



271 Melbourne Street
 PO BOX 19 Mulwala NSW 2647
 > P 03 5744 2331
 > E reception@clubmulwala.com.au
 > www.clubmulwala.com.au

MULWALA & DISTRICT
 SERVICES CLUB LIMITED

ANNUAL REPORT 2021



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Ordinary Members of the Mulwala & District Services Club Limited ACN 000 908 485 will be held at the Clubhouse, Melbourne Street, Mulwala on Sunday 17th October, 2021 at 11am.

BUSINESS:

1. To confirm the Minutes of the previous Annual General Meeting held on 18th October, 2020
2. To receive and consider the reports of the Board of Directors.
3. To receive and consider the Financial Statements and Auditors report.
4. To deal with business of which due notice has been given. See Resolution below.
5. To deal with other business of which due notice has been given.
6. To deal with any business that the meeting may approve of for which due notice has not been given.

Mulwala
18th September, 2021

By Order of the Board
Alan S. Rowe
Chief Executive Officer

MEMBERS PLEASE NOTE:

1. Questions pertaining to the financial statements are required to be lodged in writing, with the Chief Executive Officer, seven (7) days prior to this meeting.

Ordinary Resolution 1

Members will be asked to consider and if thought fit pass the following ordinary resolution

1. To comply with the Registered Clubs Act 1976 Section 10
That approval is given to a budget provision of an annual sum (not exceeding \$50,000) to meet such of the following expenses of the Club that may be approved by the Board of Directors from time to time:
 - a. The reasonable cost of meals and beverages for each Director at an appropriate time before or after a Board and other Meetings. The reasonable cost of meals and beverages for each Director and partner whilst Director is in uniform on duty representing the Club.
 - b. Reasonable expenses incurred by a Director either within the Club or elsewhere in relation to the duties of a Director including the entertainment of special guests of the Club in relation to Club business and such other promotional activities as may be approved by the Board.
 - c. The professional development and education of Directors over the following twelve months including: The reasonable cost of Directors attending ClubsNSW meetings, seminars, lectures, trade displays and other similar events that may be determined by the Board from time to time. The reasonable cost of Directors attending other Clubs throughout the State or relevant overseas venues for the purpose of observing their facilities and methods of operation.
 - d. Directors are seeking the following benefits: Diggers: 50% discount off any main meal excluding specials, for a Director (off duty) and one other person. Stone Grill: 20% discount on total account (both food & beverages) for themselves and their guests. Drinks: Directors are entitled to free post mix drinks whilst on duty. Essenza Day Spa: 40% discount on product and treatments.
Resort Accommodation: 50% discount off rack rate, maximum of 5 nights (per financial year). Director is not required to stay.
 - e. Facilities to support the Directors in performance of their role, including: director car park, uniforms, dry-cleaning and any other equipment or facilities so approved by the Board.

NOTES TO RESOLUTION: Please note this resolution is required under the Registered Clubs Act and is procedural.

2. Life Membership

The Board has approved the nomination of Mr John Clarke as an Honorary Life Member of the Club. A motion will be moved by Mr Desmond J O'Meara and seconded by Mr Shane McBurnie that Mr John Clarke be made an Honorary Life Member of the Club.

MULWALA & DISTRICT SERVICES CLUB LIMITED

ACN 000 908 485

BOARD OF DIRECTORS:

Chairman:	Mr D. O'Meara <small>ESM, OAM</small>
Deputy Chairman:	Mr C. Brennan Mr P. Nieuwenhout
Directors:	Mr J. Burn <i>(resigned 18.10.20)</i> Mr J. Clarke Mr P. Friedlieb Mr D. Keel Mr D. King Ms. V. Long Mr S. McBurnie Mr K. Pendergast <i>(resigned 18.10.20)</i>

CHIEF EXECUTIVE OFFICER: Mr A. Rowe

AUDITOR: JohnsonsMME Chartered Accountants

MULWALA & DISTRICT SERVICES CLUB LIMITED

MINUTES OF THE ANNUAL GENERAL MEETING OF MEMBERS OF THE MULWALA & DISTRICT SERVICES CLUB LIMITED

Held at the clubhouse Melbourne Street Mulwala on Sunday 18th October, 2020 at 11.05 am
(due to line up on the bridge re: border closure)

- PRESENT:** Mr D O’Meara (Chairman), twenty (20) ordinary RSL Members forty four (44) Associate Members – Total of 64.
- WELCOME:** Mr O’Meara in opening the meeting welcomed all those present, acknowledging life member Mr Tony Nieuwenhout OAM.
Mr O’Meara acknowledged and congratulated all on the success of the Club over the past 12 months, he noted how fantastic the Club renovations looked and thanked Rubicon. Also praised the maintenance crew of ClubMulwala whom worked during lockdown to create the wonderful memorabilia room, and the other projects they completed around the Club and Resort. Recognition and thanks was given to resigning Director Mr John Burn.
- APOLOGIES:** John Dunstan, Peter and Liz Seeligar and Lothar Augustat
- MINUTES:** Resolved on the motion of Messrs P Murray and R Maine that the minutes of the Annual General Meeting held on 20th October 2019, a copy of which had been circulated to all members be confirmed as a true record of proceedings. Carried
- DIRECTORS REPORT AND STATEMENT:** A copy of the Directors report and statement by Directors as circulated to all members pg 11-14 of Annual Report 2020.
Moved on the motion of P Murray and J Brennan that the report and statement be received. Carried
- FINANCIAL STATEMENTS & AUDITORS REPORT:** Resolved on the motion of A Nieuwenhout and B Bouchier that the financial statements (pg 15 onwards), a copy of which had been circulated to all members, be accepted. Carried
- RESOLUTION:** A copy of the resolution was circulated to all members, being a resolution required under the registered clubs act, to expend up to \$50,000 for the cost of out of pocket expenses incurred by the directors, the cost of attending conferences and professional development:
- a. The reasonable cost of meals and beverages for each Director at an appropriate time before or after a Board and other Meetings. The reasonable cost of meals and beverages for each Director and partner whilst Director is in uniform on duty representing the Club.
 - b. Reasonable expenses incurred by a Director either within the Club or elsewhere in relation to the duties of a Director including the entertainment of special guests of the Club in relation to Club business and such other promotional activities as may be approved by the Board.
 - c. The professional development and education of Directors over the following twelve months including: The reasonable cost of Directors attending ClubsNSW meetings, seminars, lectures, trade displays and other similar events that may be determined by the Board from time to time. The reasonable cost of Directors attending other Clubs throughout the State or relevant overseas venues for the purpose of observing their facilities and methods of operation.

