

Parkes Services and Citizens Club Co-Operative Limited

ABN 19 681 339 813

Financial Statements

For the Year Ended 31 December 2022

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 2022

Your Directors present their report on Parkes Services and Citizens Club Co-Operative Limited for the financial year ended 31 December 2022.

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	6.6
S. Mikita	Vice President	Barber	Appointed 27/05/2018	4.6
S. Hamlin	Director	Tax Agent	Appointed 28/05/2017	5.6
R. Murphy	Director	Boiler Maker	Appointed 26/07/2020	2.4
V. Gaidzionis	Director	Retired	Appointed 26/07/2020	2.4
S. Riley	Director	IT Teacher	Appointed 27/05/2021	1.6
T. Latter	-	-	Resigned 22/05/2022	-
G. Boland	-	-	Resigned 22/05/2022	-

* Years service is calculated as at 31 December 2022

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 3.3 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 profit of the Club after providing for income tax amounted to \$ 229,378 (2021: loss of \$65,286).

Review of operations

Profit from bar trading amounted to \$340,502 and gross profit percentage of 63% was obtained from sales of \$1,099,531.

Net gaming revenue amounted to \$3,981,208 and compares with \$3,122,875 in 2021.

The loss from catering trading amounted to \$260,495 and compares to a loss of \$181,644 in 2021.

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Directors' Report

31 December 2022

Meetings of Directors

During the financial year, 13 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	12	12	1	1
S. Mikita	12	11	1	1
S. Hamlin	12	12	1	-
R. Murphy	12	11	1	1
V. Gaidzionis	12	11	1	1
S. Riley	12	7	1	-
T. Latter	4	4	-	-
G. Boland	4	1	-	-

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Club during the year.

Parkes Services and Citizens Club Co-Operative Limited

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Directors' Report

31 December 2022

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 2022 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 2022, 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

Parkes Services and Citizens Club Co-Operative Limited

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Directors' Report

31 December 2022

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: *Donatony Charlton*

Director: *Victor Gaidzioris*

Dated 28 February 2023

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 2022, 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

21 February 2023

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 2022, 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 2022 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Simplified Disclosures 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 - Simplified Disclosures. 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. 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 - Simplified Disclosures 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 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 management either intends to liquidate the Club or to cease operations, or has 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 the Australian Auditing Standards - Simplified Disclosures 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 this financial report.

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Company limited by guarantee (approved under Professional Standards Corporation (Culcher & Team) Association Pty Ltd ABN 24 136 256 882

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

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

- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Recipient's internal control.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Recipient's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Recipient to cease to continue as a going concern.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the financial statement, including the disclosures, and whether the financial statement represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

N. Nancarrow CA
Director

NEWCASTLE

1 March 2023

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Innovative thinking. Traditional values

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 31, are in accordance with the *Co-operatives National Law (NSW)* and the *Co-operatives National Regulations (NSW)* and:
 - a. comply with Australian Accounting Standards - Simplified Disclosures and other mandatory professional reporting requirements; and
 - b. give a true and fair view of the financial position as at 31 December 2022 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 28 February 2023

