

 revesbyworkers'

21 | ANNUAL 22 | REPORT

GENERAL PURPOSE (RDR) FINANCIAL REPORT FOR
THE YEAR ENDED 30 JUNE 2022



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EXECUTIVE REPORT

Daryl Melham AM and Scott Bennetts



Daryl Melham AM
President



Scott Bennetts
CEO

Unfortunately FY21/22 was welcomed with closed doors as the Club was in its second COVID shutdown period. Since reopening our doors in October 2021, we are extremely honoured that the Club and, in particular, our staff were the driving force of the success over the last 8 months with each employee displaying exceptional work ethic and living our Values: Adaptable, Teamwork, Supportive, Strength. With the risk of any further shutdowns a long distant memory, we are proud to have been able to once again welcome back our long standing and loyal members and return to business as usual.

Local Community Support

The Club's direct support to our local community amounted to \$1,360,518. For more in-depth detail please refer to the itemised schedule and explanation of funding which is included at the conclusion of the annual report.



COMMUNITY DONATIONS
\$657,816

SCHOLARSHIPS

\$33,500



SPORTING AND SOCIAL CLUB

\$392,975



At the time of re-opening the Club we were sadly advised of the passing of past Director Alan (Dick) Moroney. Dick was a Director from September 1997 through to September 2006 and was declared a Life Member of the Labor Party on Saturday, 9 October 2021 the same day that he passed.

Our focus for the financial year was to once again rebound from a second lockdown, continue to reduce our debt and prepare for future renovations while also giving back to the Community through different avenues such as ClubGRANTS, Scholarship Program, School Subsidy Program and more. The Board also took the extraordinary step to approve a \$500K hardship fund to assist staff who may require financial assistance if they fall on hard times and subsequently approved a 10 week payment program totalling \$2m to assist staff during the COVID closure.

A positive contribution to the bottom line this financial year was our cost of finance. By re-negotiating our bank facilities to ANZ our cost of finance was \$615,906 as compared to \$2,984,963. This gave the Club a strong base to manage through the lockdown, maintain charitable contributions and provide the staff assistance packages noted above.

With the Club doors only open for 8 months of the financial year, we can report that the operating profit for FY21/22 was \$4,796,959. This was a great result given the closure at the commencement of the financial year and gave the Club an EBITDA for the year of \$14,423,380.

The Club was able to once again invite its 25 year, 40 and 50 year members to a Member Anniversary event in late October which was a great way to welcome members back in to the Club followed shortly thereafter by our 2021 AGM.

A long anticipated wait to re-open our newly named Rogues Sports Bar was over as it was declared officially open on 14 December 2021. The new Sports Bar has an extremely different look and feel and we are thrilled to be welcoming members and guests, both men and women, from a range of ages. Whether you are coming to play snooker or darts, enjoy a beverage while watching the footy or

just a local meeting point amongst friends – Rogues Sports Bar has definitely reignited some life back into that space.

The Club once again offered its Scholarship program awarding a total of \$33,500 to continuing and new applicants to support their studies at University or TAFE, we held another extremely successful International Women's Day in March 2022 with all proceeds once again being donated to Biyani House Revesby Women's Shelter and we have been able to host 6 consecutive Seniors Concerts (with the exception of January) without any further interruption which was wonderful news for our Senior patrons.

The final months of our financial year were spent finalising tenders and proposals to proceed with renovations throughout the Club which include Gaming and renovations to a new bar area underneath Zone Bowling aimed at a younger demographic – all of which will commence and be completed in the coming financial year.

Thank you again to our staff who remained loyal and stood by the Club during its second closure and who were so thrilled to return to work to welcome back our members and guests when the doors were once again open. And lastly, we once again give sincere thanks our members who have returned over the last 8 months of this financial year to support the Club and put the "community" back into our Community Club.



Daryl Melham AM
President



Scott Bennetts
Chief Executive Officer



TOTAL AMOUNT DONATED



OUR FOUNDAT

Respect Our Heritage | Honour Our Values | Ensure Our Future



ION



ESTABLISHED 1962

The decision of a hardy, persistent group of locals to form a club, which was generous of spirit and with strong family commitment.

A workers' club that has 'worn its heart on its rolled up sleeve'!

Photos (L-R): The changing faces of the Club 1963, 1973 and 2022

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Directors' Report

THE BOARD OF DIRECTORS

Your directors submit their report on Revesby Workers' Club Ltd (the "Club") for the year ended 30 June 2022.
The directors of the Club at any time during or since the end of the financial year are:

QUALIFICATIONS, EXPERIENCE AND SPECIAL RESPONSIBILITIES



Daryl Melham AM
President

*D (Daryl) Melham AM - B. Ec., LL.B. (Syd),
Life Member of Revesby Workers' Club*

- Director since September 1980 (42 years)
- President from September 2010 until present (12 years)
- Vice President from December 1982 to September 2010 (28 years)
- Formerly Federal Member of Parliament for the Seat of Banks (for 23 years)
- Liaison Director - Revesby Workers' Billiards & Snooker Club, The Light on the Hill Society, Welfare Coordinator, Revesby Workers' Sports Darts Club
- Club's Representative - Revesby Workers' Sports Club
- Chairperson - Revesby Workers' Club Audit and Governance Committee and Scholarship Committee
- Member in the General Division of the Order of Australia (AM)



John Rodwell
Vice President

*J L (John) Rodwell - BA (Hons), Dip Lib, Dip Law, AALIA,
Life Member of Revesby Workers' Club*

- Director since November 2007 (15 years)
- Vice President from September 2010 until present (12 years)
- Liaison Director - Illawong Revesby Workers' Senior Athletics Club, Revesby Workers' Little Athletics Centre, Australian Native Orchid Club, Revesby Writers' Group, Bankstown Stroke Support Group
- Club's Delegate - Federation of Community Sporting and Workers' Clubs and ClubsNSW
- Member - Revesby Workers' Club Audit and Governance Committee and Scholarship Committee
- Life Member - Revesby Workers' Little Athletics Centre

THE BOARD OF DIRECTORS (CONTINUED)

QUALIFICATIONS, EXPERIENCE AND SPECIAL RESPONSIBILITIES



Ian Stromborg OAM
Director

I E (Ian) Stromborg OAM - JP

Life Member of Revesby Workers' Club

- Director since September 2006 (16 years)
- Former Councillor - Bankstown City Council (29 years)
- Former Mayor of Bankstown (5 Terms)
- Former Deputy Chairman, Western Sydney Waste Board
- Former Council Representative of Bankstown City Aged Care (29 years)
- Liaison Director – Revesby Workers' Ladies' Indoor Bowls, Revesby Workers' Ladies' Lawn Bowls and Revesby Workers' Mens' Lawn Bowls Clubs
- Club's Representative - Health Mates Fitness Centre
- Awarded Order of Australia Medal in the 2015 Australia Day Honours list for services to local government and the community of Bankstown



Christine Benham
Director

C E (Christine) Benham - F Fin (Fellow of the Financial Services Association of Australasia)

Life Member of Revesby Workers' Club

- Director since November 2008 (14 years)
- Over 30 years career in managing investment and corporate assets domestically and internationally
- Liaison Director - Revesby Workers' Basketball, Revesby Workers' Cricket, Revesby Workers' Fishing, Revesby Workers' Hockey and Revesby Workers' Swim Clubs
- Life Member - Revesby Workers' Cricket Club & Bankstown District Cricket Association
- Chair - Bill Bullard Charity Committee and Welfare Coordinator
- Member - Revesby Workers' Club Audit and Governance Committee
- Secretary - Revesby Workers' Cricket Club
- Junior Vice President - Bankstown District Cricket Association
- Former Committee Member - Peter "Bullfrog" Moore Memorial Sports Foundation
- Community Representative School Council - Caroline Chisholm Public School



Christine Butters
Director

C M (Christine) Butters - Registered Nurse & Midwife

Life Member of Revesby Workers' Club

- Director since September 2010 (12 years)
- Liaison Director - Revesby Ladies Group, Revesby Workers' Darts, Revesby Workers' Garden, Revesby Workers' Scrabble, Revesby Workers' Spearfishing and Revesby Workers' Toastmasters Clubs, Mooney Mooney Bowls Club, Mooney Mooney Fishing Club
- Member - Mooney Mooney Club Advisory Committee
- Life Member - Revesby Workers' Little Athletics Centre
- President - Revesby Workers' Little Athletics Centre
- Secretary - Southern Metropolitan Zone Athletics
- Director - Bankstown City Aged Care
- Committee Member - Western Metropolitan Region Committee of ClubsNSW

