

Parkes Services and Citizens Club Co-Operative Limited

ABN 19 681 339 813

Financial Statements

For the Year Ended 31 December 2021

Parkes Services and Citizens Club Co-Operative Limited

ABN 19 681 339 813

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Parkes Services and Citizens Club Co-Operative Limited

ABN 19 681 339 813

Directors' Report

31 December 2021

Your Directors present their report on Parkes Services and Citizens Club Co-Operative Limited for the financial year ended 31 December 2021.

Directors

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

Name	Position	Occupation	Appointed / Resigned	Years' Service*
D. Charlton	President	Retired	Appointed 29/05/2016	5.6
S. Hamlin	Vice President	Tax Agent	Appointed 28/05/2017	4.6
S. Mikita	Director	Barber	Appointed 27/05/2018	3.6
T. Latter	Director	Labourer	Appointed 26/07/2020	1.4
R. Murphy	Director	Boiler Maker	Appointed 26/07/2020	1.4
V. Gaidzionis	Director	Retired	Appointed 26/07/2020	1.4
S. Riley	Director	IT Teacher	Appointed 27/05/2021	0.6
G. Boland	Director	Retired	Appointed 27/05/2021	0.6
K. Ross	-	-	Resigned 9/05/2021	-

* Years service is calculated as at 31 December 2021

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

Club Secretary

The following person held the position of Club Secretary at the end of the financial year:

M. Phillips who is also the General Manager of the Club has held the position of Secretary for 2.3 years.

Principal activities

The principal activity of Parkes Services and Citizens Club Co-Operative Limited during the financial year was the conduct of a Licensed Club.

No significant changes in the nature of the Club's activity occurred during the financial year.

Operating results

The loss of the Club after providing for income tax amounted to \$ 65,286 (2020: profit of \$ 216,943).

Parkes Services and Citizens Club Co-Operative Limited

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Directors' Report

31 December 2021

Review of operations

Profit from bar trading amounted to \$200,987 and gross profit percentage of 62% was obtained from sales of \$702,604.

Net gaming revenue amounted to \$3,122,875 and compares with \$3,066,083 in 2020.

The loss from catering trading amounted to \$181,644 and compares to a loss of \$228,620 in 2020.

The Club's operations were also impacted in 2021 by the COVID-19 pandemic. Refer to Note 1(b) for further details.

Meetings of Directors

During the financial year, 16 meetings of Directors were held (monthly board and special meetings). Attendances by each Director during the year were as follows:

	Directors' Meetings		Special Meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
D. Charlton	11	11	5	5
S. Hamlin	11	10	5	4
S. Mikita	11	10	5	5
T. Latter	11	7	5	4
R. Murphy	11	11	5	4
V. Gaidzionis	11	11	5	5
S. Riley (Appointed 27/05/2021)	6	5	3	1
G. Boland (Appointed 27/05/2021)	6	4	3	2
K. Ross (Resigned 9/05/2021)	4	3	2	2

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Club during the year apart from:

On 14 August 2021 as a response to the management of the COVID-19 pandemic, the Club was directed to close. The Club re-opened on 17 September 2021 subject to social distancing. Refer to Note 1(b) in the financial statements for further information regarding the impacts of the closure.

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Directors' Report

31 December 2021

After balance date events

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

Environmental issues

The Club's operations are subject to environmental regulations under the laws of the Commonwealth and State of Australia. The Directors are not aware of any breaches of the legislation during the financial year which are material in nature.

Short and long term objectives

The Club has established short and long term objectives as outlined in the Club's strategic plan which is reviewed on an annual basis. These objectives are both financial and non financial and are aimed towards providing a comfortable and secure environment to its members that continues to meet their needs. These objectives are measured through both financial and non financial key performance indicators that have been determined relevant to the Club industry. No information is included on the likely developments in the operations of the Club and the expected results of those operations.

Auditor's independence declaration

The lead auditor's independence declaration for the year ended 31 December 2021 has been received and can be found on page 5 of the financial report.

Mandatory Director Training

Under the Registered Clubs Amendment (Disclosures) Regulation 2019, the Club is required to disclose to its members certain information relating to mandatory training requirements undertaken by Directors. As the Club has annual gaming machine profits of more than \$1 million, the Regulation prescribes that all Directors must complete their mandatory training within 12 months of appointment unless otherwise exempt.

All Directors have completed the mandatory training.

Disclosure of Core and Non-Core Property

Pursuant to Section 41J(2) of the Registered Clubs Act 1976 and for the financial year ended 31 December 2021, the Directors have determined that the property of the Club shall be classified as follows:

Address	Current Usage	Classification
9 - 17 Short Street, Parkes	Clubhouse	Core
18 - 20 Caledonia Street, Parkes	Club Carpark	Core
48 - 50 May Street, Parkes	Additional Carpark	Core

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Directors' Report

31 December 2021

Indemnification and insurance of officers

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

Proceedings on behalf of the Club

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

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

Director:*Dorothy Charlton*.....

Director:*Stefo M. K. A.*.....

Dated 24 February 2022

Parkes Services and Citizens Club Co-Operative Limited

ABN 19 681 339 813

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Parkes Services and Citizens Club Co-Operative Limited

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2021, 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.

Cutcher & Neale Assurance Pty Ltd
(An authorised audit company)



N. Nancarrow CA
Director

NEWCASTLE

17 February 2022

Parkes Services and Citizens Club Co-Operative Limited

ABN 19 681 339 813

Independent Audit Report to the members of Parkes Services and Citizens Club Co-Operative Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Parkes Services and Citizens Club Co-Operative Limited (the Club), which comprises the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the 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 the Club is in accordance with the *Co-operatives National Law (NSW)* and the *Co-operatives National Law Regulations (NSW)*, including:

- (i) giving a true and fair view of the Club's financial position as at 31 December 2021 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Co-operatives National Law (NSW)* and the *Co-operatives National Law Regulations (NSW)*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards - Reduced Disclosure Requirements. 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 Club 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 Club, 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.