- d. Directors are seeking the following benefits:
- Diggers: 50% discount off any main meal excluding specials, for a Director (off duty) and one other person.
 - Stone Grill: 20% discount on total account (both food & beverages) for themselves and their guests.
 - Drinks: Directors are entitled to free post mix drinks whilst on duty.
 - Essenza Day Spa: 40% discount on product and treatments.
 - Resort Accommodation: 50% discount off rack rate, maximum of 5 nights (per financial year). Director is not required to stay.
- e. Facilities to support the Directors in performance of their role, including: director car park, uniforms, dry-cleaning and any other equipment or facilities so approved by the Board.
- f. Club Auditor - That the Club accepts the resignation of the current Auditor, Jeff Haebich (deceased) Chartered Accountants and that the new Auditors, Johnsons MME of Albury their appointment be accepted.

The resolution was passed on the motion of P Murray and J Futcher.

Carried

Mr Rowe presented a powerpoint presentation updating Members on the progress of the past 10 years at ClubMulwala, outlining the projects achieved: escalators, new courtesy bus, upgrade of Resort rooms, Resort Boardwalk/ jetty, solar carpark and the Stage 1 renovation of upper Lounge and Gaming area.

**GENERAL
BUSINESS:**

NIL

**INTRODUCTION
OF BOARD:**

Chairman O'Meara introduced the new incoming Board of Directors for the ensuing years, first year of two year tenure: Chairman; Des O'Meara - Directors; Col Brennan, John Clarke, Philip Friedlieb, Damien Keel, David King, Vicky Long, Shane McBurnie and Paul Nieuwenhout. He thanked all candidates for their nomination.

Chairman O'Meara thanked Mr Kerry Pendergast for his service to the Club as a Director over the last 10 years, he also thanked all Members for attending and invited them to enjoy the hospitality of the Club.

CLOSURE

There being no further business the meeting closed at 11.25am.

I certify that the above as a true record of proceedings.

CHAIRMAN: Des O'Meara

DATE: 19th October 2020

CHAIRMAN'S REPORT



Members Wow! Our great team has done it again! A \$3,530,773, what a wonderful result for 2020/21. Never before has ClubMulwala produced a profit near this level. Most of this profit, \$2.3M came from operations and is a new record on its own. Job Keeper also has had a favourable input.

The Board of ClubMulwala congratulate our CEO Alan Rowe, his management team, and all our wonderful staff, on this amazing result. In the hospitality industry, your achievements are a measure of your staffs' abilities, and our staff shine through yet again this year.

The Federal Government's Job Keeper has assisted ClubMulwala to maintain it's fantastic workforce through these trying times of shutdown, lockdown and many restrictions.

Each year at election time, I push for a more diverse Board membership. At the 2020 AGM I welcomed three new members to the ClubMulwala Board.

Damien Keel, Principal at Yarrawonga P-12,

Vicky Long, ERP Manager at Thales, and

Philip Friedlieb, retired from Regional & Agribusiness Banking

All of these board members bring business and financial management experience to enhance our Board.

I thank Kerry Pendergast, a long term Director, for his contribution over many years to ClubMulwala.

I trust that our members are enjoying our newly renovated club. Due to Covid-19 restrictions, we have not ventured into more internal redevelopment of our Club, but look forward to a new elevator in the near future.

Also planned is roof maintenance, repair & replacement to ensure that all our renovations remain protected. ClubMulwala currently has 26 separate sections of roof, many of which are in dire need of repair.

I congratulate Krystal Brewer in achieving Employee of the Year for 2020 and Carmel Pulkillis for winning the annual Colin Scott Award for Excellence in Hospitality. Well done to both these valued employees. This year our long serving HR Manager has married and moved to Albury. We congratulate Maria Visser on her nuptials to Charl, and wish her all the best in her future endeavours.

I congratulate our IntraClub Sporting Clubs on their achievements over the past 12 months, with a special mention to our Lawn Bowls with three teams making it through to the Grand Final in their respective competitions, with a great win for Tuesday Pennant Team B1. Well done to all concerned. Thankyou to the hard-working committees that keep these IntraClubs operating.

ClubMulwala continue to support our local community charities and groups, donating over \$292,252 in cash and/or in-kind support. ClubMulwala has always had a close allegiance with the Yarrawonga Mulwala RSL Sub-Branch and its Auxiliary, and the Cobram Yarrawonga Legacy Group and their Widows. I know that all these organisations appreciate our commitment each year.

I have been privileged to chair the Board of ClubMulwala and I thank my fellow Directors, and our CEO Alan Rowe, for their contribution, commitment and support to myself and to ClubMulwala, and look forward to a safe but challenging 2021/22.

Des O'Meara ESM, OAM

CHAIRMAN

CEO's REPORT

It gives me great pleasure to present my seventh report to our Members.

If you thought last year was crazy, welcome to 2020/21.

The roller-coaster ride from last year happened again this year and all things considering, we actually had an excellent year all-round.

I would like to provide a snapshot for the records from March 2020:

- 23/03/20 – closed until 01/06/20 (lockdown 1)
- 20/07/20 – border closed (lockdown 2)
- 20/12/20 – Victoria imposes border restrictions
- 31/12/20 – Victoria snap shut border (lockdown 3)
- 27/05/21 – Victoria snap shut border (lockdown 4)

This financial year (2021/22), we have had two lockdowns already. 70-80% of our members and trade come from the Victorian side of the border. We can all relate to being impacted in some way, in particular over the last 12-15 months.

The (2020/21) year has been challenging to say the least. A year, that hopefully, we will never have to encounter again.

ClubMulwala has returned a profit of \$3,530,773 for the (2020/21) financial year. This compares to last year where we made a profit of \$1,583,707 (2019/20). This has been a great result considering the uncontrollable factors.

ClubMulwala is very focused on the Yarrawonga/Mulwala community, with well over \$292,252 of either cash, or in-kind donations made throughout the community last year, with many beneficiaries. We are also pleased to support and partner the RSL sub-branch. Included in this are Legacy, Ladies Auxiliary and Mulwala Elderly Citizens.

Employing over 125 staff, shows our commitment to Yarrawonga/Mulwala and we will continue to do so. Without our members support, we would not be able to do this.

I would like to take this opportunity to personally thank our Chairman, Mr Des O'Meara and his current Board of Directors, for their fantastic support.

Thank you also to Richard Butler, from Rubicon Design and Construct, and his team, for the support and help throughout these turbulent times.