Directors' Report (continued)

THE BOARD OF DIRECTORS (CONTINUED)

QUALIFICATIONS, EXPERIENCE AND SPECIAL RESPONSIBILITIES



Kylie Wilkinson
Director

KA (Kylie) Wilkinson - JP

- Director since September 2018 (4 years)
- Former Chair & Board Director - Canterbury Community Transport (4 years)
- Liaison Director - Revesby Workers' Seniors Golf, Revesby Workers' Touch Football Clubs, Revesby Workers' Soccer Club
- Deputy Chair - Biyani House Revesby Women's Shelter
- Life Member and President - Bankstown Jets Touch Association
- Life Member - Bankstown Touch Association and East Hills Netball Club
- NSW Touch - Regional Director and State Selector
- Member - Revesby Workers' Club Scholarships Committee



Baden Kirgan
Director

B (Baden) Kirgan

- Director since October 2020 (2 years)
- B. Commerce (Economics)
- Managing Director - Jeffries Printing Services since June 2000
- Publisher - Black House Comics from 2008-2014
- Director - Chifley Creative from 2017-2019
- Treasurer - Evatt Foundation from 2009-2011
- Liaison Director - Revesby Workers' Men's Golf, Revesby Workers' Netball Club, Revesby Workers' Junior Tennis Club, Light on the Hill Society
- Member - Revesby Workers' Club Audit and Governance Committee and Scholarship Committee

Directors' Report (continued)

COMPANY SECRETARY

Mr S A (Scott) Bennetts was appointed to the position of Company Secretary on 2 March 2020.

CORPORATE INFORMATION

Revesby Workers' Club Ltd is a company limited by guarantee that is incorporated and domiciled in Australia. The registered office and principal place of business of the Club is 2B Brett Street, Revesby, NSW 2212.

DIRECTORS' MEETINGS

The number of meetings of the company's Board of Directors (the Board) held during the year ended 30 June 2022, and the number of meetings attended by each director were:

BOARD MEETINGS		
Director	Number of Meetings Attended	Number of Meetings Held
D (Daryl) Melham AM	16	16
J L (John) Rodwell	16	16
I E (Ian) Stromborg OAM	16	16
C E (Christine) Benham	16	16
C M (Christine) Butters	16	16
K A (Kylie) Wilkinson	16	16
B R (Baden) Kirgan	16	16

In addition to the Board meetings listed above all Board members attend various Committee meetings as required.

MEMBERSHIP

The company is a company limited by guarantee and is without share capital. The number of members as at 30 June 2022 and the comparison with last year is as follows:

	2022	2021
	\$	\$
Ordinary	66,829	72,668
Foundation		
Life	8	8
	10	10
	<u>66,847</u>	<u>72,686</u>

MEMBERS' LIMITED LIABILITY

In the event the Club was ever to be wound up, the Constitution under paragraph 15 states that: Every member of the Club undertakes to contribute to the assets of the Club in the event of the same being wound up during the time that he is a member or within one year afterwards for payment of the debts and liabilities of the Club contracted before the time at which he ceases to be a member and of the costs charges and expenses of winding up the Club and for the adjustment of the rights of the contributories amongst themselves such amount as may be required not exceeding two dollars.

Directors' Report (continued)

OPERATING RESULT

The profit after tax of the company for the year ended 30 June 2022 was \$4,796,959 (2021: \$11,135,991).

The table below shows a reconciliation of earnings before interest, income tax, depreciation, amortisation and impairment losses. This is referred to as EBITDA.

	<u>2022</u>	<u>2021</u>
	\$	\$
Net profit after income tax expense attributable to members	4,796,959	11,135,991
Less:		
Income tax expense/(credit)	-	221,226
Add back:		
Depreciation and amortisation expense	9,010,515	9,123,325
Net finance costs	615,906	2,984,963
EBITDA	<u>14,423,380</u>	<u>23,465,505</u>

OBJECTIVES

The Club's short-term and long-term objective is to ensure its viability and growth in the current and future economical and environmental climate it faces so that it can maintain its support of the community.

The strategic plan is underpinned by a detailed review of the Club's Strengths, Weakness, Opportunities and Threats ("SWOT"). In response to the SWOT analysis, four primary objectives are set that enable the Club to optimise strengths and possible opportunities whilst addressing identified weaknesses and minimising potential threats. The objectives provide a five year view towards progressive growth of the business aimed at optimising the existing Club's assets, capturing new products and services and working towards sustainable diversification. The corresponding strategies provide the specific direction required to achieve these objectives.

The strategic plan is to monitor performance in all key areas and determine if any corrective action has to be taken to rectify negative trends. By examining the Club's strength, weakness, opportunities and threats (SWOT), it is able to implement measures to optimise strength and opportunities while addressing weaknesses and threats.

STRATEGY FOR ACHIEVING THE OBJECTIVES

Performance is assessed regularly against relevant internal and industry benchmark enabling assessment as to whether strategic initiatives have been effective in achieving the Club's short and long term objectives.

PRINCIPAL ACTIVITIES

The principal activities of the Club during the course of the financial year comprised of the operations and promotion of a licensed club for Club members and applying the income of the Club towards supporting community, philanthropic, sporting activities as well as the maintenance and enhancement of the Club's facilities. These activities assist the Club in meeting its main financial objective by creating a viable, healthy and profitable environment that allows for reinvestment into income producing assets.

There were no significant changes in the nature of the activities of the company during the year.

Directors' Report (continued)

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During or since the financial year, the Club has paid premiums in respect of a contract insuring all the directors of Revesby Workers' Club Ltd against legal costs incurred, as far as permitted by law, in defending proceedings for conduct involving:

- (a) a wilful breach of duty; or
- (b) a contravention of sections 182 or 183 of the Corporations Act 2001, as permitted by section 199B of the Corporations Act 2001.

The amount of the premium cannot be disclosed due to policy conditions.

EVENTS SUBSEQUENT TO REPORTING DATE

A contract for construction works has been signed relating to a new gaming area at a cost of \$1.03m.

There are no further matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

PERFORMANCE MEASUREMENT AND KEY PERFORMANCE INDICATORS

Financial performance is measured by:

- Comparison of actual results against budget;
- Monitoring key performance indicators (KPIs) in various areas including wage costs and gross profit margins;
- Monitoring cashflows; and
- Calculating and comparing EBITDA performance.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under Section 307C of the Corporations Act 2001 is set out on page 6.

Signed in accordance with a resolution of the directors.

Dated at Revesby, 13 September 2022



D (Daryl) Melham AM
Director



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Sydney NSW 2000
Australia

DECLARATION OF INDEPENDENCE BY CLAYTON EVELEIGH TO THE DIRECTORS OF REVESBY WORKERS' CLUB LTD

As lead auditor of Revesby Workers' Club Ltd for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'Clayton Eveleigh', is written over a light grey horizontal line.

Clayton Eveleigh
Director

BDO Audit Pty Ltd

Revesby, 13 September 2022

INDEPENDENT AUDITOR'S REPORT

To the members of Revesby Workers' Club Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Revesby Workers' Club Ltd (the Company), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, the statement of changes in members' funds and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of Revesby Workers' Club Ltd, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Company's financial position as at 30 June 2022 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards - Simplified Disclosures and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Company in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Director's report, but does not include the financial report and our auditor's report thereon.

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



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.

Other matter

The financial report of Revesby Workers' Club Ltd, for the year ended 30 June 2021 was audited by another auditor who expressed an unmodified opinion on that report on 14 September 2021.

Responsibilities of the directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or 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 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.

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.

BDO Audit Pty Ltd

The BDO logo, consisting of the letters 'BDO' in a stylized, handwritten font.

A handwritten signature in black ink, appearing to read 'Clayton Eveleigh'.

Clayton Eveleigh
Director

Revesby, 13 September 2022

Directors' Declaration

The directors of the company declare that:

- (a) In the directors' opinion the financial report and notes set out on pages 10 to 32, are in accordance with the Corporations Act 2001, including:
 - (i) Giving a true and fair view of the company's financial position as at 30 June 2022 and of its performance, for the financial year ended on that date; and
 - (ii) Complying with Australian Accounting Standards – Simplified Disclosures, the Corporations Regulations 2001 and other mandatory professional reporting requirements.
- (b) There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to section 295 (5)(a) of the Corporations Act 2001.