Parkes Services and Citizens Club Co-Operative Limited

ABN 19 681 339 813

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 December 2022

	2022	2021
Note	\$	\$
Bar sales	1,099,531	702,604
Less: Bar cost of goods sold	(407,389)	(270,491)
	<u>692,142</u>	<u>432,113</u>
Catering sales	1,307,133	796,133
Less: Catering cost of goods sold	(720,189)	(388,668)
	<u>586,944</u>	<u>407,465</u>
Gross profit	1,279,086	839,578
Gaming machine net clearances	3,981,208	3,122,875
Tab and keno commissions	88,507	63,452
Raffles and bingo revenue	207,437	128,395
Other revenue from contracts with customers	2 24,589	20,315
Other revenue from ordinary activities	2 148,419	97,725
Other revenue from non-ordinary activities	2 -	146,250
Borrowing cost expense	(24,147)	(16,780)
Bar trading expenses	(351,640)	(231,126)
Catering trading expenses	(847,439)	(589,109)
Raffle and bingo expenses	(141,447)	(127,526)
Gaming machine trading expenses	(1,170,721)	(903,130)
Tab and keno expenses	(123,986)	(93,082)
Club promotion and entertainment expenses	(412,080)	(286,679)
Occupancy expenses	(752,345)	(710,391)
Depreciation and amortisation expense	(650,114)	(631,185)
Administrative expenses	(998,838)	(876,317)
Other operating expenses from ordinary activities	(2,442)	(7,905)
Profit / (loss) before income tax	254,047	(54,640)
Income tax (expense)/benefit	10 (24,669)	(10,646)
Profit / (loss) attributable to members	<u>229,378</u>	<u>(65,286)</u>
Other comprehensive income	-	-
Total comprehensive income / (loss)	<u>229,378</u>	<u>(65,286)</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 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	2,112,381	2,013,882
Trade and other receivables	6	90,219	23,261
Inventories	7	84,361	41,103
Other assets	8	58,614	34,246
TOTAL CURRENT ASSETS		<u>2,345,575</u>	<u>2,112,492</u>
NON-CURRENT ASSETS			
Property, plant and equipment	9	7,162,756	7,111,975
Deferred tax assets	11	-	4,591
Intangible assets	12	40,909	40,909
TOTAL NON-CURRENT ASSETS		<u>7,203,665</u>	<u>7,157,475</u>
TOTAL ASSETS		<u>9,549,240</u>	<u>9,269,967</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	688,798	632,854
Short-term borrowings	14	75,832	126,249
Short-term provisions	15	357,076	313,581
TOTAL CURRENT LIABILITIES		<u>1,121,706</u>	<u>1,072,684</u>
NON-CURRENT LIABILITIES			
Trade and other payables	13	63,272	95,179
Long-term borrowings	14	311,340	300,296
Deferred tax liabilities	11	20,078	-
Long-term provisions	15	11,636	9,978
TOTAL NON-CURRENT LIABILITIES		<u>406,326</u>	<u>405,453</u>
TOTAL LIABILITIES		<u>1,528,032</u>	<u>1,478,137</u>
NET ASSETS		<u>8,021,208</u>	<u>7,791,830</u>
EQUITY			
Reserves		4,630,709	4,630,709
Retained Earnings		3,390,499	3,161,121
TOTAL EQUITY		<u>8,021,208</u>	<u>7,791,830</u>

The accompanying notes form part of these financial statements.

Parkes Services and Citizens Club Co-Operative Limited

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Statement of Changes in Equity For the Year Ended 31 December 2022

2022

	Retained Earnings	Asset Revaluation Surplus	Total
	\$	\$	\$
Balance at 1 January 2022	3,161,121	4,630,709	7,791,830
Total other comprehensive income / (loss) for the year	229,378	-	229,378
Balance at 31 December 2022	<u>3,390,499</u>	<u>4,630,709</u>	<u>8,021,208</u>

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	<u>3,161,121</u>	<u>4,630,709</u>	<u>7,791,830</u>

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 2022

	2022	2021
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	7,367,985	5,346,967
Payments to suppliers and employees	(6,462,600)	(4,664,145)
Interest received	2,376	1,741
Interest paid	(24,147)	(16,780)
State Government - JobSaver	-	146,250
Net cash provided by / (used in) operating activities	<u>883,614</u>	<u>814,033</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	<u>(745,742)</u>	<u>(415,922)</u>
Net cash provided by / (used by) investing activities	<u>(745,742)</u>	<u>(415,922)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from borrowings	457,769	123,424
Repayment of borrowings	<u>(497,142)</u>	<u>(221,899)</u>
Net cash provided by / (used in) financing activities	<u>(39,373)</u>	<u>(98,475)</u>
Net increase / (decrease) in cash and cash equivalents held	98,499	299,636
Cash and cash equivalents at beginning of year	<u>2,013,882</u>	<u>1,714,246</u>
Cash and cash equivalents at end of financial year	5 <u>2,112,381</u>	<u>2,013,882</u>

The accompanying notes form part of these financial statements.

Notes to the Financial Statements
For the Year Ended 31 December 2022

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 - Simplified Disclosures, 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.

In the prior year (2021) the Club was forced to close from 5pm on 14 August 2021, 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.