We are reinvesting back into our already wonderful facility, now and over the coming years, implementing more and more positive changes, for all our members and visitors to enjoy.

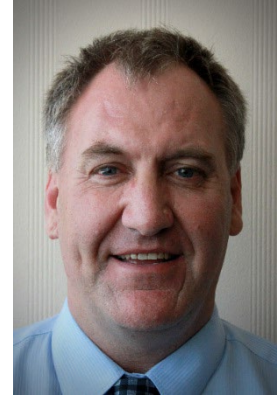
I would like to sincerely thank our Management team (Darren, Peter, Stephen, Matt, Jaki, Megan, Trish, Julie and Maria) and all our staff and their families, for their tremendous work, commitment and effort, over the past 12 months. All of our staff and their families are valued members of our team.

I would also like to acknowledge and congratulate all of our intra-house affiliates, including Indoor Bowls, Outdoor Lawn Bowls and Snooker. Thank you for your ongoing support of our Club.

We can certainly look forward to the future with confidence, as we continue to keep ClubMulwala as one of the premier clubs and destinations on the Murray.

Alan Rowe

CHIEF EXECUTIVE OFFICER



INTRA HOUSE CLUB REPORTS

INDOOR BOWLS 2020-21

It gives me great pleasure to present this Indoor Bowls report for the 2020 - 2021 year.

To the Board of Directors and Alan Rowe, thank you, for without your donations with prize money and afternoon teas for our Tournaments we would find it very hard to function.

To Peter and your wonderful catering staff, thank you for the great job you do and to the girls downstairs at Reception, thank you for the typing and photocopying that you do for us.

Due to COVID 19 we were not able to hold our usual tournaments or our in-house competitions. There was also no Pennant. We were able to hold our Gala Day, which was a great success even though we had to scale it back to 32 players, and our Christmas Dinner which was also a great success with all members attending. We thank ClubMulwala for the beautiful meal.

Thank you to all our members who help put out the mats and bowls and help put them away, this is greatly appreciated. A special thanks to our members who have donated to our special efforts table again this year.

Thanks must also go to my committee – Marna, Lyn, Chris & John and to the match committee – Val, Reg, Lyn, Barb, Fran, Annie & Judi.

I wish the incoming committee every success for the next year.

Trish Murphy
President
ClubMulwala Indoor Bowls

OUTDOOR BOWLS 2020-21

I present this my Presidents report for the season 2020 – 2021.

On behalf of the members (outdoor bowls) I extend our thanks to the staff of ClubMulwala for their assistance over the last 12 months. Thank you to Alan Rowe for the continuing support of our Club, please pass on our thanks to the board of management. We would also like to thank ClubMulwala catering manager Peter Harbrow and Krystal, their assistance for all our catering orders was excellent.

VISITORS

Due to Covid-19 and lockdowns, Visitor's were not able to attend this year.

SOCIAL BOWLS

Social Bowls was not able to be run over the winter months due to all the restrictions in place, but we were able to start again in April thanks to the Social Committee for making this happen.

PENNANT MIDWEEK & SATURDAY

We started the season with Saturday teams B2 and A3. Tuesday teams A1 and B1.

Saturday both teams made the Grand Final which was a great effort, but unfortunately coming up short on the day. Our Tuesday team B1 also making the Grand Final and they came home with a great win and a great team effort by all players. Our A1 team put in a great effort all year and will stay in A1 again next year.

Thanks to the selectors, bus drivers and coffee makers. Our big disappointment was not being able to give all our Members a game each week.

To Gary Parker thanks for your efforts in preparing our greens this past year.

CLUB EVENTS

Remembrance day and Easter Krackerjack both had to be cancelled due to covid. Anzac Day we had 28 teams and it was a great tournament. Duke of Edinburgh Shield we had over 100 bowlers attend.

CLUB CHAMPIONSHIPS

I would like to congratulate all members who entered and thanks for your support in all events.

We did have to cancel some events due to lack of numbers / Covid-19.

A special thanks to the match committee lead by Carman Mangan for running all the events.

To all members I thank you for the support you have shown throughout the year, without your support we would not have a club.

Personal thanks to each and every member for the great assistance to me throughout the year, I have enjoyed the role as President and appreciate the support of the members.

To Jan Morton our Secretary thank you for your great support and the terrific job that you continue to do.

To David King thank you for your continued support to our club, and in your position as Treasurer again this year. To Kerry for your press reports and assistance to me thank you, and to Barry Pitt for your help again this year. To Faye Cook for all your help with the catering needs.

Graeme Arnold
President

Snooker Report 2019 - 2020

The COVID pandemic interrupted the ClubMulwala Snooker Club year as it has done for countless other community organisations and clubs. Hopefully this will be our last report that mentions COVID as we move forward with our health and communities intact.

There have been a number of breaks in play and we have had to amend our calendar to attempt to get through our series of annual events, but given the duration of our latest lockdown we may find the 2021 season leaves us with a number of non-contested titles.

When we do get back to competition again we will resume our normal Monday evening club event and Wednesday evening social events schedule in what will be a very welcome circumstance for all players. Monday evenings are restricted to club members and Wednesday evenings are open to all players and as our participant numbers had been increasing strongly early in the year we anticipate high numbers of very keen snooker players at every event.

Monday evening competition nights have a variety of different events, including the Club Challenge held on the first Monday of each month, with three club vouchers to be won each month. The Monthly winners qualify for a double elimination final at the end of the year, with the winner of the final to get the prestigious trophy at our Christmas presentation night in December. We also have our annual Bob Organ "B" Grade Club Championship, won by Ashley Nicholls this year.

The Doubles Club Championships were played in October last year, and were taken out by father and son combination Darren and Jake Thompson, who then proceeded to fight out our Blue Ribbon event, the Singles Club Championship, where the winner's name is added to our honour board. Darren, who is also our longstanding Club President, took out a very closely fought and high standard match to prevail and break Jake's winning streak of the last 4 years.

The Wednesday social nights are open to any ClubMulwala members or guests to participate in. We have a ClubMulwala voucher for the weekly winner and the last person drawn out to play gets the chance to pot the Black ball of its spot from the "D" to win the jackpot.

We are very grateful to ClubMulwala and its Board Of Directors for the continuing support and sponsorship of the snooker club. We host an annual Director's night to demonstrate our appreciation and to provide an insight into how our club functions and this is always a very popular occasion. Members mix with Directors in a doubles event for which an annual trophy is awarded to the winning combination and supper is enjoyed by all during a break in play.