Dated at Revesby, 13 September 2022



D (Daryl) Melham AM
Director

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2022	Note	2022	2021
		\$	\$
Revenue and other income			
Revenue	1	56,249,436	70,117,208
Other income	1	2,144,031	3,266,207
Expenses			
Purchases net of movement in inventories of finished goods		(3,317,228)	(3,781,075)
Employee benefits expense	2	(18,079,908)	(19,934,427)
Gaming machine taxes		(9,645,658)	(12,641,202)
Entertainment, marketing and promotions		(1,990,825)	(3,242,956)
Rent and rates		(463,103)	(683,235)
Repairs and maintenance		(2,053,020)	(2,051,460)
Cleaning expense		(1,372,777)	(1,752,161)
Security expense		(684,148)	(722,755)
Insurance expense		(1,036,490)	(927,040)
Electricity rates		(1,143,209)	(1,190,318)
Depreciation expense	2	(9,010,515)	(9,123,325)
Other childcare centre expenses		(169,299)	(214,627)
Other operating expenses		(3,233,167)	(3,824,852)
ClubGRANTS, donations and other cash support to the community		(781,255)	(895,774)
Net gain on financial instruments at fair value through profit or loss		-	1,943,972
Finance costs	2	(615,906)	(2,984,963)
Profit before income tax		4,796,959	11,357,217
Income tax expense	3	-	(221,226)
Net profit after income tax expense		4,796,959	11,135,991
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		4,796,959	11,135,991

The Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes set out on pages 14 to 32.

Statement of Financial Position

As at 30 June 2022	Note	2022	2021
		\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	4	3,556,415	4,164,886
Trade and other receivables	5	300,328	104,341
Inventories		367,515	331,866
Prepayments		584,903	516,156
Total Current Assets		4,809,161	5,117,249
Non-Current Assets			
Trade and other receivables	5	765,079	849,345
Deferred tax assets	3	830,021	1,109,853
Property, plant and equipment	6	85,976,887	84,682,526
Investment properties	7	57,313,814	59,594,082
Intangible assets	8	1,333,454	1,333,454
Total Non-Current Assets		146,219,255	147,569,260
TOTAL ASSETS		151,028,416	152,686,509
LIABILITIES			
Current Liabilities			
Trade and other payables	9	5,366,166	3,682,191
Employee benefits	11	3,461,732	2,788,459
Interest-bearing loans and borrowings	10	943,766	1,038,834
Contract liabilities		390,718	315,766
Total Current Liabilities		10,162,382	7,825,250
Non-Current Liabilities			
Deferred tax liabilities	3	830,021	1,109,853
Employee benefit liabilities	11	315,933	321,382
Interest-bearing loans and borrowings	10	37,860,991	46,346,343
Contract liabilities		330,715	352,266
Total Non-Current Liabilities		39,337,660	48,129,844
TOTAL LIABILITIES		49,500,042	55,955,094
Net Assets		101,528,374	96,731,415
Members' Funds			
Retained profits		101,528,374	96,731,415
Total Members' Funds		101,528,374	96,731,415

The Statement of Financial Position should be read in conjunction with the accompanying notes set out on pages 14 to 32.

Statement of Changes in Members' Funds

For the year ended 30 June 2022

	<i>Retained Profits</i>	<i>Total Members' Funds</i>
	\$	\$
Balance at 1 July 2020	85,595,424	85,595,424
Net profit after income tax exposure for the year	11,135,991	11,135,991
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	11,135,991	11,135,991
Balance at 30 June 2021	96,731,415	96,731,415
Net profit after income tax expense for the year	4,796,959	4,796,959
Other comprehensive income	-	-
Total comprehensive income for the year	4,796,959	4,796,959
Balance at 30 June 2022	101,528,374	101,528,374

The Statement of Changes in Members' Funds should be read in conjunction with the accompanying notes set out on pages 14 to 32.

Statement of Cash Flows

For the year ended 30 June 2022

	<i>Note</i>	<i>2022</i>	<i>2021</i>
		\$	\$
Cash Flows from Operating Activities			
Receipts from customers (inclusive of GST)		62,232,031	74,245,929
Payments to suppliers and employees (inclusive of GST)		(47,555,936)	(57,762,293)
Government subsidies received		1,933,743	2,883,000
Interest received		2,625	-
Interest paid		(615,906)	(2,984,963)
Net cash inflow from operating activities		15,996,557	16,381,673
Cash Flows from Investing Activities			
Proceeds from sale of property, plant and equipment		3,636	6,964
Payment for property, plant and equipment		(6,887,640)	(4,545,659)
Net cash outflow from investing activities		(6,884,004)	(4,538,695)
Cash Flows from Financing activities			
Repayment of borrowings		(9,000,000)	(8,100,000)
Repayment of lease liabilities		(721,024)	(1,988,132)
Net cash outflow from financing activities		(9,721,024)	(10,088,132)
Net (decrease)/increase in cash and cash equivalents		(608,471)	1,754,846
Cash and cash equivalents at the beginning of the financial year		4,164,886	2,410,040
Cash and cash equivalents at the end of the financial year	4	3,556,415	4,164,886

The Statement of Cash Flows should be read in conjunction with the accompanying notes set out on pages 14 to 32.

Notes to the Financial Statements

For the year ended 30 June 2022

BASIS OF PREPARATION

Revesby Workers' Club Ltd is a company limited by guarantee, incorporated and domiciled in Australia. The financial statements are for Revesby Workers' Club Ltd as a standalone legal entity. The financial statements were approved for issue by the Directors on 13 September 2022.

The financial statements are general purposes financial statements which:

- Have been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards – Simplified Disclosures of the Australian Accounting Standards Board ('AASB');
- Have been prepared under the historical cost convention;
- Are presented in Australian dollars; and
- Where necessary comparative information has been restated to conform with changes in presentation in the current year; and
- Have been prepared on a going concern basis.

New or amended Accounting Standards and Interpretations adopted

The Company has adopted all new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

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

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

The company has adopted AASB 1060 from 1 July 2021. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of AASB. The adoption of this standard has not had a significant impact on the Company's financial statements.

Critical Accounting Judgements, Estimates and Assumptions

In the process of applying the company's accounting policies, management has made a number of judgements and applied estimates of future events. Judgements and estimates that are material to the financial statements are detailed further in the following notes:

Taxation	Note 3
Allowance for expected credit losses	Note 5
Estimation of useful lives of assets	Note 6 & 7
Impairment of non-financial assets	Note 6 & 7
Operating lease commitments	Note 6
Recoverability of intangible assets	Note 8
Long service leave provision	Note 11

Notes to the Financial Statements (continued)

For the year ended 30 June 2022

1. REVENUE

	<u>2022</u>	<u>2021</u>
	\$	\$
Types of goods or service		
Revenue from catering	5,497,521	6,891,577
Revenue from beverages	2,845,915	3,530,769
Revenue from gaming	37,236,678	47,970,553
Revenue from fitness centre	1,383,330	1,959,261
Revenue from show tickets	223,473	114,740
Revenue from childcare centre	3,079,354	2,991,610
Subscriptions and joining fees	172,810	193,935
Commissions and other	920,883	1,301,385
Rental income	4,889,472	5,163,378
Total Revenue	<u><u>56,249,436</u></u>	<u><u>70,117,208</u></u>
Timing of revenue recognition		
Goods transferred at a point in time	45,976,397	58,749,307
Services transferred over time	10,273,039	11,367,901
Total Revenue	<u><u>56,249,436</u></u>	<u><u>70,117,208</u></u>
Other income		
Gain from sale of property, plant and equipment	194,464	383,207
Interest received	2,625	-
Government grants	1,946,942	2,883,000
Total other income	<u><u>2,144,031</u></u>	<u><u>3,266,207</u></u>

Recognition and Measurement

Revenues are recognised at fair value of the consideration received or receivable net of the amount of goods and services tax (GST) payable to the taxation authority. Transfer of goods or services of the same nature and value without any cash consideration are not recognised as revenues.

Notes to the Financial Statements (continued)

For the year ended 30 June 2022

1. REVENUE (continued)

Sale of Goods

Revenue from the sale of goods comprises of revenue earned from the provision of food, beverage and other goods and is recognised (net of rebates, returns, discounts and other allowances) at a point in time when the performance obligation is satisfied, that is, on delivery of goods to the customer.