Notes to the Financial Statements
For the Year Ended 31 December 2022

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 2022 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.

Notes to the Financial Statements
For the Year Ended 31 December 2022

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 less depreciation and impairment losses. 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
ABN 19 681 339 813

Notes to the Financial Statements
For the Year Ended 31 December 2022

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.

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

Parkes Services and Citizens Club Co-Operative Limited
ABN 19 681 339 813

Notes to the Financial Statements
For the Year Ended 31 December 2022

1 Summary of Significant Accounting Policies

(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 2022 to 31 May 2023. Income has been recorded in the accounts for the 7 months to 31 December 2022 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.

Notes to the Financial Statements
For the Year Ended 31 December 2022

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.

Notes to the Financial Statements
For the Year Ended 31 December 2022

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.

Notes to the Financial Statements
For the Year Ended 31 December 2022

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 or amended accounting standards and Interpretations adopted

The Club has adopted all of the new or amended accounting standards and interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Club.

The following Accounting Standards and Interpretations are most relevant to the Club:

Conceptual Framework for Financial Reporting (Conceptual Framework)

The Club has adopted the revised Conceptual Framework from 1 January 2022. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the Club's financial statements.

Parkes Services and Citizens Club Co-Operative Limited
ABN 19 681 339 813

Notes to the Financial Statements
For the Year Ended 31 December 2022

1 Summary of Significant Accounting Policies

(t) New or amended accounting standards and Interpretations adopted

AASB 1060 - General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

The Club has adopted AASB 1060 from 1 January 2022. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs. These simplified disclosures replace the Reduced Disclosure Requirements under *AASB 1053 - Application of Tiers of Australian Accounting Standards*.

The movement from the Reduced Disclosure reporting framework to Simplified Disclosures format has not had a material impact on the presentation and disclosure of the Club's financial information.

(u) Authorisation of Financial Statements

The financial statements were authorised for issue on 28 February 2023 by the Directors.

Parkes Services and Citizens Club Co-Operative Limited
ABN 19 681 339 813

Notes to the Financial Statements
For the Year Ended 31 December 2022

2 Revenue

	2022	2021
	\$	\$
Revenue from contracts with customers		
- Trading revenue	6,683,816	4,813,459
Other revenue from contracts with customers		
- Membership subscriptions	24,589	20,315
Other revenue from ordinary activities		
- Room and equipment hire	15,955	5,284
- Interest received	2,376	1,741
- Insurance recoveries	42,500	-
- Rebate for GST on gaming machine duty	17,180	17,180
- Commissions received	35,964	17,816
- Rent received	2,000	1,500
- Sundry income*	32,444	54,204
Total other revenue from ordinary activities	148,419	97,725
Other revenue from non-ordinary activities		
- State Government JobSaver	-	146,250
Total other revenue from non-ordinary activities	-	146,250
Total Revenue	6,856,824	5,077,749

*Sundry income in 2021 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	2,442	7,905
Low value lease expense	6,595	6,459

Parkes Services and Citizens Club Co-Operative Limited
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Notes to the Financial Statements
For the Year Ended 31 December 2022

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:

	2022	2021
	\$	\$
Key management personnel compensation	<u>337,050</u>	<u>258,917</u>
5 Cash and Cash Equivalents		
Cash at bank and in hand	<u>2,112,381</u>	<u>2,013,882</u>
	<u>2,112,381</u>	<u>2,013,882</u>
6 Trade and Other Receivables		
CURRENT		
Trade receivables	18,901	8,637
Deposits	7,000	7,000
Other receivables	<u>64,318</u>	<u>7,624</u>
	<u>90,219</u>	<u>23,261</u>
7 Inventories		
CURRENT		
At cost		
Trading stock on hand	<u>84,361</u>	<u>41,103</u>
8 Other Assets		
CURRENT		
Prepayments	<u>58,614</u>	<u>34,246</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 2022

