes to the Financial Statements

For the Year Ended 31 December 2019

2 Summary of Significant Accounting Policies

(g) Leases

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the company's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Exceptions to lease accounting

The company has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(h) Employee benefits

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

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Changes in the measurement of the liability are recognised in profit or loss.

(i) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(j) Income tax

Only non-member income of the association is assessable for tax, as member income is excluded under the principle of mutuality.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

Deferred tax is not provided for the following:

- The initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).
- Taxable temporary differences arising on the initial recognition of goodwill.

Notes to the Financial Statements

For the Year Ended 31 December 2019

2 Summary of Significant Accounting Policies

(j) Income tax

- Temporary differences related to investment in subsidiaries, associates and jointly controlled entities to the extent that the group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

(k) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer.
2. Identify the performance obligations.
3. Determine the transaction price.
4. Allocate the transaction price to the performance obligations.
5. Recognise revenue as and when control of the performance obligations is transferred.

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Sale of goods

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the satisfaction of the performance obligation to deliver the goods to the customer.

Notes to the Financial Statements

For the Year Ended 31 December 2019

2 Summary of Significant Accounting Policies

(k) Revenue and other income

Rendering of services

As the majority of services are provided at a point in time, rather than over time, revenue in relation to rendering of services is recognised at the time the service is provided.

Rental income

Investment property revenue is recognised on a straight-line basis over a period of the lease term so as to reflect a constant periodic rate of return on the net investment.

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

(l) Goods and services tax (GST)

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

Receivables and payable are stated inclusive of GST.

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.

Cash flows in the statement of cash flows are included 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 taxation authority is classified as operating cash flows.

(m) Critical accounting estimates and judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key estimates - fair value of land and buildings and investment property

The company carries its land and buildings at fair value with changes in the fair value recognised in the revaluation reserve (for property, plant and equipment) and the statement of profit or loss and other comprehensive income (for investment property). Independent valuations are obtained every 3-5 years, and at the end of each reporting period the directors update their assessment of the fair value of each property, taking into account the most recent valuations and movements in the market.

Notes to the Financial Statements

For the Year Ended 31 December 2019

2 Summary of Significant Accounting Policies

(n) Adoption of new and revised accounting standards

In the year ended 31 December 2019, the company adopted AASB 15 *Revenue from Contracts with Customers*, AASB 1058 *Income of Not-for Profit Entities* and AASB 16 *Leases*. The adoption of these standards did not impact the reported financial position, performance or cash flow of the company.

During the current year, no other standards became mandatory which impacted the financial report.

(o) New accounting standards for application in future periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The directors have decided against early adoption of these Standards, but does not expect the adoption of these standards to have any impact on the reported position or performance of the company.

Warragamba Workers & Sporting Club Limited

ABN: 40 000 880 393

Notes to the Financial Statements

For the Year Ended 31 December 2019

3 Revenue and Other Income

	2019	2018
	\$	\$
Revenue from contracts with customers		
- sale of goods	733,689	753,916
- provision of services	759,784	744,197
- promotion revenue	72,835	78,356
- member subscriptions	13,035	6,759
Total Revenue	1,579,343	1,583,228

	2019	2018
	\$	\$
Other Income		
- fees	284	279
- sundry income	2,186	128
- rental income	12,984	13,255
- gain on sale of non-current assets	-	7,160
Total Other Income	15,454	20,822

4 Result for the Year

Profit before income tax includes the following specific expenses:

	2019	2018
	\$	\$
Depreciation		
Depreciation - buildings	76,250	76,250
Depreciation - furniture and fixtures	2,665	2,534
Depreciation - plant and equipment	17,271	17,087
Depreciation - poker machines	33,589	28,936
Total depreciation	129,775	124,807
Interest expense	4,067	5,674
Cost of sales	348,091	364,999
Employee benefits expense	534,929	539,738