Emphasis of Matter

We draw attention to Note 1(b) in the financial statements, which discusses the impact of COVID-19 on the Club's operations and finances and acknowledges the closure of the Club from 14 August 2021 to 17 September 2021. Our opinion is not modified in respect of this matter.

Parkes Services and Citizens Club Co-Operative Limited

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Independent Audit Report to the members of Parkes Services and Citizens Club Co-Operative Limited

Other Information

The Directors are responsible for the other information. The other information obtained at the date of this auditor's report was limited to the Directors' Report.

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

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

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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 Club 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 *Co-operatives National Law (NSW)* and the *Co-operatives National Law Regulations (NSW)* 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 Club's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Club 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 - Reduced Disclosure Requirements 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.

Parkes Services and Citizens Club Co-Operative Limited

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Independent Audit Report to the members of Parkes Services and Citizens Club Co-Operative Limited

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board Website (<http://www.auasb.gov.au/Home.aspx>) at http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

Cutcher & Neale Assurance Pty Ltd
(An authorised audit company)



N. Nancarrow CA
Director

NEWCASTLE

25 February 2022

Parkes Services and Citizens Club Co-Operative Limited

ABN 19 681 339 813

Directors' Declaration

In the Directors' opinion:

1. The financial statements and notes, as set out on pages 10 to 30, are in accordance with the *Co-operatives National Law (NSW)* and the *Co-operatives National Regulations (NSW)* and:
 - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements and other mandatory professional reporting requirements; and
 - b. give a true and fair view of the financial position as at 31 December 2021 and of the performance for the year ended on that date of the Club.
2. There are reasonable grounds to believe that the Club will be able to pay its debts as and when they become due and payable.

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

Director 

Director 

Dated 24 February 2022

Parkes Services and Citizens Club Co-Operative Limited

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 December 2021

	Note	2021 \$	2020 \$
Bar sales		702,604	608,542
Less: Bar cost of goods sold		(270,491)	(228,464)
		<u>432,113</u>	<u>380,078</u>
Catering sales		796,133	638,366
Less: Catering cost of goods sold		(388,668)	(342,424)
		<u>407,465</u>	<u>295,942</u>
Gross profit		839,578	676,020
Gaming machine net clearances		3,122,875	3,066,083
Tab and keno commissions		63,452	54,411
Raffles and bingo revenue		128,395	86,468
Other revenue from contracts with customers	2	20,315	17,090
Other revenue from ordinary activities	2	97,725	63,195
Other revenue from non-ordinary activities	2	146,250	469,000
Borrowing cost expense		(16,780)	(24,797)
Bar trading expenses		(231,126)	(265,178)
Catering trading expenses		(589,109)	(524,562)
Raffle and bingo expenses		(127,526)	(89,988)
Gaming machine trading expenses		(903,130)	(869,955)
Tab and keno expenses		(93,082)	(79,119)
Club promotion and entertainment expenses		(286,679)	(231,220)
Occupancy expenses		(710,391)	(636,556)
Depreciation and amortisation expense		(631,185)	(619,463)
Administrative expenses		(876,317)	(871,399)
Other operating expenses from ordinary activities		(7,905)	(3,065)
Profit / (loss) before income tax		<u>(54,640)</u>	<u>216,965</u>
Income tax (expense)/benefit	10	(10,646)	(22)
Profit / (loss) attributable to members		<u>(65,286)</u>	<u>216,943</u>
Other comprehensive income		-	-
Total comprehensive income / (loss)		<u>(65,286)</u>	<u>216,943</u>

The accompanying notes form part of these financial statements.

Parkes Services and Citizens Club Co-Operative Limited

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Statement of Financial Position

As At 31 December 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	2,013,882	1,714,246
Trade and other receivables	6	23,261	21,651
Inventories	7	41,103	34,710
Other assets	8	34,246	24,953
TOTAL CURRENT ASSETS		2,112,492	1,795,560
NON-CURRENT ASSETS			
Property, plant and equipment	9	7,111,975	7,335,143
Deferred tax assets	11	4,591	15,237
Intangible assets	12	40,909	40,909
TOTAL NON-CURRENT ASSETS		7,157,475	7,391,289
TOTAL ASSETS		9,269,967	9,186,849
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	632,854	421,424
Short-term borrowings	14	126,249	118,478
Short-term provisions	15	313,581	284,369
TOTAL CURRENT LIABILITIES		1,072,684	824,271
NON-CURRENT LIABILITIES			
Trade and other payables	13	95,179	73,935
Long-term borrowings	14	300,296	406,542
Long-term provisions	15	9,978	24,985
TOTAL NON-CURRENT LIABILITIES		405,453	505,462
TOTAL LIABILITIES		1,478,137	1,329,733
NET ASSETS		7,791,830	7,857,116
EQUITY			
Reserves		4,630,709	4,630,709
Retained Earnings		3,161,121	3,226,407
TOTAL EQUITY		7,791,830	7,857,116

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity For the Year Ended 31 December 2021

2021

	Retained Earnings	Asset Revaluation Surplus	Total
	\$	\$	\$
Balance at 1 January 2021	3,226,407	4,630,709	7,857,116
Total other comprehensive income / (loss) for the year	(65,286)	-	(65,286)
Balance at 31 December 2021	3,161,121	4,630,709	7,791,830

2020

	Retained Earnings	Asset Revaluation Surplus	Total
	\$	\$	\$
Balance at 1 January 2020	3,009,464	4,630,709	7,640,173
Total other comprehensive income / (loss) for the year	216,943	-	216,943
Balance at 31 December 2020	3,226,407	4,630,709	7,857,116

The accompanying notes form part of these financial statements.