9 Property, Plant and Equipment

	2022	2021
	\$	\$
LAND AND BUILDINGS		
Freehold land		
At valuation	<u>1,454,000</u>	<u>1,454,000</u>
Total freehold land	<u>1,454,000</u>	<u>1,454,000</u>
Building		
At valuation	<u>4,456,000</u>	4,456,000
Subsequent additions at cost	<u>480,141</u>	230,791
Less accumulated depreciation	<u>(588,575)</u>	<u>(399,647)</u>
Total building	<u>4,347,566</u>	<u>4,287,144</u>
Total land and buildings	<u>5,801,566</u>	<u>5,741,144</u>
CAPITAL WORKS IN PROGRESS		
Capital works in progress		
At cost	<u>-</u>	<u>67,068</u>
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	<u>4,581,172</u>	4,280,406
Less accumulated depreciation	<u>(3,219,982)</u>	<u>(2,976,643)</u>
Total plant and equipment	<u>1,361,190</u>	<u>1,303,763</u>
Total property, plant and equipment	<u>7,162,756</u>	<u>7,111,975</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 2022

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 2022 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	5,741,144	1,303,763	67,068	7,111,975
Additions	-	442,458	303,284	745,742
Disposals - written down value	-	(44,847)	-	(44,847)
Transfers	249,349	121,003	(370,352)	-
Depreciation expense	(188,927)	(461,187)	-	(650,114)
Balance at 31 December 2022	5,801,566	1,361,190	-	7,162,756

Parke Services and Citizens Club Co-Operative Limited
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Notes to the Financial Statements
For the Year Ended 31 December 2022

10 Income Tax Expense

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

	2022	2021
	\$	\$
Prima facie tax on profit before income tax at 25% (2021: 25%)	63,512	(13,660)
Tax effect of:		
- other non-allowable items	17,486	7,893
- tax losses recognised off balance sheet	7,221	15,305
- depreciation on buildings	47,232	46,868
	135,451	56,406
Less:		
- building write-off deduction	8,474	8,337
- net adjustment for principle of mutuality apportionment of members income and expenses	102,308	37,423
Income tax attributable to Club	24,669	10,646

11 Tax

Recognised deferred tax assets and liabilities

Future income tax benefit / (deferred tax liability)	(20,078)	4,591
------------------------------------------------------	-----------------	-------

(a) Reconciliations

Gross Movements

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

Opening balance	4,591	15,237
Increase/(decrease) in applicable timing differences	(24,669)	(10,646)
Closing balance	(20,078)	4,591
Comprised of:		
Future income tax benefit / (deferred tax liability)	(20,078)	4,591

The Club has tax losses arising in Australia of \$651,924 (2021: \$623,039) 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
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Notes to the Financial Statements
For the Year Ended 31 December 2022

12 Intangible Assets

	2022	2021
	\$	\$
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 2022 was approximately \$8,000 to \$15,000 per entitlement.

13 Trade and Other Payables

CURRENT

Unsecured liabilities		
Trade payables	228,068	276,474
Other payables and accrued expenses	412,478	313,908
Income received in advance	48,252	42,472
	688,798	632,854

NON-CURRENT

Other payables and accrued expenses	63,272	95,179
	63,272	95,179

14 Borrowings

CURRENT

Unsecured liabilities:		
Insurance loan	21,038	20,529
Secured liabilities:		
Bank loan - Commercial	13,825	40,592
Bank loan - Equipment	40,969	65,128
	54,794	105,720
Total current borrowings	75,832	126,249

Parkes Services and Citizens Club Co-Operative Limited
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Notes to the Financial Statements
For the Year Ended 31 December 2022

14 Borrowings

	2022	2021
	\$	\$
NON-CURRENT		
Secured liabilities:		
Bank loan - Commercial	311,340	277,749
Bank loan - Equipment	-	22,547
	<u>311,340</u>	<u>300,296</u>
Total borrowings	<u>387,172</u>	<u>426,545</u>
 (a) Total current and non-current secured liabilities		
Bank loan - Commercial	325,165	318,341
Bank loan - Equipment	40,969	87,675
	<u>366,134</u>	<u>406,016</u>
 (b) The carrying amounts of non-current assets pledged as security are:		
Freehold land and buildings	5,801,556	5,928,615
Plant and equipment	33,828	92,624
	<u>5,835,384</u>	<u>6,021,239</u>
 (c) Security		
The bank loan - commercial is secured by a term deposit held with the Commonwealth Bank of Australia.		
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>5,835</u>	<u>412,325</u>