Warragamba Workers & Sporting Club Limited

ABN: 40 000 880 393

Notes to the Financial Statements

For the Year Ended 31 December 2019

4 Result for the Year

Profit before income tax includes the following specific expenses:

	2019	2018
	\$	\$
Other expenses		
Auditor's remuneration	33,400	32,800
Cleaning expenses	42,917	39,636
Electricity and gas	70,313	72,818
Insurance	64,172	55,743
Promotion expenses	106,401	127,989
Repairs and maintenance	100,106	91,827
Bistro expenses	603	-
Function expenses	17,563	20,428
Printing and stationery	7,127	10,117
Rates and taxes	17,395	16,091
TAB expenses	18,040	18,040
Entertainment expenses	44,214	42,472
Other expenses	94,901	130,101
Total other expenses	<u>617,152</u>	<u>658,062</u>

Notes to the Financial Statements

For the Year Ended 31 December 2019

5 Income Tax Expense

The major components of tax expense (income) comprise:

	2019	2018
	\$	\$
Current tax expense		
Current tax expense	(11,133)	(7,923)
Deferred tax expense		
Deferred tax expense	2,387	(2,559)
Under/(over) provision in respect of prior years	-	(1,175)
	<u>(8,746)</u>	<u>(11,657)</u>

The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:

	2019	2018
	\$	\$
Prima facie tax payable on profit from ordinary activities before income tax at 27.5% (2018: 27.5%)	<u>(10,785)</u>	<u>(24,538)</u>
Add:		
Tax effect of:		
- (Profit)/loss relating to members	2,039	16,894
	<u>(8,746)</u>	<u>(7,644)</u>
Less:		
Tax effect of:		
- other temporary differences	-	2,838
- over provision for income tax in prior year	-	1,175
Income tax expense	<u>(8,746)</u>	<u>(11,657)</u>

6 Cash and Cash Equivalents

	2019	2018
	\$	\$
Cash on hand	41,641	43,134
Cash at bank	93,689	106,907
	<u>135,330</u>	<u>150,041</u>

Notes to the Financial Statements

For the Year Ended 31 December 2019

6 Cash and Cash Equivalents

Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

	2019	2018
	\$	\$
Cash and cash equivalents	135,330	150,041

7 Trade and Other Receivables

	2019	2018
	\$	\$
CURRENT Trade receivables	10,038	4,995

8 Inventories

	2019	2018
	\$	\$
CURRENT At cost: Finished goods	28,681	28,983

Warragamba Workers & Sporting Club Limited

ABN: 40 000 880 393

Notes to the Financial Statements

For the Year Ended 31 December 2019

9 Property, Plant and Equipment

	2019	2018
	\$	\$
LAND AND BUILDINGS		
Freehold land		
At directors' valuation	1,150,000	1,150,000
Total freehold land	<u>1,150,000</u>	<u>1,150,000</u>
Building		
At directors' valuation	3,050,000	3,050,000
Accumulated depreciation	(152,500)	(76,251)
Total buildings	<u>2,897,500</u>	<u>2,973,749</u>
Total land and buildings	<u>4,047,500</u>	<u>4,123,749</u>
PLANT AND EQUIPMENT		
Poker machines		
At cost	437,393	437,393
Accumulated depreciation	(346,030)	(312,441)
Total poker machines	<u>91,363</u>	<u>124,952</u>
Furniture, fixture and fittings		
At cost	52,450	52,450
Accumulated depreciation	(35,885)	(33,220)
Total furniture, fixture and fittings	<u>16,565</u>	<u>19,230</u>
Motor vehicles		
At cost	36,212	36,212
Accumulated depreciation	(24,425)	(17,183)
Total motor vehicles	<u>11,787</u>	<u>19,029</u>
Plant and equipment		
At cost	167,656	160,210
Accumulated depreciation	(118,679)	(108,650)
Total plant and equipment	<u>48,977</u>	<u>51,560</u>
Total property, plant and equipment	<u>4,216,192</u>	<u>4,338,520</u>

Warragamba Workers & Sporting Club Limited

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Notes to the Financial Statements

For the Year Ended 31 December 2019

9 Property, Plant and Equipment

The land and buildings were revalued at 31 December 2017 based on a valuation performed by independent valuers. The 2019 valuations were performed by the directors. Valuations were made on the basis of current replacement cost. The revaluation surplus net of applicable deferred income taxes was credited to an asset revaluation reserve in shareholders' equity.