All club members are very aware of how fortunate we are to have the excellent facilities available to us in participating in our sport at ClubMulwala Yarrawonga. Our playing schedule's annual series of events allows players to choose their preferred number of events as available time allows them to and our visitors are consistently impressed by our flexibility, low cost of play and our high quality well maintained amenities. We have made a concerted effort to increase our membership and promote our sport and welcome any inquiries from prospective new players be they beginners or well experienced contestants. Our handicapping system works very well in giving everyone an opportunity to compete on level terms regardless of individual skill levels.

We thoroughly enjoy being members of ClubMulwala Snooker Club and will be very pleased to welcome anyone who would like to consider joining with us.

Neville Page
Club Secretary

COMMUNITY SUPPORT & DEVELOPMENT

The following local organisations have benefited from assistance from ClubMulwala:

- Albury Wodonga Cancer Centre
- Albury Tigers Club
- All Schools Scholarship - Sacred Heart Primary, Sacred Heart College, Yga P-12 Primary & Secondary, Mulwala Public School
- Berrigan Netball Club
- Billabong Crows Football Netball Club
- Blue Earth Organisation
- CDHBU Football Netball Club
- ClubMulwala Bowls Club
- ClubMulwala Indoor Bowls Club
- ClubMulwala Snooker Club
- Corowa Pony Club
- Devenish, Dookie & District - Royal Children's Hospital Good Friday Appeal Fundraiser
- Federation Shire - Various Community Groups
- Helping Hands – Yga Health
- Jack MacPherson-White Soldier On – Walk for Aussie Veterans
- Katamatite Football Club
- Ladies Auxilliary
- Ladies Legacy
- Lake Mulwala Angling Club
- Lake Mulwala Combined Probus
- Leeton Jockey Club
- Melba Vale Village – Australia’s Biggest Morning Tea, Cancer charity fundraiser
- Mens Legacy
- MHA Care - Moira Foodshare program
- MHA Care - Various Community Groups
- Moira Foodshare
- Mulwala Elderly Citizens Village
- Mulwala Football Netball Club
- Nelson Butterfield – Breaking the Cycle – Mental Illness fundraiser
- Rennie Football Netball Club
- Responsible Service of Alcohol Course - Snr Schools Program – Sacred Heart College & Yga College P-12
- Sacred Heart College
- Seniors Luncheons
- The Salvation Army, Red Shield Appeal
- Tungamah Football Netball Club
- Tungamah Hotel Social Club – Good Friday Appeal Fundraiser
- Tunza Fun Community Appeal
- Yarrawonga & Border Agricultural & Pastoral Assoc. Inc - Yga Show
- Yarrawonga Community Opp Shop
- Yarrawonga Football Netball Club
- Yarrawonga Friends in Common, Cancer awareness breakfast
- Yarrawonga Health - Gift Tree / Pay It Forward Program
- Yarrawonga Health – Helping Hands
- Yarrawonga Lawn Tennis Easter Tournament
- Yarrawonga Mulwala Cadets
- Yarrawonga Mulwala Cricket Club
- Yarrawonga Mulwala Darts Association
- Yarrawonga Mulwala Godfathers
- Yarrawonga Mulwala Ladies Legacy
- Yarrawonga Mulwala Lakers Cricket Club
- Yarrawonga Mulwala Little Athletics – 2020/21
- Yarrawonga Mulwala Mens Legacy
- Yarrawonga Mulwala Swimming Club
- Yarrawonga Mulwala Table Tennis
- Yarrawonga Neighbourhood House
- Yarrawonga SES Unit
- Yarroweyah Football Netball Club
- Yga / Mul Lakers Representative Basketball Assoc.
- Yga College P-12 - Kokoda Leadership Program
- Yga Mul Lions Club
- Yga Mul Mixed Probus
- Yga Mul RSL Sub-Branch
- Yga Rotary Club

ClubMulwala is proud to be able to support these and many other worthy organisations throughout the year.

MULWALA & DISTRICT SERVICES CLUB LIMITED ACN 000 908 485
DIRECTOR'S REPORT

Your Directors present their report on the Company for the financial year ended 30 June 2021.

1. DIRECTORS

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

Colin Gerard Brennan

John Phillip Burn (resigned 18.10.2020)

John Michael Clarke

Philip William Friedlieb (from 18.10.2020)

Damien Paul Keel (from 18.10.2020)

David Wilfred King

Vicky Maree Long (from 18.10.2020)

Shane Douglas McBurnie

Paul Justin Nieuwenhout

Desmond John O'Meara

Kerry William Pendergast (resigned 18.10.20)

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

2. COMPANY SECRETARY

The following person held the position of Company Secretary at the end of the financial year: Mr Alan Rowe – Mr Rowe has been employed as the Chief Executive since 1st day of December 2014.

3. PRINCIPAL ACTIVITIES & OBJECTIVES

The principal activities & objectives of the company during the year were that of a Registered Club providing various facilities and amenities including accommodation, essenza day spa, bar and dining facilities and entertainment for its members. These activities assisted in achieving the company's objectives by providing funds to allow the ongoing upkeep and enhancement of the facilities. The company measures its performances by being able to upgrade and enhance its facilities within its financial limitations.

4. STRATEGIES

The company strives to attract and retain quality staff who are committed to upkeep the Clubs mission statement which is 'To achieve total customer satisfaction by providing service excellence, using employees and products produced in a caring and safe environment, whilst at all times following the ideals of the Returned & Services League.

5. KEY PERFORMANCE MEASURES

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

6. OPERATING RESULT

The net amount of operating profit of the Company for the year was \$3,530,773.

7. DIVIDENDS PAID OR RECOMMENDED

The company has not paid or declared any dividend since the end of the previous financial year. The constitution of the company prohibits a distribution of a dividend.

8. REVIEW OF OPERATIONS

The Profit from ordinary trading operations was \$3,530,773 compared with the operating profit of \$1,523,193 in the prior year.

9. FINANCIAL POSITION

A review of the balance sheet shows the movements in the company's position as follows:

Net decrease in current assets	\$2,255,979
Net increase in total assets	\$2,047,416
decrease in liabilities	\$1,492,678
Increase in working capital	\$3,426,286
Purchases of fixed assets	\$1,574,111

10. SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

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

11. AFTER BALANCE DATE EVENTS

Covid-19 restrictions, border closures and lockdowns have continued to impact ClubMulwala in some means for the entirety of the 2020 /21 year. Government policy and restrictions relating to Covid-19 remained in place and continued to create a level of uncertainty over the Club's operating environment. Given the uncertainty over the period the restrictions on trading will be in force, the financial impact cannot be reliably measured at the time of issue of these financial statements. There are no other events since the balance date to the date of this report that would have a material effect on the operations of the Club.