Parkes Services and Citizens Club Co-Operative Limited
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Notes to the Financial Statements
For the Year Ended 31 December 2022

15 Provisions

	2022	2021
	\$	\$
CURRENT		
Employee benefits	<u>357,076</u>	<u>313,581</u>
NON-CURRENT		
Employee benefits	<u>11,636</u>	<u>9,978</u>

16 Capital and Leasing Commitments

(a) Capital commitments

Capital expenditure commitments contracted for:
Restaurant renovations

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

17 Auditors' Remuneration

Cutcher & Neale Assurance Pty Limited

- Audit of the financial statements

- Accounting, tax and other services

25,000	24,500
34,675	55,417
<u>59,675</u>	<u>79,917</u>

18 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.

Parkes Services and Citizens Club Co-Operative Limited
ABN 19 681 339 813

Notes to the Financial Statements
For the Year Ended 31 December 2022

18 Related Party Transactions

(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.
- 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 2022

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 management 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 the 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

21 February 2023

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Cutcher Limited is a member approved under Financial Reporting Standards Ltd (www.cutcher.com.au) (Cutcher & Neale Assurance Pty Ltd 459 07 190200 08)

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 2022

	2022 \$	2021 \$
INCOME		
PROFIT/(LOSS) BAR TRADING	340,502	200,987
PROFIT/(LOSS) GAMING MACHINE TRADING	2,810,487	2,173,878
PROFIT/(LOSS) CATERING TRADING	(260,495)	(181,644)
PROFIT/(LOSS) KENO TRADING	43,075	33,433
PROFIT/(LOSS) TAB TRADING	(78,554)	(63,063)
PROFIT/(LOSS) RAFFLE TRADING	82,539	21,382
PROFIT/(LOSS) BINGO TRADING	(16,549)	(20,513)
OTHER INCOME	173,008	264,290
TOTAL	<u>3,094,013</u>	<u>2,428,750</u>
LESS: EXPENSES		
OPERATING EXPENSES	<u>2,163,263</u>	<u>1,827,520</u>
TOTAL EXPENSES	<u>2,163,263</u>	<u>1,827,520</u>
OPERATING PROFIT	<u>930,750</u>	<u>601,230</u>
DEDUCT NON CASH CHARGES:		
LOSS/(PROFIT) ON SALE OF FIXED ASSETS	2,442	7,905
DEPRECIATION	650,114	631,185
OTHER INTEREST	24,147	16,780
	<u>676,703</u>	<u>655,870</u>
PROFIT/(LOSS) BEFORE INCOME TAX	<u>254,047</u>	<u>(54,640)</u>
INCOME TAX EXPENSE / (BENEFIT)	24,669	10,646
PROFIT/(LOSS) AFTER INCOME TAX	<u>229,378</u>	<u>(65,286)</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 2022

	2022 \$	2021 \$
BAR TRADING ACCOUNT		
GROSS BAR SALES	1,099,531	702,604
TOTAL	<u>1,099,531</u>	<u>702,604</u>
<i>LESS: COST OF GOODS SOLD</i>		
OPENING STOCK	33,671	28,141
BAR PURCHASES	442,649	272,733
GAS	3,430	3,288
CLOSING STOCK	(72,361)	(33,671)
TOTAL COST OF GOODS SOLD	<u>407,389</u>	<u>270,491</u>
GROSS PROFIT/(LOSS)	<u>692,142</u>	<u>432,113</u>
GROSS PROFIT % SALES	63%	62%
<i>LESS EXPENSES</i>		
BAR WAGES	302,061	217,914
BAR - LEAVE	13,360	(6,382)
% WAGES TO SALES	29%	30%
BAR (OVERS) / UNDERS	796	539
BAR CONSUMABLES, REQUISITES & OTHER	24,825	14,607
REPAIRS & MAINTENANCE	10,598	4,448
TOTAL	<u>351,640</u>	<u>231,126</u>
BAR TRADING NET PROFIT/(LOSS)	<u>340,502</u>	<u>200,987</u>
% SALES	31%	29%
GAMING MACHINES TRADING ACCOUNT		
GAMING MACHINE NET CLEARANCES	4,379,329	3,433,559
NET REVENUE	<u>4,379,329</u>	<u>3,433,559</u>
<i>LESS EXPENSES</i>		
GST LIABILITY	398,121	310,684
GAMING MACHINE DUTY	700,608	524,047
CMS & STATEWIDE LINK FEES	47,149	38,885
CLUB GRANTS EXPENSE	64,150	45,867
STATIONERY	1,975	1,926
GAMING MACHINE WAGES	205,446	209,915
GAMING (OVERS) / UNDERS	740	468
REPAIRS & MAINTENANCE	94,616	77,882
PLAYER ELITE FEES	56,037	50,007
TOTAL	<u>1,568,842</u>	<u>1,259,681</u>
GAMING MACHINE TRADING PROFIT/(LOSS)	<u>2,810,487</u>	<u>2,173,878</u>
% SALES	64%	63%