Rendering of Services

Revenue from rendering services comprises revenue from gaming facilities together with other services to members and other patrons of the club and is recognised at a point in time when the services are provided.

Rental Income

Rental income from investment properties is accounted for on a straight-line basis over the lease term. Contingent rental income is recognised as income in the periods in which it is earned. Lease incentives granted are recognised as an integral part of the total rental income.

Other Income/Expense

Sale of Property, Plant and Equipment

The gain or loss on disposal of property, plant and equipment is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal (including incidental costs) and is recognised as other income at the date control of the asset passes to the buyer.

Interest Revenue

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument.

Government Grants

Government grants are recognised as income when it is reasonably certain that the company complies with the conditions attached to them and when the right to receive payment is established. During the year the Company received a total of \$1,200,000 of JobSaver subsidies and \$733,743 of employee education subsidies which have been recognised as other income for the 30 June 2022 financial year. In the prior year the company received \$2,883,000 from JobKeeper scheme payments.

2. EXPENSES

Profit before income tax includes the following specific expenses:

	<u>2022</u>	<u>2021</u>
	\$	\$
Employee benefits expense		
Wages and salaries	14,872,273	16,989,516
Defined contribution superannuation expense	1,377,662	1,424,656
Payroll tax	738,472	877,803
Provision for leave	667,824	134,603
Other employee benefits expense	423,677	507,849
Total employee benefits expense	<u>18,079,908</u>	<u>19,934,427</u>

Notes to the Financial Statements (continued)

For the year ended 30 June 2022

2. EXPENSES (continued)

	<u>2022</u>	<u>2021</u>
	\$	\$
Depreciation and amortisation		
Land and buildings	2,586,795	2,604,692
Plant and equipment	4,012,112	4,106,253
Investment properties	2,411,608	2,412,380
Total depreciation expense	<u>9,010,515</u>	<u>9,123,325</u>
Finance costs		
Bank loans	599,768	2,893,330
Interest expense on finance leases and hire purchase contracts	16,138	91,633
Total finance costs	<u>615,906</u>	<u>2,984,963</u>
Lease payments included as part of other operating expenses		
Minimum lease payments - operating lease	<u>74,335</u>	<u>80,700</u>

Recognition and Measurement

Finance costs

Finance costs include interest, premiums relating to borrowings, amortisation of ancillary costs incurred in connection with arrangement of borrowings and lease finance charges.

Finance costs are expensed as incurred unless they relate to qualifying assets. Qualifying assets are assets which take more than 12 months to get ready for their intended use or sale. In these circumstances, finance costs are capitalised to the cost of the assets. Where funds are borrowed specifically for the acquisition, construction or production of a qualifying asset, the amount of finance costs capitalised is those incurred in relation to that borrowing, net of any interest earned on those borrowings. Where funds are borrowed generally, finance costs are capitalised using a weighted average capitalisation rate.

Notes to the Financial Statements (continued)

For the year ended 30 June 2022

3. INCOME TAX EXPENSE

	2022	2021
	\$	\$
The major components of income tax expense for the years ended June 2022 and 2021 are:		
Current income tax expense	-	-
Income tax expense reported in the statement of profit or loss	-	221,226

Reconciliation of tax expense and the accounting profit multiplied by Australia's domestic tax rate for 2022 and 2021:

The Income Tax Assessment Act, 1997 (amended) provides that under the concept of mutuality clubs are only liable for income tax on income derived from non-members and from outside entities.

Accounting profit before income tax	4,796,959	11,357,217
At Club's statutory income tax rate of 30% (2021: 30%)	1,439,088	3,407,163
Non-deductible non-temporary difference	2,633	47,794
Deferred tax assets on tax loss not recognised	(997,503)	(733,187)
Members only income	(1,578,299)	(986,408)
Members only expenses	2,997,692	1,336,153
Effect of mutuality	(1,889,641)	(2,933,191)
Other items (net)	26,030	82,900
Aggregate income tax expense	-	221,226

Recognised deferred tax assets and liabilities
Deferred tax at 30 June relates to the following:

(i) Deferred tax liabilities

Straight – lined rental receivable	262,080	277,725
Property, plant and equipment	-	246,868
Capitalised interest	567,941	585,260
Gross deferred tax liabilities	830,021	1,109,853

(ii) Deferred tax assets

Tax losses	366,003	851,015
Employee benefits	401,727	225,426
Provisions	1,720	162
Accruals	14,083	33,250
Borrowing interest	32,819	-
Property, plant and equipment	13,669	-
Gross deferred tax assets	830,021	1,109,853

Notes to the Financial Statements (continued)

For the year ended 30 June 2022

3. INCOME TAX EXPENSE (continued)

	2022	2021
	\$	\$
<i>(III) Deferred tax charge</i>		
Straight – lined rental receivable	(15,645)	18,260
Property, plant and equipment	(260,537)	246,868
Capitalised interest	(17,319)	(17,320)
JobKeeper accrual	-	(261,000)
Tax losses	485,012	(321,274)
Employee benefits	(176,301)	(19,148)
Provisions	(1,558)	3,347
Borrowings interest	(32,819)	-
Accruals	19,167	(11,698)
Hedge liability	-	583,193
Deferred tax charge	-	221,226

Recognition and Measurement

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates that are enacted or substantively enacted. Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Key Estimate and Judgement: Taxation

The Club's accounting policy for taxation requires management's judgement as to the types of arrangements considered to be a tax on income in contrast to an operating cost. Judgement is also required in assessing whether deferred tax assets and certain deferred tax liabilities are recognised on the statement of financial position. Deferred tax assets, including those arising from temporary differences and tax losses are recognised only where it is considered more likely than not that they will be recovered, which is dependent on the generation of sufficient future taxable profits.

Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. These depend on estimates of future business expectations, operating costs capital expenditure and other capital management transactions. Judgements are also required about the application of income tax legislation. These judgements and assumptions are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets and deferred tax liabilities recognised on the statement of financial position and the amount of other tax losses and temporary differences not yet recognised. In such circumstances, some or all of the carrying amounts of recognised deferred tax assets and liabilities may require adjustment, resulting in a corresponding credit or charge to the statement of profit or loss and other comprehensive income.

Notes to the Financial Statements (continued)

For the year ended 30 June 2022

3. INCOME TAX EXPENSE (continued)

Mutuality Principle

The company calculates its income in accordance with the mutuality principle which excludes from income, any amounts of subscriptions and contributions from members, and payments received from members for particular services provided by the club or association, eg. poker machines, bar and dining room service in the case of social clubs. The Commissioner of Taxation accepts this method of calculating income as appropriate for recognised clubs and associations.

Amendments to the Income Tax Assessment Act 1997 ensure social clubs continue not to be taxed on receipts from contributions and payments received from members.

4. CASH AND CASH EQUIVALENTS

Reconciliation of Cash

Cash as at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	<u>2022</u>	<u>2021</u>
	\$	\$
Cash at bank and on hand	3,556,415	4,164,886
	<u>3,556,415</u>	<u>4,164,886</u>

Recognition and Measurement

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

5. TRADE AND OTHER RECEIVABLES

	<u>2022</u>	<u>2021</u>
	\$	\$
Current		
Trade receivables	191,806	27,937
Rental receivables	108,522	76,404
	<u>300,328</u>	<u>104,341</u>
Non-current		
Rental receivables	765,079	849,345
	<u>765,079</u>	<u>849,345</u>

Notes to the Financial Statements (continued)

For the year ended 30 June 2022

5. TRADE AND OTHER RECEIVABLES (continued)

Recognition and Measurement

Trade and other receivables represent the principal amounts due at balance date plus accrued interest and less, where applicable, any unearned income and impairment allowance. Trade receivables are due for settlement no more than 30 days from the date of recognition.

In accordance with AASB 9 an 'expected credit loss' ('ECL') model is used to recognise an impairment allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial asset has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The expected credit loss estimated by management using the simplified approach is \$Nil (2021: Nil).