Parkes Services and Citizens Club Co-Operative Limited

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Statement of Cash Flows

For the Year Ended 31 December 2021

	2021	2020
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	5,346,967	4,959,885
Payments to suppliers and employees	(4,664,145)	(4,366,797)
Interest received	1,741	4,932
Interest paid	(16,780)	(24,797)
Federal Government - JobKeeper Income	-	369,000
Federal Government - Cashflow Boost	-	100,000
State Government - JobSaver	146,250	-
Net cash provided by / (used in) operating activities	<u>814,033</u>	<u>1,042,223</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of plant and equipment	-	25,727
Purchase of property, plant and equipment	(415,922)	(345,869)
Net cash provided by / (used by) investing activities	<u>(415,922)</u>	<u>(320,142)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from borrowings	123,424	82,990
Repayment of borrowings	(221,899)	(215,266)
Net cash provided by / (used in) financing activities	<u>(98,475)</u>	<u>(132,276)</u>
Net increase / (decrease) in cash and cash equivalents held	299,636	589,805
Cash and cash equivalents at beginning of year	<u>1,714,246</u>	<u>1,124,441</u>
Cash and cash equivalents at end of financial year	5 <u>2,013,882</u>	<u>1,714,246</u>

The accompanying notes form part of these financial statements.

Parkes Services and Citizens Club Co-Operative Limited

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Notes to the Financial Statements

For the Year Ended 31 December 2021

1 Summary of Significant Accounting Policies

(a) 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 *Co-operatives National Law (NSW)* and the *Co-operatives National Regulations (NSW)*.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(b) Significant changes in the current report period

Impact of COVID-19 on Club Operations

Since the World Health Organisation ("WHO") declared COVID-19 as a pandemic in March 2020, the Club has experienced periods of closure and restricted trade due to directives from government and health authorities.

From 5pm on 14 August 2021, the Club was forced to close by the NSW Government due to the escalating transmission of COVID-19 within NSW regional areas. The closure was imposed in a Statewide lockdown to restrict the spread of the virus. The Club was not able to trade during this closure period. The Club re-opened on 17 September 2021 (closure period was 33 days). The Club has complied with COVID-19 safety and social distancing measures outlined by authorities since reopening.

To minimise the impacts on cashflows during this closure period, management of the Club have adopted various short-term measures including:

- Monitoring stock expiry dates and taking appropriate action to reduce the financial impacts of stock losses.
- Sourced funding offered by the NSW Government (COVID grants and / or JobSaver) where applicable.
- Staff were stood down to reduce wage costs. Permanent and part-time staff had access to unused leave balances.
- Contacting suppliers and taking up revised payment terms if available.
- Incentives offered through other taxes or duties payable have also been considered.

Adherence with social distancing rules, including implementing a COVID-19 safety plan, rostering of hygiene marshals, restricting the number of patrons in the Club, wearing of face masks and utilising Service NSW electronic check-in for patrons are now considered the normal course of business.

Parkes Services and Citizens Club Co-Operative Limited

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Notes to the Financial Statements

For the Year Ended 31 December 2021

1 Summary of Significant Accounting Policies

(b) Significant changes in the current report period

The Club continues to monitor and adhere to NSW Government guidelines and review cashflows during the latest Omicron variant spread from mid December 2021. At the date of signing the 2021 financial report, no further closures of the Club have occurred since 17 September 2021.

(c) Income tax

The income tax expense / (benefit) for the year comprises current income tax expense / (benefit) and deferred tax expense / (benefit).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities / (assets) are therefore measured at the amounts expected to be paid to / (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

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 the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting year. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset 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.

(d) Inventories

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

(e) Property, plant and equipment

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

Property

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

Parkes Services and Citizens Club Co-Operative Limited

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Notes to the Financial Statements

For the Year Ended 31 December 2021

1 Summary of Significant Accounting Policies

(e) Property, plant and equipment

Property

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against this reserve directly in equity; all other decreases are charged to the statement of profit or loss and other comprehensive income.

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

Plant and equipment

Plant and equipment are measured on the cost basis. Cost includes expenditure that is directly attributable to the asset.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Club commencing from the time the asset is held ready for use. Land is not depreciated.

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

Class of Fixed Asset	Depreciation Rate
Buildings at valuation and cost	4%
Plant and Equipment	6.66% - 33%

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(f) Impairment of non-financial assets

At the end of each reporting period the Club assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

Parkes Services and Citizens Club Co-Operative Limited

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Notes to the Financial Statements

For the Year Ended 31 December 2021

1 Summary of Significant Accounting Policies

(g) Employee benefits

Provision is made for the Club'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 twelve months after the end of the reporting period have been measured at the present value of 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. Cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows. Changes in the measurement of the liability are recognised in profit or loss.

Employee benefits are presented as current liabilities in the statement of financial position if the Club does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

The Club does not contribute to a defined benefits scheme and therefore has no liability at balance date.

Contributions are made by the Club to employee superannuation funds and are charged to expenses when incurred.

(h) Revenue and other income

The Club recognises revenue when it transfers control over a product or service to a customer. Revenue is measured based on the amount of consideration expected to be received in exchange for the transfer of the good or service to the customer.

Revenue from Contracts with Customers

Revenue from the sale of goods is recognised at the point of delivery.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

Gaming machine revenue is recognised at the point of sale and represents the difference between the amounts earned through gaming wagers less the payouts from those wagers. Liabilities are recognised for anticipated payouts for progressive jackpots.

Revenue from membership subscriptions is recognised on a straight-line basis over the financial year.