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 2022

	2022	2021
	\$	\$
CATERING TRADING ACCOUNT		
GROSS CATERING SALES	1,307,133	796,133
TOTAL	<u>1,307,133</u>	<u>796,133</u>
LESS: COST OF GOODS SOLD		
CATERING OPENING STOCK	7,432	6,569
CATERING PURCHASES	724,757	389,531
CATERING CLOSING STOCK	(12,000)	(7,432)
TOTAL COST OF GOODS SOLD	<u>720,189</u>	<u>388,668</u>
GROSS PROFIT / (LOSS)	<u>586,944</u>	<u>407,465</u>
GROSS PROFIT % SALES	45%	51%
<i>LESS EXPENSES</i>		
CATERING WAGES	794,380	537,806
CATERING LEAVE	(28,253)	6,130
% WAGES TO SALES	59%	68%
CATERING CONSUMABLES	31,584	19,344
CLEANING / LAUNDRY CONSUMABLES	9,104	3,852
CATERING REPLACEMENTS	6,225	1,909
OTHER EXPENSES	8,425	6,093
REPAIRS & MAINTENANCE	25,893	14,213
CATERING (OVERS) / UNDERS	81	(238)
TOTAL	<u>847,439</u>	<u>589,109</u>
CATERING TRADING NET PROFIT/(LOSS)	<u>(260,495)</u>	<u>(181,644)</u>
% SALES	-20%	-23%
KENO TRADING ACCOUNT		
KENO INCOME	77,877	58,054
KENO INCOME	<u>77,877</u>	<u>58,054</u>
<i>LESS: EXPENSES</i>		
KENO WAGES	28,755	20,902
KENO EXPENSES	6,047	3,719
TOTAL EXPENSES	<u>34,802</u>	<u>24,621</u>
KENO TRADING PROFIT/(LOSS)	<u>43,075</u>	<u>33,433</u>

Parques 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 2022

	2022 \$	2021 \$
TAB TRADING ACCOUNT		
TAB COMMISSION	10,630	5,398
TOTAL	<u>10,630</u>	<u>5,398</u>
<i>LESS: EXPENSES</i>		
TAB WAGES	28,755	20,902
EQUIPMENT RENT	11,084	10,556
SKY CHANNEL & AUSTAR	48,685	37,003
TAB EXPENSES	660	-
TOTAL EXPENSES	<u>89,184</u>	<u>68,461</u>
TAB TRADING PROFIT/(LOSS)	<u>(78,554)</u>	<u>(63,063)</u>
RAFFLE TRADING ACCOUNT		
RAFFLE TICKET SALES	182,080	115,702
TOTAL	<u>182,080</u>	<u>115,702</u>
<i>LESS: EXPENSES</i>		
RAFFLE PRIZES	99,541	94,320
TOTAL EXPENSES	<u>99,541</u>	<u>94,320</u>
RAFFLE TRADING PROFIT/(LOSS)	<u>82,539</u>	<u>21,382</u>
BINGO TRADING ACCOUNT		
BINGO SALES	25,357	12,693
TOTAL	<u>25,357</u>	<u>12,693</u>
<i>LESS: EXPENSES</i>		
BINGO EXPENSES	24,257	23,282
BINGO ELECTRONIC TABLETS	17,649	9,924
TOTAL EXPENSES	<u>41,906</u>	<u>33,206</u>
BINGO TRADING PROFIT/(LOSS)	<u>(16,549)</u>	<u>(20,513)</u>