12. FUTURE DEVELOPMENTS

ClubMulwala committed to major renovations with Rubicon Design & Construct Pty Ltd, this project has a 10 year scope (5 stages). Stage 1 Gaming / Lounge area was finalized completely at 30 June 2021. Future stages will be reviewed in 2022. Roof repairs are scheduled to commence in 2021/22 (at approx. costing of \$1.5million). Installation of a new lift at the ClubMulwala foyer is set to commence in late 2021. Upgrade of a further 10 rooms at ClubMulwala Resort is scheduled for 2022.

13. ENVIRONMENTAL ISSUES

The company's operations are not subject to any significant environmental regulation under a law of the Commonwealth or of a State or Territory. The board believes that the company has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the company.

14. INFORMATION ON DIRECTORS

	<u>Experience:</u>	<u>Occupation:</u>
Colin Gerard Brennan	- Board Member since 2016 - Member of Club Directors Institute	Retired - <i>Deputy Chairman</i>
John Michael Clarke	- Board Member since 2016 -Member of Club Directors Institute	Retired
Philip William Friedlieb	- Board Member since 2020 -Member of Club Directors Institute	Retired
Damien Paul Keel	- Board Member since 2020 -Member of Club Directors Institute	School Principal
David Wilfred King	- Board Member since 2014 -Member of Club Directors Institute	Retired
Vicky Maree Long	- Board Member since 2020 -Member of Club Directors Institute	Accountant
Shane Douglas McBurnie	- Board Member since 2010 -Member of Club Directors Institute	Director Business owner
Paul Justin Nieuwenhout	- Board Member since 2018 -Member of Club Directors Institute	Accountant - <i>Deputy Chairman</i>
Desmond John O'Meara	- Board Member since 2016 -Member of Club Directors Institute	Retired - <i>Chairman</i>

15. DIRECTOR'S REMUNERATION

Since the end of the previous financial year no Director has received or become entitled to receive a remuneration (other than a remuneration included in the aggregate amount of remuneration received or due and receivable by Directors shown in the accounts, or the fixed salary of a full-time employee of the company) by reason of a contract made by the company with the Director or with a firm of which they are a member or with a company in which they have a substantial financial interest, save and except Mr S McBurnie who is an employee of a company with whom the club has traded.

16. MEETINGS OF DIRECTORS

During the financial year twelve Monthly meetings of Directors and two special meetings were held. Attendances by each Director during the year were as follows:

	Number Eligible to attend	Number Attended
Mr Colin Brennan	13	13
Mr John Burn	3	3
Mr John Clarke	13	13
Mr Philip Friedlieb	10	9
Mr Damien Keel	10	9
Mr David King	13	13
Ms Vicky Long	10	9
Mr Shane McBurnie	13	11
Mr Paul Nieuwenhout	13	13
Mr Desmond O'Meara	13	12
Mr Kerry Pendergast	3	3

17. INDEMNIFYING OFFICERS OR AUDITOR

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

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

C.G.Brennan, J.M.Clarke, P.W.Friedlieb, D.P.Keel, D.W.King, V.M.Long, S.D.McBurnie, P.J. Nieuwenhout, D.J.O'Meara, A.S. Rowe

18. MEMBERSHIP

The number of Members as at 30 June is as follows:

	2021	2020
Ordinary	18,849	18,826
Life Members	3	3
TOTAL	<u>18,852</u>	<u>18,829</u>

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 \$5 each to meet any outstanding obligations of the company. At 30 June 2020, the total amount that members of the company are liable to contribute if the company is wound up is \$94,260 (2020 \$94,145)

19. 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.

20. AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2021 has been received and can be found on page 30 of the financial report.

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

Signed at Mulwala, on this the 28th day of September, 2021



Des O'Meara
Chairman



Paul Nieuwenhout
Director

Mulwala & District Services Club Limited

ABN 68 000 908 485

Financial Statements

For the year ended 30 June 2021

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Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2021

	Note	2021 \$	2020 \$
Revenue	2	19,227,438	15,823,637
Cost of goods sold	3	(2,207,265)	(2,071,483)
Employee related expense	3	(6,437,872)	(6,127,180)
Depreciation and amortisation	3	(1,464,934)	(1,173,869)
Repairs and maintenance expense		(336,322)	(394,738)
Advertising and promotions		(505,247)	(673,710)
Electricity and gas		(457,823)	(420,412)
Entertainment		(183,720)	(258,703)
Insurances		(288,745)	(248,561)
Donations and sponsorships		(85,088)	(82,121)
Poker machine taxes and monitoring fees		(2,409,975)	(1,940,160)
Finance and banking costs	3	(135,787)	(134,555)
Loss on disposal of fixed assets		(268,683)	-
Other expenses		(915,204)	(774,952)
Profit before income tax		<u>3,530,773</u>	<u>1,523,193</u>
Income tax expense	1(b)	-	-
Net Profit for the year		<u>3,530,773</u>	<u>1,523,193</u>
Other Comprehensive Income		-	-
Total Comprehensive Result for the year		<u><u>3,530,773</u></u>	<u><u>1,523,193</u></u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Statement of Financial Position

As at 30 June 2021

	Note	2021 \$	2020 \$
ASSETS			
Current Assets			
Cash and cash equivalents	4	4,556,076	1,782,522
Trade and other receivables	5	98,396	638,425
Inventories	6	225,891	202,097
Other current assets	7	21,924	23,264
Total Current Assets		<u>4,902,287</u>	<u>2,646,308</u>
Non-Current Assets			
Property, plant and equipment	8	21,218,813	21,378,319
Investments		32	32
Trade and other receivables	9	260,454	328,568
Total Non-Current Assets		<u>21,479,299</u>	<u>21,706,919</u>
Total Assets		<u>26,381,586</u>	<u>24,353,227</u>
LIABILITIES			
Current Liabilities			
Trade and other payables	10	1,053,555	1,663,308
Borrowings	11	-	660,000
Lease Liabilities	13	929,582	822,895
Provisions	12	515,669	522,910
Total Current Liabilities		<u>2,498,806</u>	<u>3,669,113</u>
Non-current liabilities			
Borrowings	11	-	403,504
Lease Liabilities	14	3,731,684	3,644,974
Provisions	15	62,244	77,557
Total Non-Current Liabilities		<u>3,793,928</u>	<u>4,126,035</u>
Total Liabilities		<u>6,292,734</u>	<u>7,795,148</u>
Net Assets		<u>20,088,852</u>	<u>16,558,079</u>
EQUITY			
Retained earnings		<u>20,088,852</u>	<u>16,558,079</u>
Total Equity		<u>20,088,852</u>	<u>16,558,079</u>