Other Revenue

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

Parkes Services and Citizens Club Co-Operative Limited

ABN 19 681 339 813

Notes to the Financial Statements

For the Year Ended 31 December 2021

1 Summary of Significant Accounting Policies

(h) Revenue and other income

Other Revenue

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

(i) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

(j) 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 the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

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

(k) Gaming machine rebate

The Club received a rebate to compensate the loss of gaming machine income due to the introduction of GST. The period which the rebate relates to is from 1 June 2021 to 31 May 2022. Income has been recorded in the accounts for the 7 months to 31 December 2021 with the remainder being recorded as a liability. The current liability represents income which will be taken up in the succeeding financial year.

(l) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(m) Trade and other receivables

Trade receivables, which have 14 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectable amounts.

(n) Trade and other payables

Trade and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Club during the reporting period which remain unpaid at balance date. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Parkes Services and Citizens Club Co-Operative Limited

ABN 19 681 339 813

Notes to the Financial Statements

For the Year Ended 31 December 2021

1 Summary of Significant Accounting Policies

(o) 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 Club.

Key estimates - impairment

The Club assesses impairment at the end of the reporting year by evaluating conditions specific to the Club that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

(p) Leases

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

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

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

- fixed lease payments less any lease incentive;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

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

Right-of-use assets are amortised over the lease term or useful life of the underlying asset whichever is the shortest.

Parkes Services and Citizens Club Co-Operative Limited

ABN 19 681 339 813

Notes to the Financial Statements

For the Year Ended 31 December 2021

1 Summary of Significant Accounting Policies

(q) Investments and other financial assets

i) Classification

The Club classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the Club's business model for managing the financial assets and the contractual terms of the cash flows.

The Club is using the measured at amortised cost method for all its financial assets, namely trade and other receivables. 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 are solely payments of principal and interest on the principal amount outstanding.

ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Club commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Club has transferred substantially all the risks and rewards of ownership.

iii) Measurement

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

Interest income and impairment for expected credit losses are recognised in the profit or loss. Gain or loss on derecognition is recognised in profit or loss.

iv) Impairment

Impairment of financial assets is recognised on an expected credit loss (ECL) – forward looking - basis for all financial assets measured at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Club considers reasonable and supportable information that is relevant and available, including both quantitative and qualitative information and analysis based on the Club's historical experience and informed credit assessment, including forward looking information.

Credit losses are measured as the present value of the difference between the cash flows due to the Club in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Parkes Services and Citizens Club Co-Operative Limited

ABN 19 681 339 813

Notes to the Financial Statements

For the Year Ended 31 December 2021

1 Summary of Significant Accounting Policies

(r) Financial liabilities

i) Classification

The Club is using the measured at amortised cost method for all its financial liabilities. The financial liabilities of the Club comprise trade payables, bank loans and other asset purchase liabilities.

Liabilities measured at amortised cost are financial liabilities where the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Recognition and derecognition

The Club 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 Club derecognises financial liabilities when, and only when, the Club's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(s) Intangible assets

Gaming machine entitlements

Gaming machine entitlements are recognised at cost of acquisition. Directors have assessed that gaming machine entitlements have an indefinite useful life. These assets are tested annually for impairment and carried at cost less accumulated impairment losses.

(t) New accounting standards and Interpretations

AASB 1060 – General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities (applicable to annual reporting periods beginning on or after 1 July 2021)

AASB 1060 is a new self-contained standard that sets out all of the disclosure requirements relevant to a Tier 2 General Purpose Financial Statement (GPFS) preparer. The new disclosures have been significantly simplified when compared to either those required by a Tier 1 entity or those required under the AASB's existing Tier 2 Reduced Disclosure Framework (RDR), especially in the areas of revenue, leases, impairment and financial instruments.

The new standard applies to all entities preparing GPFS-Tier 2 and replaces the current Reduced Disclosure Requirements (RDR) Framework.

While entities that comply with this Standard need to apply the recognition and measurement requirements in other Standards, they are exempt from the disclosure requirements in specified paragraphs in other Standards.

Parkes Services and Citizens Club Co-Operative Limited

ABN 19 681 339 813

Notes to the Financial Statements

For the Year Ended 31 December 2021

1 Summary of Significant Accounting Policies

(u) Authorisation of Financial Statements

The financial statements were authorised for issue on 24 February 2022 by the Directors.

2 Revenue

	2021	2020
	\$	\$
Revenue from contracts with customers		
- Trading revenue	<u>4,813,459</u>	4,453,870
Other revenue from contracts with customers		
- Membership subscriptions	<u>20,315</u>	17,090
Other revenue from ordinary activities		
- Room and equipment hire	5,284	7,119
- Interest received	1,741	4,932
- Rebate for GST on gaming machine duty	17,180	17,180
- Commissions received	17,816	16,930
- Rent received	1,500	1,000
- Sundry income*	<u>54,204</u>	16,034
Total other revenue from ordinary activities	<u>97,725</u>	63,195
Other revenue from non-ordinary activities		
- Federal Government JobKeeper Income	-	369,000
- Federal Government Cashflow Boost	-	100,000
- State Government JobSaver	<u>146,250</u>	-
Total other revenue from non-ordinary activities	<u>146,250</u>	469,000
Total Revenue	<u>5,077,749</u>	<u>5,003,155</u>

*Sundry income includes a significant item of \$41,564 which relates to a reduction in the amount payable for ClubGrants due to an overpayment in 2019 and 2020.