Parques 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 2022

	2022 \$	2021 \$
OTHER INCOME		
COMMISSION - ATM	35,483	16,421
COMMISSION - CIGARETTE & CONFECTIONERY	481	1,395
FUNCTIONS ROOM & EQUIPMENT HIRE	15,955	5,284
INSURANCE RECOVERY	42,500	-
INTEREST RECEIVED	2,376	1,741
MEMBERS SUBSCRIPTIONS	24,589	20,315
OTHER MARKETING INCOME	2,030	813
GAMING MACHINE GST REBATE	17,180	17,180
RENT RECEIVED	2,000	1,500
SUNDRY INCOME	30,414	53,391
STATE GOVERNMENT - JOBSAVER	-	146,250
TOTAL	<u>173,008</u>	<u>264,290</u>
LESS: EXPENSES		
MEMBER EXPENSES		
ADVERTISING	21,267	20,870
BADGE DRAW	67,636	50,759
BIRTHDAY EXPENSES	18,102	14,321
ENTERTAINERS	34,148	10,882
FOOD & BEVERAGE DISCOUNTS	25,553	16,439
OTHER MEMBERS EXPENSES	106,869	61,729
PAY BY POINTS & TITO PROMOTION	88,247	62,899
PROMOTIONS	50,258	48,692
COURTESY BUS	-	88
	<u>412,080</u>	<u>286,679</u>
OCCUPANCY EXPENSES		
ELECTRICITY & GAS	184,403	159,879
SECURITY COSTS	6,495	4,680
PLANNED MAINTENANCE	76,014	35,970
UNPLANNED MAINTENANCE	69,163	66,001
IT MAINTENANCE	44,708	36,333
BULK WASTE HANDLING	11,862	7,019
CLEANING, HYGENE ETC	35,204	24,984
RATES	31,248	38,911
WAGES MAINTENANCE & CLEANING	184,449	144,030
MAINTENANCE & CLEANING LEAVE MOVEMENTS	5,465	11,322
WAGES SECURITY	86,911	162,319
CLEANING CONTRACT	2,913	5,676
TELEPHONE	13,510	13,267
	<u>752,345</u>	<u>710,391</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 2022

	2022 \$	2021 \$
ADMINISTRATIVE EXPENSES		
AUDIT	27,423	30,513
ACCOUNTANCY	24,156	24,365
BAD DEBTS	82	400
BANK CHARGES	17,646	16,553
CASH COLLECTION	44,040	26,271
CONSULTANCY	13,366	39,709
COMPUTER	22,432	12,645
CRT / ATM FEES	5,196	8,883
DIRECTORS EXPENSES	13,619	10,579
EQUIPMENT RENTAL	6,970	1,738
C2C & ATM FEES	5,152	-
FRINGE BENEFITS TAX	955	2,622
INSURANCE	122,407	106,545
INSURANCE - WORKERS COMP	50,514	47,410
LEGAL COSTS	4,683	6,349
LICENCES & PERMITS	12,246	7,977
OH&S	-	525
PAYROLL TAX	27,424	23,177
POSTAGE	745	3,809
PRINTING & STATIONERY	15,129	14,428
SALARIES & WAGES		
ADMINISTRATION	319,002	268,322
LEAVE - ADMINISTRATION	48,931	3,135
WAGES - MARKETING	30,696	20,719
	<u>398,629</u>	<u>292,176</u>
PROPS, SIGNS & DECORATIONS	922	1,413
STAFF - MEAL, BONUS, TRAINING, UNIFORM	87,458	48,184
SPONSORSHIP & DONATIONS	134,093	77,437
MEALS ON WHEELS	-	45,512
LESS CLUB GRANTS (GM TRADING)	(64,150)	(45,867)
	<u>69,943</u>	<u>77,082</u>
SUBSCRIPTIONS & AFFILIATIONS	15,421	18,550
SUNDRY EXPENSES	10,319	3,858
TRAVELLING EXPENSES	1,961	4,689
	<u>998,838</u>	<u>830,450</u>
TOTAL EXPENSES	<u>2,163,263</u>	<u>1,827,520</u>