Key judgement and estimate: Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

6. PROPERTY, PLANT AND EQUIPMENT

	2022	2021
	\$	\$
Land and buildings		
At cost	97,030,017	93,931,954
Accumulated depreciation	(29,940,413)	(27,351,145)
	<u>67,089,604</u>	<u>66,580,809</u>
Plant and equipment		
At cost	55,619,587	54,121,606
Accumulated depreciation	(37,910,432)	(36,204,545)
	<u>17,709,155</u>	<u>17,917,061</u>
Work in progress		
At cost	1,178,128	184,656
Total property, plant and equipment	<u>85,976,887</u>	<u>84,682,526</u>

For the year ended 30 June 2022

Notes to the Financial Statements (continued)

For the year ended 30 June 2022

6. PROPERTY, PLANT AND EQUIPMENT (continued)

Reconciliations

Movements in carrying amounts

Movements in the carrying amounts for investment properties between the beginning and the end of the current financial year are set out below

	2022	2021
	\$	\$
Land and buildings		
Carrying amount at beginning of year	66,580,809	68,175,068
Additions	3,095,590	502,338
Transfers	-	508,095
Depreciation expense	(2,586,795)	(2,604,692)
Carrying amount at end of year	67,089,604	66,580,809
Plant and equipment		
Carrying amount at beginning of year	17,917,061	18,228,927
Additions	3,652,153	2,915,086
Disposals	(2,272)	(120,447)
Transfers	154,325	999,748
Depreciation expense	(4,012,112)	(4,106,253)
Carrying amount at end of year	17,709,155	17,917,061
Work in progress		
Carrying amount at beginning of year	184,656	880,441
Additions	1,147,797	1,128,235
Disposals	-	(316,177)
Transfers	(154,325)	(1,507,843)
Carrying amount at end of year	1,178,128	184,656

(a) Leases

The carrying value of plant and machinery held under leases and hire purchase contracts at 30 June 2022 was \$2,765,912 (2021: \$3,937,280). Additions during the year include \$1,140,604 (2021: \$NIL) of plant and machinery under leases and hire purchase contracts. Leased assets and assets under hire purchase contracts are pledged as security for the related finance lease and hire purchase liabilities.

(b) Valuation of land and buildings

Land and buildings and investment properties were independently valued by Jeff Millar, AAPI Certified Practising Valuer and Registered Valuer No. 67391 (NSW) of Global Valuation Services on the basis of open market value at 30 June 2022. The valuations for land, buildings and site improvements were a total of \$254,685,000. Since the valuation, no significant capital works and improvements have been undertaken. As land and buildings are recorded on a historical cost basis, the valuation has not been brought to account. In March 2022 the Company purchased 12 Brett St, Revesby.

Notes to the Financial Statements (continued)

For the year ended 30 June 2022

6. PROPERTY, PLANT AND EQUIPMENT (continued)

(C) Core and non-core land

With reference to section 41J of the Registered Clubs Act as amended by the Registered Clubs Amendment Act 2006, the properties owned or occupied by the Revesby Workers' Club Ltd, as at 30 June 2022 are as follows:

Non-core properties:

- 22 Revesby Place, Revesby (Retail Shop)
- 20 Revesby Place, Revesby (Retail Shop)
- 20 Blamey Street, Revesby
- 30 Blamey Street, Revesby
- Part Blamey Street, Revesby (Lot 101 in DP 1153796)
- 2-4 Brett Street, Revesby (The Tree House Childcare Centre)
- 5 Brett Street, Revesby
- 6 Brett Street, Revesby
- 8 Brett Street, Revesby
- 10 Brett Street, Revesby
- 12 Brett Street, Revesby (Purchased 3rd March 2022)
- 16 Brett Street, Revesby (The Tree House 2 Childcare Centre)
- 18 Brett Street, Revesby
- 25 Brett Street, Revesby
- 70 Uranus Road, Revesby
- 74 Uranus Road, Revesby
- 76 Uranus Road, Revesby
- 78 Uranus Road, Revesby
- 7 Jamieson Street, Revesby
- 1-3 Macarthur Avenue, Revesby
- 2 Macarthur Avenue, Revesby

The above properties are owned by the Revesby Workers' Club Ltd and have been purchased by the Club as non-core properties and not for the licensed premises of the Club.

Core properties:

- 2B Brett Street, Revesby (Revesby Workers' Club licensed premises and car park)
- Parcel of Land Brett St Revesby (Lot 36 in DP 35692)
- 5 Kowan Street, Mooney Mooney (Mooney Mooney Club licensed premises and car park)
- 60 McGirr St, Padstow (Revesby Workers' Sports Club licensed premises)

The above properties are owned or occupied by the Club and are the defined (licensed) premises of the Club.

Recognition and Measurement

All property, plant and equipment is stated at historical cost less depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated using the straight line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

Notes to the Financial Statements (continued)

For the year ended 30 June 2022

6. PROPERTY, PLANT AND EQUIPMENT (continued)

Asset	Useful lives
Land	Not depreciated
Buildings	Over 40 years
Plant and equipment	Over 1 to 30 years

The assets' residual values 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.

Key Estimate and Judgements:

Useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of assets

At each reporting date, the Club reviews its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less cost to sell and value in use is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

Operating lease commitments – Club as lessor

The Club has entered into commercial property leases on its investment property portfolio. The Club has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a substantial portion of the economic life of the commercial property, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

	<u>2022</u>	<u>2021</u>
	\$	\$
Land and buildings		
At cost	76,385,821	76,254,480
Accumulated depreciation	(19,072,007)	(16,660,398)
	<u>57,313,814</u>	<u>59,594,082</u>
Reconciliations		
Land and buildings		
Carrying amount at beginning of year	59,594,082	61,737,558
Additions	131,340	268,904
Depreciation	(2,411,608)	(2,412,380)
Carrying amount at end of year	<u>57,313,814</u>	<u>59,594,082</u>

Notes to the Financial Statements (continued)

For the year ended 30 June 2022

7. INVESTMENT PROPERTIES (continued)

(a) Valuation of investment properties

Land and buildings and investment properties were independently valued by Jeff Millar, AAPI Certified Practising Valuer and Registered Valuer No. 67391 (NSW) of Global Valuation Services on the basis of open market value at 30 June 2022. The valuations for land, buildings and site improvements were a total of \$62,000,000. Since the valuation, no significant capital works and improvements have been undertaken. As land and buildings are recorded on a historical cost basis, the valuation has not been brought to account.

Recognition and Measurement

Investment properties are measured at cost, net of accumulated depreciation and accumulated impairment losses, if any. The estimated useful life is 5 to 40 years. Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in statement of profit or loss and other comprehensive income in the period of derecognition. Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is valued at cost at the date of change in use. If owner-occupied property becomes an investment property, the Club accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

Key Estimate and Judgement: Impairment of assets

At each reporting date, the Club reviews its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less cost to sell and value in use is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

8. INTANGIBLE ASSETS

	2022	2021
	\$	\$
Licenses to Occupy Holiday Cabins		
At cost	473,940	473,940
Gaming Machine Licenses		
At cost	859,514	859,514
Total intangible assets	<u>1,333,454</u>	<u>1,333,454</u>

Recognition and Measurement

(i) Licences to occupy holiday cabins

Per the "Deeds of Licence" between Revesby Workers' Club Ltd and The Federation of Community, Sporting and Workers Club Inc, the licences are refundable in full upon their termination. The Deeds are for an indefinite period and only the Club has the option to terminate the agreements between the two parties. Accordingly, the licences are carried at cost and the Club is of the view no amortisation is necessary, however, an impairment analysis is carried out at year end.

(ii) Gaming machine license

Gaming machine licences are carried at cost less accumulated impairment losses and have been determined to have indefinite useful lives. Gaming machine licences are subject to impairment testing on an annual basis or whenever there is an indication of impairment.

Notes to the Financial Statements (continued)

For the year ended 30 June 2022

8. INTANGIBLE ASSETS (continued)

Key Estimate and Judgement: Recoverability of Intangible Assets

Impairment of poker machine entitlements is recognised based on a value in use calculations and is measured at the present value of the estimated future cash inflows available to the company from the use of these licenses. In determining the present value of the cash inflows, growth rates and appropriate discount factors have been considered.

Management believes that reasonable changes in the key assumptions on which the recoverable amount of gaming division's poker machine entitlements is based would not cause the cash-generating unit's carrying amount to exceed its recoverable amount.