3 Result for the year

(a) Expenses

(Profit) / Loss on disposal of property, plant and equipment	7,905	3,065
Low value lease expense	6,459	5,664

Parkes Services and Citizens Club Co-Operative Limited

ABN 19 681 339 813

Notes to the Financial Statements

For the Year Ended 31 December 2021

4 Interests of Key Management Personnel

The totals of remuneration paid to the key management personnel of Parkes Services and Citizens Club Co-Operative Limited during the year are as follows:

	2021	2020
	\$	\$
Key management personnel compensation	<u>258,917</u>	<u>210,351</u>

5 Cash and Cash Equivalents

Cash at bank and in hand	2,013,882	1,385,029
Short-term bank deposits	-	329,217
	<u>2,013,882</u>	<u>1,714,246</u>

6 Trade and Other Receivables

CURRENT		
Trade receivables	8,637	7,574
Deposits	7,000	7,000
Other receivables	7,624	7,077
	<u>23,261</u>	<u>21,651</u>

7 Inventories

CURRENT		
At cost		
Trading stock on hand	41,103	34,710

8 Other Assets

CURRENT		
Prepayments	34,246	24,953

Parkes Services and Citizens Club Co-Operative Limited

ABN 19 681 339 813

Notes to the Financial Statements For the Year Ended 31 December 2021

9 Property, Plant and Equipment

	2021	2020
	\$	\$
LAND AND BUILDINGS		
Freehold land		
At valuation	<u>1,454,000</u>	1,454,000
Total freehold land	<u>1,454,000</u>	1,454,000
Building		
At valuation	<u>4,456,000</u>	4,456,000
Subsequent additions at cost	<u>230,791</u>	230,791
Less accumulated depreciation	<u>(399,647)</u>	(212,176)
Total building	<u>4,287,144</u>	4,474,615
Total land and buildings	<u>5,741,144</u>	5,928,615
CAPITAL WORKS IN PROGRESS		
Capital works in progress		
At cost	<u>67,068</u>	-
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	<u>4,280,406</u>	4,030,555
Less accumulated depreciation	<u>(2,976,643)</u>	(2,624,027)
Total plant and equipment	<u>1,303,763</u>	1,406,528
Total property, plant and equipment	<u>7,111,975</u>	<u>7,335,143</u>

Parkes Services and Citizens Club Co-Operative Limited

ABN 19 681 339 813

Notes to the Financial Statements

For the Year Ended 31 December 2021

9 Property, Plant and Equipment

(a) Land and Building valuation

Land and buildings are stated at fair value, which has been determined based on an independent valuation obtained on the 14 August 2019 and applied as at 1 November 2019.

(b) Core & non-core property

As required by the Registered Clubs Act 1976 all Clubs are required to specify core and non-core property of the Club. As at 31 December 2021 the entire balance shown above in Land and Buildings is core property. For further disclosure of core and non-core property refer to the Directors' Report.

(c) 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	Plant and Equipment	Capital Works in Progress	Total
	\$	\$	\$	\$
Balance at the beginning of year	5,928,615	1,406,528	-	7,335,143
Additions	-	319,755	96,167	415,922
Disposals - written down value	-	(7,905)	-	(7,905)
Transfers	-	29,099	(29,099)	-
Depreciation expense	(187,471)	(443,714)	-	(631,185)
Balance at 31 December 2021	5,741,144	1,303,763	67,068	7,111,975

Parkes Services and Citizens Club Co-Operative Limited

ABN 19 681 339 813

Notes to the Financial Statements

For the Year Ended 31 December 2021

10 Income Tax Expense

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

	2021	2020
	\$	\$
Prima facie tax payable on profit from ordinary activities before income tax at 25% (2020: 26%)	(13,660)	56,411
Tax effect of:		
- other non-allowable items	7,893	10,715
- tax losses recognised off balance sheet	15,305	10,123
- depreciation on buildings	46,868	47,347
	<u>56,406</u>	<u>124,596</u>
Less:		
- building write-off deduction	8,337	7,297
- net adjustment for principle of mutuality apportionment of members income and expenses	37,423	117,277
	<u>37,423</u>	<u>117,277</u>
Income tax attributable to Club	<u>10,646</u>	<u>22</u>

11 Tax

Recognised deferred tax assets and liabilities

Future income tax benefit	<u>4,591</u>	<u>15,237</u>
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(a) Reconciliations

Gross Movements

The overall movement in the deferred tax account is as follows:

Opening balance	15,237	15,259
Increase/(decrease) in applicable timing differences	<u>(10,646)</u>	<u>(22)</u>
Closing balance	4,591	15,237
Comprised of:		
Future income tax benefit	<u>4,591</u>	<u>15,237</u>

The Club has tax losses arising in Australia of \$515,608 (2020: \$454,388) that are available indefinitely for offset against future taxable profits. These losses are not included in the deferred tax asset balance, until such time that the Club will meet the recognition requirements under Australian Accounting Standards.

Parkes Services and Citizens Club Co-Operative Limited

ABN 19 681 339 813

Notes to the Financial Statements

For the Year Ended 31 December 2021

12 Intangible Assets

	2021	2020
	\$	\$
Gaming machine licences - at cost	40,909	40,909

The recoverable amount of gaming machine entitlements is based on fair value less costs to sell. The methodology used to determine fair value less costs to sell is the observable market price per unit as at reporting date.

Gaming machine entitlements have been assessed as having an indefinite useful life. An indefinite useful life is supported by the absence of an expiry date. Factors that were important in determining this indefinite useful life include current government policy, current market conditions and current economic conditions.

The Directors' assessment of the market value of the gaming machine entitlements as at 31 December 2021 was approximately \$8,000 to \$15,000 per entitlement.