The above statement of financial position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the year ended 30 June 2021

	Notes	Retained Earnings	Total
Balance at 1 July 2019		15,034,886	15,034,886
Net profit for the year		1,523,193	1,523,193
Balance at 1 July 2020		16,558,079	16,558,079
Net profit for the year		3,530,773	3,530,773
Balance at 30 June 2021		20,088,852	20,088,852

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the year ended 30 June 2021

	Note	2021 \$	2020 \$
Cash Flows from Operating Activities			
Receipts from members & customers		19,830,862	15,323,001
Payments to suppliers and employees		(14,482,022)	(12,126,476)
		<u>5,348,840</u>	<u>3,196,525</u>
Finance costs		(135,787)	(134,555)
Interest received		4,719	7,961
Net cash inflow/(outflow) from operating activities		<u>5,217,772</u>	<u>3,069,931</u>
Cash Flows from Investing Activities			
Proceeds from the sale of property, plant and equipment		29,344	-
Payments for property, plant and equipment		(1,603,455)	(5,741,449)
Net cash inflow/(outflow) from investing activities		<u>(1,574,111)</u>	<u>(5,741,449)</u>
Cash flows from Financing Activities			
Proceeds from borrowings		-	4,065,113
Proceeds from lease		1,187,639	863,460
Repayment of borrowings		(1,063,504)	(2,936,496)
Repayment of lease		(994,242)	(480,926)
Net cash inflow/(outflow) from financing activities		<u>(870,107)</u>	<u>1,511,151</u>
Net Increase/(Decrease) in Cash Held		2,773,554	(1,160,367)
Cash at the beginning of the financial year		1,782,522	2,942,889
Cash at the End of the Financial Year	4	<u>4,556,076</u>	<u>1,782,522</u>

The above statement of cash flows should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the year ended 30 June 2021

Note 1. Summary of significant accounting policies

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Basis of preparation

The principal accounting policies adopted in the presentation of the financial statements are set out below. These policies have been consistently applied to both years presented, unless otherwise stated.

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

Comparative information has been reclassified where appropriate to enhance comparability.

COVID-19

The COVID-19 global pandemic has seen the Federal and State governments implement a range of measures and restrictions to protect the Australian community from the spread of COVID-19. These measures and restrictions have adversely impacted the global and Australian economies, and this financial report has been prepared within that context.

As at 30 June 2021, the impact of COVID-19 on the Company's operations and finances has been significant given ongoing border and travel restrictions are affecting the number of visitors, despite operating revenues increasing \$2.68m or 18% on the prior year. This together with associated government COVID subsidies of \$1,628,785 has resulted in profits of \$3,530,773 for the year ended 30 June 2021. The Company continues to monitor business activity and economic conditions to support this ongoing assessment.

(a) Revenue

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

(i) *Sale of goods and services*

Revenue from the sale of food, beverage and other goods is recognised at the point in time the goods are delivered to customers. Revenue from gaming and other services rendered is recognised at the point in time the service is provided to customers.

(ii) *Membership revenue*

Membership revenue is recognised over time as the performance obligations to deliver member services are satisfied, which are expected to occur over periods of up to five years. Subscriptions received where the performance obligation remains unsatisfied are shown as contract liabilities under the heading of payables (refer note 10).

(iii) *Interest*

Interest revenue is recognised on an accrual basis taking into account applicable interest rates.

(iv) *Rental*

Rental revenue is accrued on a straight-line basis over the period of the lease term.

Statement of Cash Flows

For the year ended 30 June 2021

Note 1. Summary of significant accounting policies (continued)

(b) Income Tax

The Company recognises the principles of tax effect accounting in terms of Australian Accounting Standards. However, in view of the method of calculation of the Company's taxable income (a calculation of non-member income only), the effect of the application of the principles would be insignificant.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled, and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related assets or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

(c) Borrowing Costs

Borrowing costs are recognised as expenses in the period in which they are incurred.

(d) Maintenance & Repairs

Maintenance, repair costs and minor renewals are charged as expenses as incurred.

(e) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash which are subject to an insignificant risk of changes in value.

(f) Trade and Other Receivables

All trade receivables are carried at their nominal amount. Collectability of debtors is reviewed on an ongoing basis. Debts, which are known to be uncollectible, are written off. A provision for estimated credit losses is raised when some doubt as to collection of the debt exists.

(g) Inventories

Inventory is stated at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

(h) Property, Plant & Equipment

All plant and equipment is stated at cost less depreciation and impairment losses. Cost is measured as the fair value of the assets given up, liabilities undertaken at the date of acquisition plus incidental costs directly attributable to the acquisition. The purchase method of accounting is used for all acquisitions of assets.

Depreciation is recognised in the statement of profit or loss and other comprehensive income on a diminishing value basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated. The estimated useful lives for the current and comparative periods are as follows:

	2021	2020
Buildings	2.5%	2.5%
Plant and equipment	4-25%	4-25%
Right of Use Assets	2% -25%	2% -25%

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the statement of comprehensive income.

Statement of Cash Flows

For the year ended 30 June 2021

Note 1. Summary of significant accounting policies (continued)

(i) Borrowings

Borrowings are carried at their principal amounts, which is not materially different to the present value of future cash flows associated with servicing the debt. Any interest payable on borrowings is paid as and when due.

(j) Leases

The Company assesses whether a contract contains a lease at the inception of the contract. The Company recognises a right of use asset and a corresponding lease liability in respect to all lease arrangements in which it is the lessee, with the exception for short term leases (leases with a term of less than 12 months) and leases of low value assets (less than \$10,000). For these leases, the Company recognises the lease payments as an operating expense on a straight line basis over the term of the lease.

The lease liability is initially measured at the net present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease. If this rate cannot be readily determined, the company uses its incremental borrowing rate.

The right of use assets recognise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment. Right-of-use assets are depreciated over the shorter period of the lease term and useful life of the underlying asset.

(k) Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. These amounts are unsecured and usually paid within 30 days of recognition.

(l) Employee Entitlements

(i) Wages and salaries

Liabilities for wages and salaries are recognised and measured as the amount unpaid at the reporting date at current wage rates in respect of employees' service up to that date.