9. TRADE AND OTHER PAYABLES

	<u>2022</u>	<u>2021</u>
	\$	\$
Trade payables	2,803,112	957,376
Other payables and accrues expenses	2,563,054	2,724,815
	<u>5,366,166</u>	<u>3,682,191</u>

Recognition and Measurement

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

10. INTEREST-BEARING LOANS AND BORROWINGS

	<u>2022</u>	<u>2021</u>
	\$	\$
Current		
Leases - Hire purchase contracts (Note 12)	943,766	1,038,834
	<u>943,766</u>	<u>1,038,834</u>
Non - Current		
Leases - Hire purchase contracts (Note 12)	860,991	346,343
Loan - National Australia Bank	-	46,000,000
Loan - ANZ	37,000,000	-
	<u>37,860,991</u>	<u>46,346,343</u>

For terms and conditions attached to each type of borrowing, refer to section (b) below and to Note 12 for the finance leases and hire purchase contracts.

(a) Defaults and breaches

During the current and prior years, there were no defaults or breaches on any of the borrowings.

(b) Terms and conditions

Current interest-bearing loans and borrowings

Notes to the Financial Statements (continued)

For the year ended 30 June 2022

10. INTEREST-BEARING LOANS AND BORROWINGS (continued)

Loan from ANZ Bank

The Company has a loan facility of \$55,000,000 and bears a variable interest at BBSY (for the relevant period) plus a margin of 0.95%. The bank loan is secured by registered mortgages over 25 of the Club's properties. This facility from Australia and New Zealand Banking Group Limited is repayable in equal quarterly installments of \$800,000 till July 2026. The Company has made additional voluntary principal repayments during the year totaling \$5,800,000 (FY21: \$8,100,000) and as a result, the Company is ahead of its repayment schedule and no payments are considered due and payable in the following 12 months. In the prior year the Club received a waiver from the ANZ Bank for testing the loan covenants as at 31 December 2021 due to COVID imposed lockdowns during the period. All scheduled loan installment payments were also deferred until 5 July 2022.

The Company also has the following ANZ Bank facilities available to it during the year:

- Loan facility of \$55,000,000 – of which \$37,000,000 has been drawn down at year end
- Asset Financials facilities of \$4,000,000 – of which \$715,105 has been drawn down at year end
- Electronic Payaway facilities of \$1,000,000 – of which nil has been drawn down at year end
- Overdraft facilities of \$500,000 – of which nil has been drawn down at year end
- Commercial card facilities of \$50,000 – of which nil has been drawn down at year end
- Letters of Credit \$20,000 – of which \$15,000 has been drawn down at year end

(c) Assets pledged as security

The carrying amounts of assets pledged as security for non-current interest bearing liabilities are:

	2022	2021
	\$	\$
Non-current		
First mortgage		
Freehold land and buildings	116,161,865	109,236,841
Total non-current assets pledged as security	116,161,865	109,236,841

Recognition and Measurement

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the profit or loss over the period of borrowings using the effective interest method. Borrowings are classified as non-current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

11. EMPLOYEE BENEFITS

	2022	2021
	\$	\$
Current		
Liability for annual leave	2,167,060	1,178,678
Liability for long-service leave	1,294,672	1,609,781
	3,461,732	2,788,459
Non - Current		
Liability for long-service leave	315,933	321,382

Notes to the Financial Statements (continued)

For the year ended 30 June 2022

11. EMPLOYEE BENEFITS (continued)

Recognition and Measurement

Wages and Salaries, Annual Leave and Sick Leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables with respect to employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

Long Service Leave

The provision for employee benefits relating to long service leave represents the present value of the estimated future cash outflows to be made resulting from employees' services provided to reporting date.

The provision is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates based on turnover history and is discounted using the market yields on national government bonds at reporting date which most closely match the terms of maturity with the expected timing of cash flows. The unwinding of the discount is treated as long service leave expense.

Key Estimate and Judgement: Long Service Leave Provision

The liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Superannuation Plans

Contributions

The company is under a legal obligation to contribute 10.0% of each employee's base salary to a superannuation fund.

12. COMMITMENTS AND CONTINGENCIES

(a) Commitments

The Club leases plant and equipment under a number of short-term leases for low value assets. Future minimum rentals payable under non-cancellable low value leases as at 30 June are, as follows:

	<i>2022</i>	<i>2021</i>
	\$	\$
Leasing commitments		
Within one year	80,700	80,700
One year or later and no later than five years	100,875	181,575
Total minimum lease payments	<u>181,575</u>	<u>262,275</u>

Notes to the Financial Statements (continued)

For the year ended 30 June 2022

12. COMMITMENTS AND CONTINGENCIES (continued)

Lease and hire purchase commitments - Club as a lessee

The Club has leases for various items of plant and equipment with a carrying amount of \$2,765,912 (2021: \$1,691,889). These lease contracts have 0 to 3 years remaining. The leases have terms of renewal but no purchase options and escalation clauses. Renewals are at the option of the specific entity that holds the lease. Future minimum lease payments under leases and hire purchase contracts together with the present value of the net minimum lease payments are as follows

	<u>2022</u>	<u>2021</u>
	\$	\$
Within one year	943,766	1,141,911
One year or later and no later than five years	825,178	316,561
Total minimum lease payments	<u>1,768,944</u>	<u>1,458,472</u>
Included in the financial statements as:		
Current interest-bearing loans and borrowings (Note 10)	943,766	1,038,834
Non-current interest-bearing loans and borrowings (Note 10)	860,991	346,343
Total included in interest-bearing loans and borrowings	<u>1,804,757</u>	<u>1,385,177</u>

Operating lease commitments - Club as lessor

The Club leases out portions of the main club and its land and buildings to third parties under operating leases. Future minimum rentals receivable under non-cancellable operating leases as at 30 June as follows:

	<u>2022</u>	<u>2021</u>
	\$	\$
Within one year	4,262,665	4,353,125
One year or later and no later than five years	30,332,812	34,598,636
Total minimum lease payments	<u>34,595,477</u>	<u>38,951,761</u>

	<u>2022</u>	<u>2021</u>
	\$	\$

(b) Capital commitment

Commitments to various capital projects

2,321,282	591,512
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(c) Contingencies

The Club has given the following bank guarantees:

TAB Limited

15,000	5,000
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No liability is expected to arise

Notes to the Financial Statements (continued)

For the year ended 30 June 2022

13. AUDITORS' REMUNERATION

During the financial year the following fees were paid or payable for services provided by BDO (2021: Ernst & Young), the auditor of the company:

	<u>2022</u>	<u>2021</u>
	\$	\$
Audit services provided to BDO (2021: Ernst & Young)		
Audit of the financial statements	56,000	114,817
Other services to BDO (2021: Ernst & Young)		
Other services	<u>11,500</u>	<u>40,955</u>

14. SUBSIDIARY ENTITIES

The Club established Two Two One Two Pty Ltd on 7 April 2014. At 30 June 2022, Two Two One Two Pty Ltd is dormant and has not commenced trading. Given that the impact on the financial statements of the Club is not material, consolidated financial statements have not been presented for the years ended 30 June 2021 and 2022.

15. KEY MANAGEMENT PERSONNEL DETAILS

(a) Directors

The following persons were directors of the company during the financial year:

D (Daryl)	Melham AM
J L (John)	Rodwell
I E (Ian)	Stromborg OAM
C E (Christine)	Benham
C M (Christine)	Butters
K A (Kylie)	Wilkinson
B R (Baden)	Kirgan

The Directors' remuneration is capped at the amounts approved each year by the members at the Annual General Meeting (October 2021: \$72,000; October 2020: \$72,000). During the year, the Club paid a total of \$55,000 (2021: \$71,681) to Directors for their role as Directors of the Club.

(b) Key Management Personnel Compensation

Key management personnel, being persons having authority and responsibility for planning, directing and controlling activities of the Club, include the Directors, current Chief Executive Officer (CEO), Chief Operating Officer (COO) (Resigned January 2022) and Chief Financial Officer (CFO).

The key management personnel compensation included in "employee benefits expense" are as follows:

	<u>2022</u>	<u>2021</u>
	\$	\$
Aggregate compensation	<u>940,213</u>	<u>1,095,933</u>

Notes to the Financial Statements (continued)

For the year ended 30 June 2022

16. RELATED PARTIES

Key Management Personnel

Disclosures relating to key management personnel are set out in Note 15.

Transactions with Related Parties

In the course of attending the Club and/or representing the Club in an official capacity, Directors were provided with the cost of telephone, travel and entertainment, meals and beverages totalling \$12,513 (2021: \$20,854).

From time to time, directors of the Club may purchase goods from the Club or participate in other Club activities. These purchases and participations are on the same terms and conditions as those entered into by other Club employees or customers and are trivial or domestic in nature.

During the year, a relative of D (Daryl) Melham AM was employed by the Club and received wages within normal employee terms and conditions.