13 Trade and Other Payables

CURRENT

Unsecured liabilities

Trade payables	276,474	232,356
Other payables and accrued expenses	313,908	144,532
Income received in advance	42,472	44,536
	632,854	421,424

NON-CURRENT

Other payables and accrued expenses	95,179	73,935
	95,179	73,935

14 Borrowings

CURRENT

Unsecured liabilities:

Insurance loan	20,529	13,832
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Secured liabilities:

Bank loan - Commercial	40,592	43,128
Bank loan - Equipment	65,128	61,518

	105,720	104,646
Total current borrowings	126,249	118,478

Parkes Services and Citizens Club Co-Operative Limited

ABN 19 681 339 813

Notes to the Financial Statements For the Year Ended 31 December 2021

14 Borrowings

	2021	2020
	\$	\$
NON-CURRENT		
Secured liabilities:		
Bank loan - Commercial	277,749	318,867
Bank loan - Equipment	22,547	87,675
	<u>300,296</u>	<u>406,542</u>
Total borrowings	<u>426,545</u>	<u>525,020</u>
(a) Total current and non-current secured liabilities		
Bank loan - Commercial	318,341	361,995
Bank loan - Equipment	87,675	149,193
	<u>406,016</u>	<u>511,188</u>
(b) The carrying amounts of non-current assets pledged as security are:		
Freehold land and buildings	5,928,615	5,928,615
Plant and equipment	92,624	256,644
	<u>6,021,239</u>	<u>6,185,259</u>
(c) Security		
The bank loan - commercial is secured by:		
- Fixed and floating charge over the assets of Parkes Services and Citizens Club Co-Operative Limited		
- 1st Registered Mortgage over the Club premises and surrounding property which includes all real estate held by the Club.		
- Bank loan - equipment is secured by the actual financed assets.		
(d) Unrestricted access was available at balance date to the following lines of credit:		
Bank loan - Equipment	<u>412,325</u>	<u>350,807</u>

Parkes Services and Citizens Club Co-Operative Limited

ABN 19 681 339 813

Notes to the Financial Statements

For the Year Ended 31 December 2021

15 Provisions

	2021	2020
	\$	\$
CURRENT		
Employee benefits	<u>313,581</u>	284,369
NON-CURRENT		
Employee benefits	<u>9,978</u>	24,985

16 Capital and Leasing Commitments

(a) Capital commitments

Capital expenditure commitments contracted for:

Restaurant renovations

<u>97,149</u>	-
<u>97,149</u>	-

The Club has commenced renovations on the restaurant, with an estimated completion date of February 2022. The total project cost is approximately \$160k, with \$63k having already been spent in 2021.

17 Related Party Transactions

The Club's main related parties are as follows:

(a) Key Management Personnel of the Club

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Club, directly or indirectly, including any Director (whether executive or otherwise) of the Club, is considered key management personnel. Refer to Note 4.

(b) Other Related Parties of the Club

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

Transactions and Outstanding Balances with Related Parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. The following relationships and/or transactions occurred with related parties:

- General manager, Mr. M. Phillips, related persons are employees of the Club and receive wage payments under the same award terms and conditions as other employees of the Club.

Parkes Services and Citizens Club Co-Operative Limited

ABN 19 681 339 813

Notes to the Financial Statements

For the Year Ended 31 December 2021

17 Related Party Transactions

(b) Other Related Parties of the Club

- Club manager, Ms. C. Murphy, related persons are employees of the Club and receive wage payments under the same award terms and conditions as other employees of the Club. Club manager related persons have also provided services to the Club during the year on normal commercial terms and R. Murphy is a member of the Board.
- President, Ms. D. Charlton, related persons are employees of the Club and receive wage payments under the same award terms and conditions as other employees of the Club.

Parkes Services and Citizens Club Co-Operative Limited

ABN 19 681 339 813

Compilation Report

31 December 2021

We have compiled the accompanying special purpose financial statements of Parkes Services and Citizens Club Co-Operative Limited, which comprise the detailed statement of profit or loss and other comprehensive income. The specific purpose for which the special purpose financial statements have been prepared is to provide information relating to the performance of the Club that satisfies the information needs of the Directors.

The Responsibility of the Directors

The Directors are solely responsible for the information contained in the special purpose financial statements and have determined that the basis of accounting used is appropriate to meet their needs.

Our Responsibility

On the basis of the information provided by the Directors we have compiled the accompanying special purpose financial statements in accordance with the basis of accounting and APES 315 *Compilation of Financial Information*.

We have applied our expertise in accounting and financial reporting to compile these financial statements. We have complied with the relevant ethical requirements of APES 110 Code of Ethics for Professional Accountants (including Independence Standards).

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by the Directors to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The special purpose financial statements were compiled for the benefit of Directors. We do not accept responsibility for the contents of the special purpose financial statements.

Cutcher & Neale Assurance Pty Limited
(An authorised audit company)



N. Nancarrow CA
Director

NEWCASTLE

17 February 2022

Newcastle 130 Parry Street Newcastle West NSW 2302 T 02 4928 8500 F 02 4926 1971 E cnrmail@cutcher.com.au M PO Box 694 Newcastle NSW 2300
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Liability Limited by a scheme approved under Professional Standards Legislation Cutcher & Neale Assurance Pty Ltd ABN 37 126 556 330