Movements in Carrying Amounts

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

	Land	Buildings	Poker machines	Furniture, Fixtures and Fittings	Motor vehicles	Plant and equipment	Total
	\$	\$	\$	\$	\$	\$	\$
Balance at the beginning of year	1,150,000	2,973,749	124,952	19,230	19,029	51,560	4,338,520
Additions	-	-	-	-	-	7,447	7,447
Depreciation expense	-	(76,249)	(33,589)	(2,665)	(7,242)	(10,030)	(129,775)
Balance at 31 December 2019	<u>1,150,000</u>	<u>2,897,500</u>	<u>91,363</u>	<u>16,565</u>	<u>11,787</u>	<u>48,977</u>	<u>4,216,192</u>

10 Investment Property

	2019	2018
	\$	\$
Balance at beginning of year	440,000	440,000
Fair value adjustments	-	-
Balance at end of year	<u>440,000</u>	<u>440,000</u>

The investment property was revalued at 31 December 2017 by independent valuers. The 2019 valuations were performed by the directors. Valuations were made using the market approach.

Warragamba Workers & Sporting Club Limited

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Notes to the Financial Statements

For the Year Ended 31 December 2019

11 Other Assets

	2019	2018
	\$	\$
CURRENT		
Prepayments	5,996	5,996
Term deposits	8,344	8,164
	<u>14,340</u>	<u>14,160</u>

12 Deferred Tax

	Opening Balance	Charged/ (credited) to Income	Closing Balance
	\$	\$	\$
Deferred tax assets			
Accruals	6,691	(50)	6,641
Carryforward tax losses	67,167	9,098	76,265
Balance at 31 December 2018	<u>73,858</u>	<u>9,048</u>	<u>82,906</u>
Accruals	6,641	(2,220)	4,421
Carryforward tax losses	76,265	11,129	87,394
Balance at 31 December 2019	<u>82,906</u>	<u>8,909</u>	<u>91,815</u>

	Opening Balance	Charged/ (credited) to Income	Closing Balance
	\$	\$	\$
Deferred tax liability			
Fair value gain/depreciation	113,467	(2,609)	110,858
Balance at 31 December 2018	<u>113,467</u>	<u>(2,609)</u>	<u>110,858</u>
Fair value gain/depreciation	110,858	163	111,021
Balance at 31 December 2019	<u>110,858</u>	<u>163</u>	<u>111,021</u>

13 Trade and Other Payables

	2019	2018
	\$	\$
CURRENT		
Trade payables	30,385	48,809
GST payable	58,389	20,702
Accrued expenses	55,404	54,345
Employee entitlements	44,093	116,606
	<u>188,271</u>	<u>240,462</u>

Warragamba Workers & Sporting Club Limited

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Notes to the Financial Statements

For the Year Ended 31 December 2019

14 Borrowings

	2019	2018
	\$	\$
CURRENT		
Secured liabilities:		
Bank loans	41,975	65,140
Total current borrowings	41,975	65,140

The bank overdraft and bank loan are secured by a first registered mortgage over the investment property.

15 Other Liabilities

	2019	2018
	\$	\$
CURRENT		
Deferred income	17,977	17,266
NON-CURRENT		
Deferred income	3,339	14,150

16 Provisions

	2019	2018
	\$	\$
NON-CURRENT		
Employee entitlements	1,580	9,025

Provision for employee entitlements

The provision for employee entitlements represents a provision for long service leave calculated on the service period for employees with less than 10 years service. As this leave is only payable in specific circumstances, the timing of the payments, if any, is uncertain.