(ii) Annual leave

Liabilities for annual leave are recognised and are measured as the amount unpaid at the reporting date at pay rates expected to apply when the obligation is settled in respect of employees' services up to that date, including on-costs. All annual leave balances are classified as a current liability.

(iii) Long service leave

Long service leave entitlements payable are assessed at balance date having regard to expected employee remuneration rates on settlement, employment related on-costs and other factors including accumulated years of employment, on settlement, and experience of employee departure per year of service. All long service leave which the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after reporting date is disclosed as a current liability and is measured at nominal value based on the amount expected to be paid when settled. Long service leave expected to be paid later than one year has been measured at the present value of the estimated future cash outflows to be made for these accrued entitlements. Commonwealth bond rates are used for discounting future cash outflows.

(m) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Statement of Cash Flows

For the year ended 30 June 2021

Note 1. Summary of significant accounting policies (continued)

(n) Impairment of Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value, less cost to sell and value in use.

(o) Adoption of new and revised accounting standards

Certain new accounting standards and interpretations have been issued as at 30 June 2021 but not yet effective. The Club has not adopted any of these changes. The effect of these changes when adopted by the Club will not be material.

Note 2. Revenue

		2021	2020
		\$	\$
Continued Operations:			
Revenue from contracts with customers	a	17,240,810	14,565,526
Other sources of revenue	b	1,986,628	1,258,111
		<u>19,227,438</u>	<u>15,823,637</u>

a. Disaggregated revenue

The company has disaggregated revenue into various categories in the following table. The revenue is disaggregated by service lines and timing of revenue recognition

Service Lines

Sale of goods and services	6,356,604	5,742,493
Gaming revenue	10,793,166	8,735,989
Membership subscriptions	91,040	87,044
	<u>17,240,810</u>	<u>14,565,526</u>

Timing of revenue recognition

Products and services transferred to customers:

At a point in time	17,149,770	14,478,482
Over time	91,040	87,044
	<u>17,240,810</u>	<u>14,565,526</u>

b. Other Sources of Revenue

Interest revenue	4,719	7,961
Rental revenue received	66,718	37,302
Commissions	3,831	3,785
Subsidy received – Jobkeeper & Cash Flow Boost (COVID-19 stimulus)	1,628,785	1,003,215
Sundry revenue	282,575	205,848
	<u>1,986,628</u>	<u>1,258,111</u>

Statement of Cash Flows

For the year ended 30 June 2021

Note 3. Profit/(Loss) for the year	2021	2020
Profit before income tax expense includes the following expenses:	\$	\$
Expenses		
Cost of goods sold		
- Bar	790,431	746,038
- Catering	1,373,829	1,274,444
- Other	43,005	51,001
	<u>2,207,265</u>	<u>2,071,483</u>
Depreciation and amortisation		
- Buildings	415,736	247,643
- Plant and equipment	619,592	591,506
- Right of use assets	429,606	334,720
	<u>1,464,934</u>	<u>1,173,869</u>
Employee related expenses		
- Salaries and wages	5,462,089	4,653,148
- Superannuation	503,342	435,502
- Payroll tax	236,639	198,712
- Staff Entitlements	(15,063)	181,447
- Job keeper top up payments	250,865	658,371
	<u>6,437,872</u>	<u>6,127,180</u>
Finance costs		
- Bank interest and charges	54,485	59,762
- Interest on leases	81,302	74,793
	<u>135,787</u>	<u>134,555</u>
Operating lease expense (low value items)		
- Low Value and short-term leases	29,852	21,171

Note 4. Current assets – Cash and Cash Equivalents

Cash on hand	881,077	772,804
Cash at bank	3,674,999	1,009,718
	<u>4,556,076</u>	<u>1,782,522</u>

Note 5. Current assets – Trade and Other Receivables

Trade receivables	33,283	42,987
Other receivables – RSL sub-branch	65,113	62,113
Other Receivables – ATM Clearing Accounts	-	162,610
Other Receivables – Job keeper Accrual	-	370,715
	<u>98,396</u>	<u>638,425</u>

All debtors are considered collectible

Note 6. Current assets – Inventories

Bar	138,632	116,731
Catering	54,312	51,832
Other	32,947	33,534
	<u>225,891</u>	<u>202,097</u>

Statement of Cash Flows

For the year ended 30 June 2021

Note 7. Current assets – Other	2021	2020
	\$	\$
Prepayments	21,924	23,264

Note 8. Non-current assets – Property, Plant and Equipment

Land and buildings

Land – at cost	700,000	700,000
Buildings – at cost	20,734,352	20,911,430
Less: Accumulated depreciation	(9,674,346)	(9,369,832)
	<u>11,060,006</u>	<u>11,541,598</u>
Total Land and Buildings	<u>11,760,006</u>	<u>12,241,598</u>

Plant & Equipment

Plant and Equipment – at cost	13,111,689	17,588,773
Less: Accumulated Depreciation	(9,090,122)	(13,352,801)
	<u>4,021,567</u>	<u>4,235,972</u>

Right of use assets (leased gaming machines)

At cost	3,303,246	2,198,312
Less: Accumulated depreciation	(844,044)	(474,046)
	<u>2,459,202</u>	<u>1,724,266</u>

Right of use assets (leased property)

At cost	3,039,989	3,039,989
Less: Accumulated depreciation	(119,216)	(59,608)
	<u>2,920,773</u>	<u>2,980,381</u>

Work in Progress

57,265 196,102

Total Plant and Equipment

21,218,813 21,378,319

Movements in carrying amounts:

	Land	Buildings	Plant & Equipment	Right of Use Asset Gaming	Right of Use Asset Property	Work in Progress	Total
WDV 1 July 2020	700,000	11,541,598	4,235,972	1,724,266	2,980,381	196,102	21,378,319
Additions	-	27,531	1,377,634	-	-	198,290	1,603,455
Disposals	-	(274,771)	(23,256)	-	-	-	(298,027)
Transfers	-	181,384	(949,191)	1,104,934	-	(337,127)	-
Depreciation	-	(415,736)	(619,592)	(369,998)	(59,608)	-	(1,464,934)
WDV 30 June 2021	<u>700,000</u>	<u>11,060,006</u>	<u>4,021,567</u>	<u>2,459,202</u>	<u>2,920,773</u>	<u>57,265</u>	<u>21,218,813</u>

(ii) This balance represents the initial recognition of Right of Use Asset relating to the lease of the Clubhouse land on the on 1 July 2019.