Parkes Services and Citizens Club Co-Operative Limited

ABN 19 681 339 813

Detailed Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2021

	2021 \$	2020 \$
INCOME		
PROFIT/(LOSS) BAR TRADING	200,987	114,900
PROFIT/(LOSS) GAMING MACHINE TRADING	2,173,878	2,149,041
PROFIT/(LOSS) CATERING TRADING	(181,644)	(228,620)
PROFIT/(LOSS) KENO TRADING	33,433	27,174
PROFIT/(LOSS) TAB TRADING	(63,063)	(51,882)
PROFIT/(LOSS) RAFFLE TRADING	21,382	3,589
PROFIT/(LOSS) BINGO TRADING	(20,513)	(7,109)
OTHER INCOME	264,290	549,285
TOTAL	<u>2,428,750</u>	<u>2,556,378</u>
LESS: EXPENSES		
OPERATING EXPENSES	1,827,520	1,692,088
TOTAL EXPENSES	<u>1,827,520</u>	<u>1,692,088</u>
OPERATING PROFIT	<u>601,230</u>	<u>864,290</u>
DEDUCT NON CASH CHARGES:		
LOSS/(PROFIT) ON SALE OF FIXED ASSETS	7,905	3,065
DEPRECIATION	443,714	437,360
DEPRECIATION - BUILDINGS	187,471	182,103
OTHER INTEREST	16,780	24,797
	<u>655,870</u>	<u>647,325</u>
PROFIT/(LOSS) BEFORE INCOME TAX	<u>(54,640)</u>	<u>216,965</u>
INCOME TAX EXPENSE / (BENEFIT)	10,646	22
PROFIT/(LOSS) AFTER INCOME TAX	<u>(65,286)</u>	<u>216,943</u>

Parkes Services and Citizens Club Co-Operative Limited

ABN 19 681 339 813

Detailed Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 31 December 2021

	2021 \$	2020 \$
BAR TRADING ACCOUNT		
GROSS BAR SALES	702,604	608,542
TOTAL	<u>702,604</u>	<u>608,542</u>
<i>LESS: COST OF GOODS SOLD</i>		
OPENING STOCK	28,141	35,803
BAR PURCHASES	272,733	217,793
GAS	3,288	3,009
CLOSING STOCK	(33,671)	(28,141)
TOTAL COST OF GOODS SOLD	<u>270,491</u>	<u>228,464</u>
GROSS PROFIT/(LOSS)	<u>432,113</u>	<u>380,078</u>
GROSS PROFIT % SALES	62%	62%
<i>LESS EXPENSES</i>		
BAR WAGES	217,914	213,421
BAR - LEAVE	(6,382)	19,017
% WAGES TO SALES	30%	38%
BAR (OVERS) / UNDERS	539	994
BAR CONSUMABLES, REQUISITES & OTHER	14,607	25,734
REPAIRS & MAINTENANCE	4,448	6,012
TOTAL	<u>231,126</u>	<u>265,178</u>
BAR TRADING NET PROFIT/(LOSS)	<u>200,987</u>	<u>114,900</u>
% SALES	29%	19%
GAMING MACHINES TRADING ACCOUNT		
GAMING MACHINE NET CLEARANCES	3,433,559	3,372,691
NET REVENUE	<u>3,433,559</u>	<u>3,372,691</u>
<i>LESS EXPENSES</i>		
GST LIABILITY	310,684	306,608
GAMING MACHINE DUTY	524,047	539,218
CMS & STATEWIDE LINK FEES	38,885	27,886
CLUB GRANTS EXPENSE	45,867	47,087
STATIONERY	1,926	1,865
GAMING MACHINE WAGES	209,915	179,832
GAMING (OVERS) / UNDERS	468	1,068
REPAIRS & MAINTENANCE	77,882	76,086
PLAYER ELITE FEES	50,007	44,000
TOTAL	<u>1,259,681</u>	<u>1,223,650</u>
GAMING MACHINE TRADING PROFIT/(LOSS)	<u>2,173,878</u>	<u>2,149,041</u>
% SALES	63%	64%

Parkes Services and Citizens Club Co-Operative Limited

ABN 19 681 339 813

Detailed Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 31 December 2021

	2021 \$	2020 \$
CATERING TRADING ACCOUNT		
GROSS CATERING SALES	796,133	638,366
TOTAL	<u>796,133</u>	<u>638,366</u>
LESS: COST OF GOODS SOLD		
CATERING OPENING STOCK	6,569	33,091
CATERING PURCHASES	389,531	315,902
CATERING CLOSING STOCK	(7,432)	(6,569)
TOTAL COST OF GOODS SOLD	<u>388,668</u>	<u>342,424</u>
GROSS PROFIT / (LOSS)	<u>407,465</u>	<u>295,942</u>
GROSS PROFIT % SALES	51%	46%
<i>LESS EXPENSES</i>		
CATERING WAGES	537,806	413,532
CATERING LEAVE	6,130	26,290
% WAGES TO SALES	68%	69%
CATERING CONSUMABLES	19,344	10,158
CLEANING / LAUNDRY CONSUMABLES	3,852	8,638
CATERING REPLACEMENTS	1,909	2,221
OTHER EXPENSES	6,093	22,905
REPAIRS & MAINTENANCE	14,213	41,132
CATERING (OVERS) / UNDERS	(238)	(314)
TOTAL	<u>589,109</u>	<u>524,562</u>
CATERING TRADING NET PROFIT/(LOSS)	<u>(181,644)</u>	<u>(228,620)</u>
% SALES	-23%	-36%
KENO TRADING ACCOUNT		
KENO INCOME	58,054	45,123
KENO INCOME	<u>58,054</u>	<u>45,123</u>
<i>LESS: EXPENSES</i>		
KENO WAGES	20,902	16,283
KENO EXPENSES	3,719	1,666
TOTAL EXPENSES	<u>24,621</u>	<u>17,949</u>
KENO TRADING PROFIT/(LOSS)	<u>33,433</u>	<u>27,174</u>