17 Reserves

Asset revaluation reserve

The asset revaluation reserve records gains on the revaluation of property, plant and equipment recorded at fair value.

Warragamba Workers & Sporting Club Limited

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Notes to the Financial Statements

For the Year Ended 31 December 2019

18 Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, bank loans and overdrafts and leases.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	2019	2018
	\$	\$
Financial Assets		
Cash and cash equivalents	135,330	150,041
Financial assets at amortised cost	18,382	13,159
Total financial assets	<u>153,712</u>	<u>163,200</u>
Financial Liabilities		
Financial liabilities at amortised cost		
Trade and other payables	86,584	103,154
Borrowings	41,975	65,140
Total financial liabilities	<u>128,559</u>	<u>168,294</u>

Net fair values

Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

19 Members' Guarantee

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstandings and obligations of the company.

20 Key Management Personnel Compensation

The totals of remuneration paid to the key management personnel of Warragamba Workers & Sporting Club Limited during the year are as follows:

	2019	2018
	\$	\$
Compensation to directors and other key management personnel of the company	<u>91,596</u>	<u>101,340</u>

Notes to the Financial Statements

For the Year Ended 31 December 2019

21 Auditor's Remuneration

	2019	2018
	\$	\$
Remuneration of the auditor of the company for:		
- auditing or reviewing the financial report	31,000	31,000
- taxation services	2,400	1,800

22 Related Party Transactions

Key management personnel

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

For details of remuneration relating to key management personnel, refer to Note 20: Key Management Personnel Compensation. Unpaid annual and long service leave accrued for key management personnel at 31 December 2019 was \$nil (2018: \$72,065).

Hi Quality Electrical received remuneration of \$nil (2018: \$5,288) from the company for repairs and maintenance services performed during the year. A director of the company, Mr Clayton Jenkins, is the owner of Hi Quality Electrical. The remuneration paid to Hi Quality Electrical was equal to or less than the amount that would have been paid to an unrelated party for the services.

23 Events after the end of the Reporting Period

The financial report was authorised for issue on 20 October 2020 by the board of directors.

In March 2020 the outbreak of COVID-19 was declared a pandemic by the World Health Organisation. As a result of social distancing measures mandated by the NSW government, the club was closed from March to June 2020 and has been subject to reduced capacity from June 2020 to the date of this report.

As the outbreak of COVID-19 occurred after 31 December 2019, it did not relate to conditions that existed at balance date. As a result, no adjustments have been made to these financial statements in relation to the impact of COVID-19.

COVID-19 is a rapidly evolving situation, and the future financial performance of the company can only be estimated based on the circumstances at the date of this financial report. As licensed venues have been subject to significant restrictions during the pandemic, it is possible that further restrictions on operations will occur in the future.

As a result of

- i) the significant uncertainty in relation to the impact of the pandemic on future operations; and
- ii) the reduction in cash reserves as a result of the cessation of operations

it is considered that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern.

Warragamba Workers & Sporting Club Limited

ABN: 40 000 880 393

Notes to the Financial Statements

For the Year Ended 31 December 2019

23 Events after the end of the Reporting Period

Except for the above, no other matters or circumstances have arisen since the end of the year which significantly affected or could significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

24 Company Details

The registered office of and principal place of business of the company is:

Warragamba Workers & Sporting Club Limited
9-11 Eighteenth Street
WARRAGAMBA NSW 2752

Warragamba Workers & Sporting Club Limited

ABN: 40 000 880 393

Directors' Declaration

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 6 to 28, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
 - b. give a true and fair view of the financial position as at 31 December 2019 and of the performance for the year ended on that date of the company.
2. COVID-19 has resulted in significant uncertainty in relation to the impact of the pandemic on future operations and a reduction in cash reserves as a result of the cessation of operations. As stated in Note 23, these events or conditions, along with other matters as set forth in Note 23, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

In the directors' opinion, there is a material uncertainty as to whether the company will be able to pay its debts as and when they become due and payable.