During the year, the Club provided \$100,000 of ClubGRANTS donations (2021: \$Nil) to Bankstown City Aged Care Limited, an entity of which Director Christine Butters is a Director of.

During the year, the Club provided \$77,727 of ClubGRANTS donations (2021: \$69,776) to Biyani House, an entity of which Director Kylie Wilkinson and Executive Manager, People and Culture Sharyn Buhagiar are Directors of.

During the year, the Club provided \$1,000 of ClubGRANTS donations(2021: \$Nil) to Bankstown Jets Touch Association, an entity of which Director Kylie Wilkinson is President of.

During the year, in accordance with the club constitution, the Club provided \$20,000 Political Donations(2021: \$Nil) to the Banks FEC, of which President Daryl Melham AM was campaign director.

Apart from the details disclosed above in this note, no other director has entered into a material contract with the Club during the year or since the end of the previous financial year and there were no material contracts involving other directors' interests existing at year-end.

Receivables from and Payables to Related Parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

17. MEMBERS' GUARANTEES

The company is a company limited by guarantee and is without share capital. The number of members as at 30 June 2022 and the comparison with last year is as follows:

	<u>2022</u>	<u>2021</u>
	\$	\$
Ordinary	66,829	72,668
Foundation	8	8
Life	10	10
	<u>66,847</u>	<u>72,686</u>

In accordance with the Constitution of the company, every member of the company undertakes to contribute an amount limited to \$2 per member in the event of the winding up of the company during the time that he/she is a member or within one year thereafter.

Notes to the Financial Statements (continued)

For the year ended 30 June 2022

18. EVENTS SUBSEQUENT TO REPORTING DATE

A contract for construction works has been signed relating to a new gaming area at a cost of \$1.03m.

There are no further matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

19. SUMMARY OF OTHER ACCOUNTING POLICIES

(a) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables in the Statement of Financial Position are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as a current asset or liability in the Statement of Financial Position. Cash flows are included 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.

(b) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs have been assigned to inventory quantities on hand at balance date using the weighted average basis.

(c) Prepayments

Prepayments pertains to prepaid insurance, land tax and other operating related expenses, or for deposits on fixed assets for future use.

20. COMPANY DETAILS

The Club is incorporated and domiciled in Australia as a company limited by guarantee.

The registered office of the company is 2B Brett Street, Revesby, NSW 2212.

OUR PURPOSE

People Focused | Community Proud | Business Responsible



LEASE

Form 990-BL (2019)

OMB No. 1545-0047

Section 501(c)(3) of the Internal Revenue Code requires the filer to obtain the information on this form for the preparation and maintenance of the tax return. For Higher Purpose 990-BL, the filer must file this form to obtain the tax-exempt status of the filer.

Check appropriate box:

990-BL	Other (specify below)
990-BL	Individual
990-BL	Partnership
990-BL	Trust
990-BL	Other (specify below)

Form 990-BL (2019)



***We put our people first, be a pillar in the community
and continually responsible to ensure longevity into the future.***

Photos (L-R): Seniors' Christmas concert, signing of lease for Biyani House - Revesby Women's Shelter, Revesby Village Centre commercial precinct.



Revesby Workers' Club Annual Community Support

Community Donations Funding Schedule Year Ending August 2022

Donated To	Cash and In Kind	Donated To	Cash and In Kind
Revesby Workers' Club Sub Clubs	\$248,756	Dress For Success	\$8,000
Infrastructure Donations	\$198,963	MiniFit Clinic	\$7,500
Revesby Workers Sports Club Greens	\$144,219	East Hills View Club	\$6,000
Local Schools	\$95,595	Revesby Heights Rhinos JRLFC	\$5,750
Biyani House	\$79,800	Panania Probus Club	\$5,250
Whitlam Institute	\$60,000	Post School Pathway For Students With A Disability	\$5,950
Caroline Chisholm School	\$60,000	St Lukes Parish	\$5,000
Asbestos Diseases Research Institute	\$45,000	Cancer Council NSW	\$4,850
Oz Harvest Limited	\$30,000	Revesby Probus Club	\$4,800
Bankstown City Aged Care Ltd	\$26,000	Bankstown District Cricket Association	\$4,500
George Bass Special School	\$20,000	DV Dowry Project	\$4,500
Broderick Gillawarna School	\$17,100	Padstow Heights Probus	\$3,950
Nangahmi Ngallia Aboriginal Corporation	\$15,950	Bankstown Liverpool District Safety Group	\$3,500
Rotary Club Of Padstow	\$14,300	Beautiful Minds	\$3,150
Heart Of The Nation	\$13,000	Lifeline Macarthur	\$3,000
Bankstown Koori Elders Group Inc	\$10,000	Tracey Westerman Indigenous Psychology Scholarship	\$3,000
Metro Assist Limited	\$10,000	Small Ford Club	\$2,700
Revesby Rovers Soccer Football Club	\$10,000	Bankstown Lidcombe Hospital	\$2,150
Talent Development Project Inc	\$10,000	Maronite Care	\$2,000
Revesby Uniting Church	\$8,320	Mooney Hawks Fishing Club	\$2,000
MWLP	\$8,150	Sebastian Foundation	\$2,000
STARTTS	\$8,120	Turbans 4 Australia	\$2,000
Life Education	\$8,000	Sports Scholarships	\$1,850



Donated To	Cash and In Kind	Donated To	Cash and In Kind
Bankstown District Amateur Football Association	\$1,800	Tertiary Scholarships	\$33,500
The Push-Up Challenge Wembley	\$1,600	Political Donations	
Bankstown Touch Association	\$1,450	Banks ALP Federal Election Campaign	\$33,550
Papertole Guild Of Australia	\$1,350	Blaxland ALP Federal Election Campaign	\$5,000
Bankstown City Netball	\$1,000	ALP Revesby Ward Election Campaign	\$6,700
Black Dog Institute Randwick	\$631	ALP Other Donations	\$7,000
Bankstown Football Referees	\$600	Celebration of Life	\$14,650
East Hills Baseball Club	\$600	Mortality Benefits	\$10,364
Hawkesbury River Child Care	\$600		
Learning Links	\$600		
Special Olympics	\$600		
Zonta Club Of Sydney West Inc	\$600		
Bankstown East Hills Handicapped Association	\$550		
Sydney Legacy	\$500		
Bankstown Clinician Reference Group	\$450		
Koori Kids Pty Ltd	\$400		
ADRI Patient Support Group	\$300		
Bankstown Art Society	\$300		
East Hills Alumni	\$300		
Bankstown Cricket Umpires Association	\$300		
CMRI Westmead	\$250		
Bankstown Police Citizens Youth Club	\$200		
Free The Bears	\$100		

TOTAL CLUBGRANTS	\$1,249,754	TOTAL DONATIONS	\$1,360,518
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COMMUNITY SUPPORT