Parkes Services and Citizens Club Co-Operative Limited

ABN 19 681 339 813

Detailed Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 31 December 2021

	2021 \$	2020 \$
TAB TRADING ACCOUNT		
TAB COMMISSION	5,398	9,288
TOTAL	<u>5,398</u>	<u>9,288</u>
<i>LESS: EXPENSES</i>		
TAB WAGES	20,902	16,283
EQUIPMENT RENT	10,556	8,498
SKY CHANNEL & AUSTAR	37,003	36,379
TAB EXPENSES	-	10
TOTAL EXPENSES	<u>68,461</u>	<u>61,170</u>
TAB TRADING PROFIT/(LOSS)	<u>(63,063)</u>	<u>(51,882)</u>
RAFFLE TRADING ACCOUNT		
RAFFLE TICKET SALES	115,702	75,968
TOTAL	<u>115,702</u>	<u>75,968</u>
<i>LESS: EXPENSES</i>		
RAFFLE PRIZES	94,320	72,379
TOTAL EXPENSES	<u>94,320</u>	<u>72,379</u>
RAFFLE TRADING PROFIT/(LOSS)	<u>21,382</u>	<u>3,589</u>
BINGO TRADING ACCOUNT		
BINGO SALES	12,693	10,500
TOTAL	<u>12,693</u>	<u>10,500</u>
<i>LESS: EXPENSES</i>		
BINGO EXPENSES	23,282	17,609
BINGO ELECTRONIC TABLETS	9,924	-
TOTAL EXPENSES	<u>33,206</u>	<u>17,609</u>
BINGO TRADING PROFIT/(LOSS)	<u>(20,513)</u>	<u>(7,109)</u>

Parkes Services and Citizens Club Co-Operative Limited

ABN 19 681 339 813

Detailed Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 31 December 2021

	2021 \$	2020 \$
OTHER INCOME		
COMMISSION - ATM	16,421	16,340
COMMISSION - CIGARETTE & CONFECTIONERY	1,395	590
FUNCTIONS ROOM & EQUIPMENT HIRE	5,284	7,119
INTEREST RECEIVED	1,741	4,932
MEMBERS SUBSCRIPTIONS	20,315	17,090
OTHER MARKETING INCOME	813	7,816
GAMING MACHINE GST REBATE	17,180	17,180
RENT RECEIVED	1,500	1,000
SUNDRY INCOME	53,391	8,218
FEDERAL GOVERNMENT - CASHFLOW BOOST	-	100,000
FEDERAL GOVERNMENT - JOBKEEPER INCOME	-	369,000
STATE GOVERNMENT - JOBSAVER	146,250	-
TOTAL	<u>264,290</u>	<u>549,285</u>
LESS: EXPENSES		
MEMBER EXPENSES		
ADVERTISING	20,870	20,491
BADGE DRAW	50,759	24,586
BIRTHDAY EXPENSES	14,321	4,356
ENTERTAINERS	10,882	5,931
FOOD & BEVERAGE DISCOUNTS	16,439	25,194
OTHER MEMBERS EXPENSES	61,729	39,429
PAY BY POINTS & TITO PROMOTION	62,899	52,507
PROMOTIONS	48,692	56,678
COURTESY BUS	88	2,048
	<u>286,679</u>	<u>231,220</u>
OCCUPANCY EXPENSES		
ELECTRICITY & GAS	159,879	163,053
SECURITY COSTS	4,680	2,254
PLANNED MAINTENANCE	35,970	83,026
UNPLANNED MAINTENANCE	66,001	46,696
IT MAINTENANCE	36,333	26,588
BULK WASTE HANDLING	7,019	10,285
CLEANING, HYGENE ETC	24,984	25,484
RATES	38,911	29,152
WAGES MAINTENANCE & CLEANING	144,030	100,588
MAINTENANCE & CLEANING LEAVE MOVEMENTS	11,322	6,290
WAGES SECURITY	162,319	126,765
CLEANING CONTRACT	5,676	5,520
TELEPHONE	13,267	10,855
	<u>710,391</u>	<u>636,556</u>

Parkes Services and Citizens Club Co-Operative Limited

ABN 19 681 339 813

Detailed Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 31 December 2021

	2021 \$	2020 \$
ADMINISTRATIVE EXPENSES		
AUDIT	30,513	30,468
ACCOUNTANCY	24,365	23,995
BAD DEBTS	400	503
BANK CHARGES	16,553	9,551
CASH COLLECTION	26,271	26,868
CONSULTANCY	39,709	-
COMPUTER	12,645	15,748
CRT / ATM FEES	8,883	9,404
DIRECTORS EXPENSES	10,579	21,187
EQUIPMENT RENTAL	1,738	1,659
FRINGE BENEFITS TAX	2,622	5,632
INSURANCE	106,545	76,369
INSURANCE - WORKERS COMP	47,410	45,086
LEGAL COSTS	6,349	13,171
LICENCES & PERMITS	7,977	4,487
OH&S	525	1,567
PAYROLL TAX	23,177	9,686
POSTAGE	3,809	302
PRINTING & STATIONERY	14,428	9,195
SALARIES & WAGES		
ADMINISTRATION	268,322	272,805
LEAVE - ADMINISTRATION	3,135	4,933
WAGES - MARKETING	20,719	27,235
WAGES - JOBKEEPER NOT WORKED	-	121,124
	<u>292,176</u>	<u>426,097</u>
PROPS, SIGNS & DECORATIONS	1,413	1,301
STAFF - MEAL, BONUS, TRAINING, UNIFORM	48,184	40,362
SPONSORSHIP & DONATIONS		
MEALS ON WHEELS	77,437	41,213
LESS CLUB GRANTS (GM TRADING)	45,512	45,123
	<u>(45,867)</u>	<u>(47,087)</u>
	<u>77,082</u>	<u>39,249</u>
SUBSCRIPTIONS & AFFILIATIONS		
SUNDRY EXPENSES	18,550	10,833
TRAVELLING EXPENSES	3,858	415
	<u>4,689</u>	<u>1,177</u>
	<u>830,450</u>	<u>824,312</u>
TOTAL EXPENSES	<u><u>1,827,520</u></u>	<u><u>1,692,088</u></u>