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

Director
Maurie Hall

Director
Terry Frazer

Dated this TWENTIETH..... day of OCTOBER..... 2020

Warragamba Workers & Sporting Club Limited

ABN: 40 000 880 393

Independent Auditor's Report to the members of Warragamba Workers & Sporting Club Limited

Opinion

We have audited the financial report of Warragamba Workers & Sporting Club Limited (the Company), which comprises the statement of financial position as at 31 December 2019, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Warragamba Workers & Sporting Club Ltd 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 2019 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements 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 for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 23 in the financial report, which indicates that COVID-19 has resulted in significant uncertainty in relation to the impact of the pandemic on future operations and a reduction in cash reserves as a result of the cessation of operations. As stated in Note 23, these events or conditions, along with other matters as set forth in Note 23, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the directors' report, the detailed income statement and the trading account schedules for the year ended 31 December 2019 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.

Warragamba Workers & Sporting Club Limited

ABN: 40 000 880 393

Independent Auditor's Report to the members of Warragamba Workers & Sporting Club Limited

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.

Responsibilities of Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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.

As part of an audit in accordance with the 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 report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for 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 the directors.
- Conclude on the appropriateness of the directors' 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 report 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.

Warragamba Workers & Sporting Club Limited

ABN: 40 000 880 393

Independent Auditor's Report to the members of Warragamba Workers & Sporting Club Limited

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, 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 our audit.

Kelly Partners Assurance Services

Kelly Partners Assurance Services

Peter Dawkins

Peter Dawkins
Registered Auditor Number 4334
North Sydney

Dated this *20~~th~~* day of *October* 2020

Warragamba Workers & Sporting Club Limited

ABN: 40 000 880 393

For the Year Ended 31 December 2019

Disclaimer

The additional financial data presented on pages 34 to 39 is in accordance with the books and records of the company which have been subjected to the auditing procedures applied in our statutory audit of the company for the year ended 31 December 2019. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither Kelly Partners Assurance Services nor any member or employee of Kelly Partners Assurance Services undertakes responsibility in any way whatsoever to any person (other than Warragamba Workers & Sporting Club Limited) in respect of such data, including any errors or omissions therein however caused.


Kelly Partners Assurance Services



Peter Dawkins

Registered Auditor Number 4334

North Sydney

Dated this 20th day of October 2020

Warragamba Workers & Sporting Club Limited

ABN: 40 000 880 393

For the Year Ended 31 December 2019

Detailed income statement

	2019	2018
	\$	\$
Income		
Bar sales	733,689	753,916
Catering rent	6,303	4,727
Commissions	91,227	97,611
Poker machine income	662,254	641,858
Rental income	12,984	13,255
Member subscriptions	13,035	6,759
Promotion revenue	72,835	78,356
Other revenue	2,186	129
Sundry income	284	279
Gain on sale of non-current assets	-	7,160
Total income	1,594,797	1,604,050
Less: Expenses		
Advertising	4,982	6,878
Auditors remuneration	33,400	32,800
Bank charges	2,966	3,754
Bar cost of sales	348,091	364,999
Bar expenses	478	-
Bar replacements	700	480
Bistro expenses	603	-
Cleaning	42,917	39,636
Computer expenses	9,808	7,101
Depreciation	129,775	124,807
Direct property expenditure from rental property	2,946	3,672
Directors' expenses	1,367	2,630
Donations	8,853	11,121
Electricity and gas	70,313	72,818
Entertainment	44,214	42,472
Interest expense	4,067	5,674
Functions expense	17,563	20,428
Gardening expenses	2,963	13,992
Insurance	64,172	55,743
Keno maintenance expense	1,735	1,537
Keno promotions	350	550
Keno stationery	1,686	665
Legal fees	840	-
Liquor license fee	3,348	3,032
Member amenities	27,020	29,594
Motor vehicle expenses	425	-
Postage	288	962
Printing and stationery	7,127	10,117
Promotion	106,401	127,989