Revesby Workers' Club

\$1,360,518 given





OUR VISION

Forward Focused | Staying True To Our Traditions

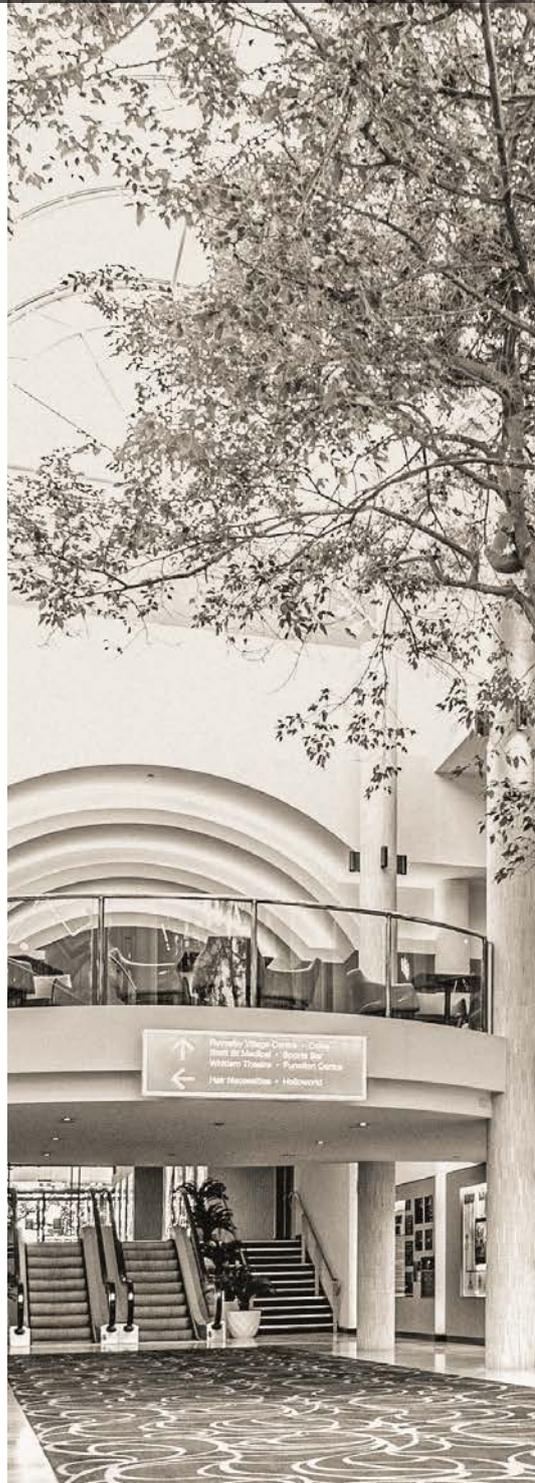
OUR HISTORY & PLAQUES

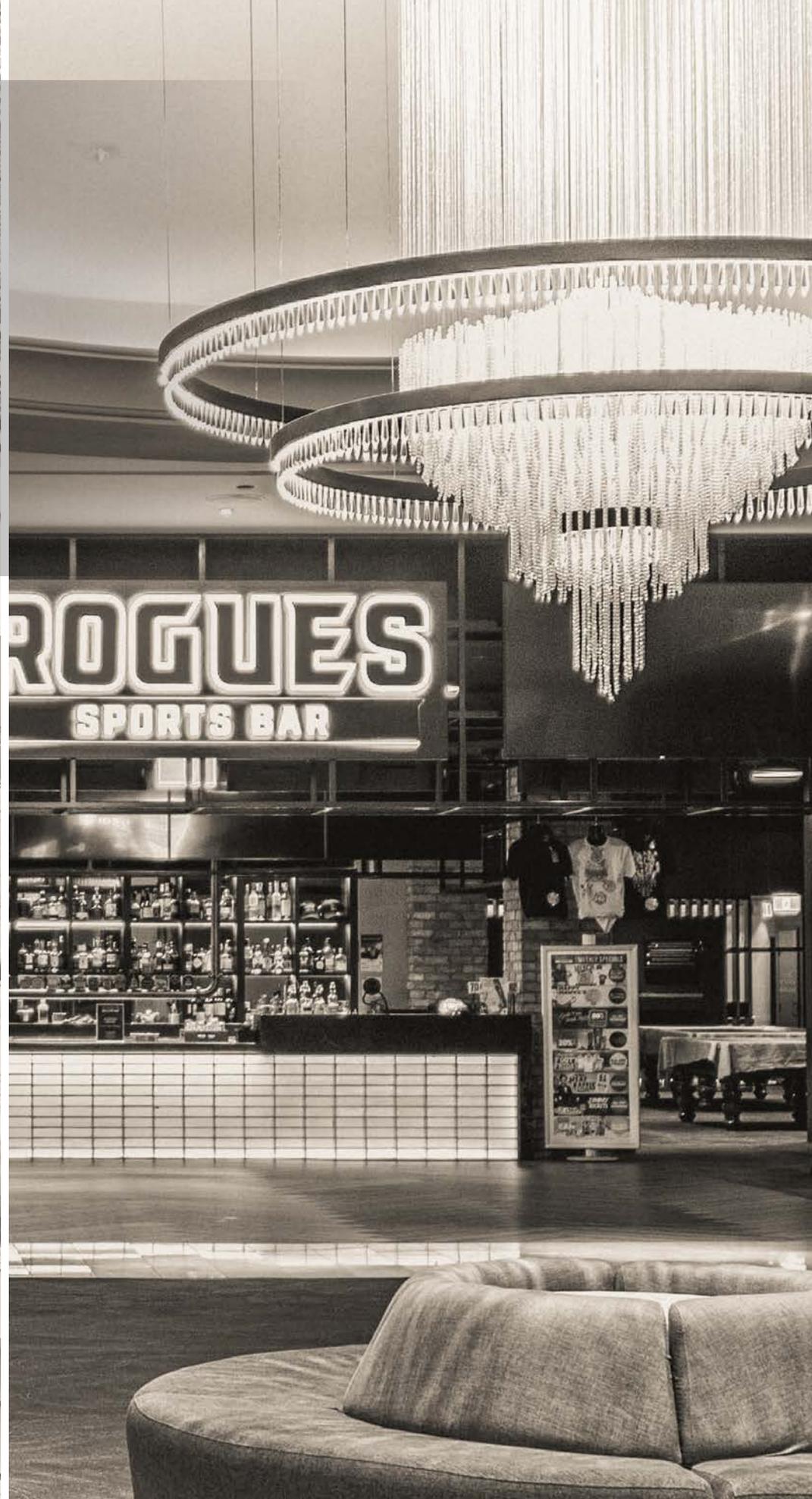
Integral in the development and growth of the Revesby/Bankstown precinct was a decision by a hardy, persistent group of local men to form a club, which was generous of spirit and with strong family commitment ... not a Labor club, but, more succinctly, a workers' club, one that would embrace women as much as it would the men folk.

That club, the Revesby Workers' Club, stands today as a monument, not just to those who have carried it over its 50-year journey, but even more, perhaps, to those pioneers who dug the well for us all.

The original club premises were opened on 12 September 1962 - a day early, with 235 members. The Big Club, as it was christened, across the road was officially opened on 18 August 1973 by the then-prime minister Gough Whitlam, who would enjoy a long and rewarding relationship with the club.

The story of Revesby Workers' Club is like no other in Australian licensed club history - that fact will be clearly evident as you take the journey through this work. It's a club that has worn its heart on its rolled-up sleeves - no beg pardons, no denial of a sometimes turbulent history, yet with an integrity and soul that continues to invoke the Revesby message.





*To always be progressive, inclusive and diverse,
but to remember those who 'dug the well'*

Photos (L-R): Club history wall, Club atrium thoroughfare, Brett St entrance foyer.

OUR VALUES

Adaptable | Teamwork | Supportive | Strength



ADAPTABLE

The Wrench

has adaptability to accomplish all tasks essential for success.



TEAMWORK

The Cog

is the continual collaboration uniting passionate individuals.



Photo: Revesby Workers' Club staff



SUPPORTIVE

The Glove

is protective, supportive and most importantly inclusive of all.



STRENGTH

The Hammer

gives us determination to strive for our goals through all adversities.

OUR
VISION
VALUES
PURPOSE **AND**
FOUNDATION

ESTABLISHED 1962

The decision of a hardy, persistent group of locals to form a club, which was generous of spirit and with strong family commitment.

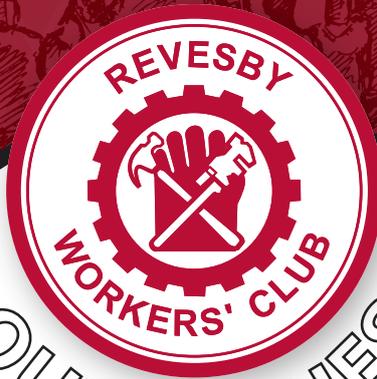
A workers' club that has 'worn its heart on its rolled up sleeve'.

OUR VISION

FORWARD FOCUSED | STAYING TRUE TO OUR TRADITIONS
To always be progressive, inclusive and diverse, but to remember those who 'dug the well'

OUR FOUNDATION

RESPECT OUR HERITAGE
HONOUR OUR VALUES
ENSURE OUR FUTURE



OUR PURPOSE
PEOPLE FOCUSED | COMMUNITY PROUD | BUSINESS RESPONSIBLE
We put our people first, be a pillar in the community and continually responsible to ensure longevity into the future

OUR VALUES

ADAPTABLE
The Wrench has adaptability to accomplish all tasks essential for success.

TEAMWORK
The Cog is the continual collaboration uniting passionate individuals.

SUPPORTIVE
The Glove is protective, supportive and most importantly inclusive of all.

STRENGTH
The Hammer gives us determination to strive for our goals through all adversities.





revesbyworkers'club

Photo: Revesby Workers' Club Tarro Ave entrance



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