Statement of Cash Flows

For the year ended 30 June 2021

Note 9. Non-current assets – Trade and Other Receivables

	2021	2020
	\$	\$
RSL Sub-branch	260,454	328,125

Note 10. Trade and Other Payables

Current

Trade creditors	507,057	518,191
Sundry Creditors	338,071	257,018
Poker Machine Tax Payable	-	701,485
GST Payable	73,957	107,054
Other Payables – ATM Clearing Accounts	40,550	-
Income in advance – contract liability	93,920	79,560
	<u>1,053,555</u>	<u>1,663,308</u>

Note 11. Borrowings

Current	-	660,000
Non-Current	-	403,504
Total Borrowings	<u>-</u>	<u>1,063,504</u>

Security:

- (i) Borrowings relate to a NAB Corporate Markets Loan secured by:
- First registered company charge by Mulwala & District Services Club over all its assets and undertakings; and
 - First registered mortgage by Mulwala & Districts Services Club over non-residential real property located at 271 Melbourne Street, Mulwala NSW 2647.

Note 12. Current liabilities – Provisions

Employee Entitlements - Annual Leave	409,046	428,547
Employee Entitlements - Long Service Leave	106,623	94,363
	<u>515,669</u>	<u>522,910</u>

Note 13. Current liabilities – Lease Liabilities

Lease liability		
- Gaming machine leases	901,033	795,106
- RSL land lease	28,549	27,789
	<u>929,582</u>	<u>822,895</u>

Security:

- (i) Leases are secured against the relevant asset subject to finance.

Note 14. Non-current liabilities – Lease Liabilities

Lease liability		
- Gaming machine leases	764,149	648,890
- RSL land lease	2,967,535	2,966,084
	<u>3,731,684</u>	<u>3,644,974</u>

Security: Refer note 13.

Statement of Cash Flows

For the year ended 30 June 2021

Note 15. Non-current liabilities – Provisions	2021	2020
	\$	\$
Employee Entitlements – Long Service Leave	62,244	77,557

Note 16. Related party transactions

(a) Key Management Personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the company either directly or indirectly. The key management personnel of the company comprise the directors and executives who are responsible for the financial and operational management of the company.

Compensation paid to key management personnel of the company was as follows:

Short-term employee benefits	244,332	211,389
Post-employment benefits	24,433	21,139
	<u>268,765</u>	<u>232,528</u>

(b) Transactions with related parties

Director Mr. S McBurnie is a Director of McBurnie Group Pty Ltd who has transacted with Mulwala & District Services Club during the year. This engagement was based on normal commercial terms and conditions and the aggregate amount paid was \$1,713 (2020: \$1,210).

Note 17. Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, accounts receivable and payable, 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:

(i) Financial Assets

Cash on hand	4	4,556,076	1,782,522
Trade and other receivables	5, 9	358,850	966,550
Total Financial Assets		<u>4,914,926</u>	<u>2,749,072</u>

(ii) Financial Liabilities

Trade and other payables	10	1,053,555	1,663,308
Borrowings	11	-	1,063,504
Leases	13,14	4,661,266	4,467,869
Total Financial Liabilities		<u>5,714,821</u>	<u>7,194,681</u>

Statement of Cash Flows

For the year ended 30 June 2021

Note 18. Commitments	2021	2020
	\$	\$
Lease Commitments		
Commitments in relation to minimum lease repayments over the term of the lease agreements are as follows:		
- Not later than 1 year	1,034,206	944,852
- Between 1 year and 5 years	1,203,275	1,080,694
- Over 5 years	4,927,273	5,127,278
Less: Finance costs	<u>(2,503,488)</u>	<u>(2,684,955)</u>
	<u>4,661,266</u>	<u>4,467,869</u>
Represented by:		
Current (note 13)	929,582	822,895
Non-current (note 14)	<u>3,731,684</u>	<u>3,644,974</u>
	<u>4,661,266</u>	<u>4,467,869</u>

Note 19. Events Occurring after Reporting Date

Subsequent to year end, the NSW government locked down regional NSW, which resulted in the Club ceasing operations. Government policy and restrictions relating to Covid-19 continue to evolve which will continue to create a level of uncertainty over the Club' operating environment. Given the uncertainty over the period the restrictions on trading will be in force, the financial impact cannot be reliably measured at the time of issue of these financial statements.

There are no other events since the balance date to the date of this report that would have a material effect on the operations of the Club.

Note 20. Contingencies**Contingent Asset**

The Company owns 199 gaming machine entitlements acquired at no cost. These gaming machine entitlements are a tradable commodity within the NSW licensed club industry. However, the value of these gaming machine entitlement have not been recognised as an intangible asset in the statement of financial position on the basis that their value cannot be reliably measured and an active market does not exist.

Contingent liability

The directors are not aware of any contingent liabilities at balance date.

Statement of Cash Flows

For the year ended 30 June 2021

MULWALA & DISTRICT SERVICES CLUB LIMITED ACN 000 908 485
DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Mulwala & District Services Club Limited, the Directors declare that:

1. The financial statements and notes, as set out on pages 15 to 29 are in accordance with the Corporations Act 2001 and:
 - a) Comply with Australian Accounting Standards; and
 - b) Give a true and fair view of the financial position of the company as at 30 June 2020 and of its performance for the year ended on that date.

2. In the Directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



Des O'Meara
Chairman



Paul Nieuwenhout
Director

Dated this 28th Day of September, 2021.

Statement of Cash Flows

For the year ended 30 June 2021

AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF THE MULWALA AND DISTRICT SERVICES CLUB LIMITED

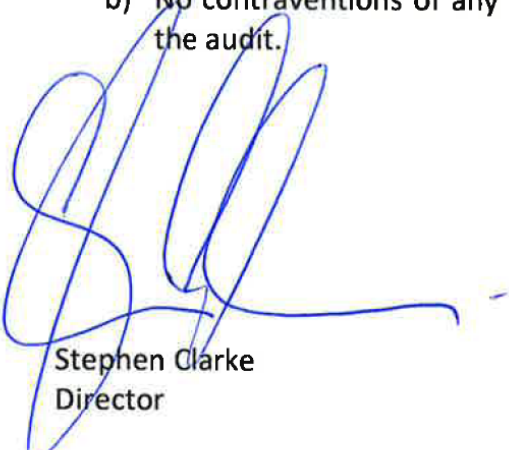
Supplied by JohnsonsMME

& Independent Auditors Report to the Members

Auditors' Independence Declaration

As lead auditor for the audit of Mulwala & District Services Club Ltd for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

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



Stephen Clarke
Director

Albury
28 September 2021