Warragamba Workers & Sporting Club Limited

ABN: 40 000 880 393

For the Year Ended 31 December 2019

Detailed income statement

	2019	2018
	\$	\$
Rates and taxes	17,395	16,091
Repairs and maintenance	100,106	91,827
Royalties and license fees	2,715	3,309
Security costs	8,317	15,432
Staff amenities	155	235
Staff training	2,240	4,350
Stocktake costs	-	1,200
Subscriptions	4,729	5,258
Sundry expenses	(6,597)	(920)
Superannuation contributions	46,982	41,302
TAB expenses	18,040	18,040
Telephone and fax	6,628	7,611
Tills under/(over)	(794)	(119)
Uniforms	635	1,461
Wages - administration	89,044	140,123
Wages - bar	235,767	213,138
Wages - Keno	35,480	32,304
Wages - poker machines	71,907	63,551
Wages - TAB	53,659	44,970
Waste disposal	8,208	10,666
Total Expenses	(1,634,014)	(1,693,280)
Other items:		
Profit before income tax	(39,217)	(89,230)

Warragamba Workers & Sporting Club Limited

ABN: 40 000 880 393

For the Year Ended 31 December 2019

Bar trading account

	2019	2018
	\$	\$
Revenue		
Sales	733,689	753,916
	<u>733,689</u>	<u>753,916</u>
Cost of sales		
Opening stock	(29,193)	(26,749)
Purchases	(347,789)	(367,230)
Closing stock	28,891	28,980
	<u>(348,091)</u>	<u>(364,999)</u>
Cost of goods sold		
	<u>385,598</u>	<u>388,917</u>
Gross profit		
	<u>385,598</u>	<u>388,917</u>
Less: Direct expenses		
Bar expenses	478	-
Repairs and maintenance	700	480
Stocktaking costs	-	1,200
Tills: under/(over)	(794)	(119)
Wages	235,767	213,138
	<u>236,151</u>	<u>214,699</u>
Net profit / (loss)	<u>149,447</u>	<u>174,218</u>

Warragamba Workers & Sporting Club Limited

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For the Year Ended 31 December 2019

Keno trading account

	2019	2018
	\$	\$
Revenue		
Commissions	<u>59,235</u>	<u>59,973</u>
	<u>59,235</u>	<u>59,973</u>
Less: Direct expenses		
Promotions	350	550
Repairs and maintenance	1,735	1,537
Stationery	1,686	665
Wages	<u>35,480</u>	<u>32,304</u>
	<u>39,251</u>	<u>35,056</u>
Net profit / (loss)	<u><u>19,984</u></u>	<u><u>24,917</u></u>

Warragamba Workers & Sporting Club Limited

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For the Year Ended 31 December 2019

TAB trading account

	2019	2018
	\$	\$
Revenue		
Commissions	5,313	10,786
	<u>5,313</u>	<u>10,786</u>
Less: Direct expenses		
TAB expenses	18,040	18,040
Wages	53,659	44,970
	<u>71,699</u>	<u>63,010</u>
Net profit / (loss)	<u>(66,386)</u>	<u>(52,224)</u>

Warragamba Workers & Sporting Club Limited

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For the Year Ended 31 December 2019

Poker machines trading account

	2019	2018
	\$	\$
Revenue		
Net takings - poker machines	645,074	624,679
Gaming rebate	17,180	17,180
	<u>662,254</u>	<u>641,859</u>
Less: Direct expenses		
Depreciation	33,589	28,936
Repairs and maintenance	39,769	37,370
Wages	71,907	63,551
	<u>145,265</u>	<u>129,857</u>
Net profit / (loss)	<u>516,989</u>	<u>512,002</u>