

**RYDE EX-SERVICES MEMORIAL & COMMUNITY CLUB LIMITED**  
**A.B.N 85 001 057 585**

**ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**RYDE EX-SERVICES MEMORIAL & COMMUNITY CLUB LIMITED**  
**A.B.N 85 001 057 585**

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**FOR THE YEAR ENDED 30 JUNE 2019**

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**RYDE EX-SERVICES MEMORIAL & COMMUNITY CLUB LIMITED**  
**A.B.N 85 001 057 585**

**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

The directors present their report on Ryde Ex-Services Memorial & Community Club Limited ('the Company') for the financial year ended 30 June 2019.

**Directors**

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

<b>Names</b>	<b>Qualifications</b>	<b>Appointed/(resigned)</b>
L. Kennedy	Consultant	31 July 2016
J.Outridge	Maintenance Supervisor	31 July 2016
P.Simmons	Retired	31 July 2016
D. Erickson	Retired	31 July 2016
G.Moodley	Retired	(10 May 2019)
P.Webb	Teacher	12 February 2019)
J. Watts	Teacher	(10 May 2019)
E. Ford	Retired	11 June 2019
L. Shepherd	Gaming Manager	25 June 2019

**Company secretary**

K. Thongsophon has been the company secretary since 28 August 2019. S. Greacen was company secretary from 26 April 2017 until 26 August 2019.

**Principal activities**

The principal activity of Ryde Ex-Services Memorial & Community Club Limited during the financial year was the conduct and promotion of a licensed social club for its members and guests.

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

**Short term objectives**

The Company's short term objectives are to maintain membership and increase club attendances, improve efficiency and profitability of club operations and ensure premises are well maintained and provide a high level of customer service.

**Long term objectives**

The Company's long term objectives is to focus on developing the property to modernise the club's facilities in order to compete effectively within the industry. The Board will look to consolidate and diversify its current revenue base to ensure the club's financial security and survival in the long term, with a mission to satisfy the needs of and give to the local community.

**Strategy for achieving the objectives**

The primary strategy for achieving these objectives is an ongoing business plan and yearly strategic plans which focus on club development, both short and long term.

**How principal activities assisted in achieving the objectives**

The principal activities assisted the Company to remain financially viable so it can continue to offer its members and guests a growing community club.

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**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**Performance measures and key performance indicators (KPIs)**

A number of KPIs are analysed in order to measure the performance of the business. These include EBITDA, gross profits percentages, expenses to sales percentages, current ratio, debt and other ratios. These results are incorporated into a financial report that is reviewed by Management and the Board of Directors monthly.

**Operating results**

The (loss) of the Company after providing for income tax amounted to \$ (197,856) (2018 profit of: \$ 3,391,916).

**Significant changes in state of affairs**

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

**Events after the reporting date**

The company settled all legal claims with the original purchaser of the Sports Hall on the 29th July 2019 for \$1,600,000.

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

**Future developments and results**

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

**Environmental matters**

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

**Meetings of directors**

During the financial year, 13 meetings of directors were held. Attendances by each director during the year were as follows:

<b>Directors' Meetings</b>		
<b>Number eligible to attend</b>	<b>Number attended</b>	
L. Kennedy	13	12
J.Outridge	13	13
P.Simmons	13	12
D. Erickson	13	13
G.Moodley	11	11
P.Webb	6	6
J. Watts	11	11
E. Ford	1	1
L. Shepherd	1	1

**RYDE EX-SERVICES MEMORIAL & COMMUNITY CLUB LIMITED**  
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**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**Indemnification and insurance of directors and officers**

During the financial year the company paid a premium to insure certain officers of the company. The officers of the company covered include the Directors and General Manager. The liabilities covered include the costs incurred in defending civil or criminal proceedings that may be brought against officers in their capacity as officers of the company. Disclosure of the premium amount and nature of liabilities covered is prohibited by a confidentiality clause in the policy.

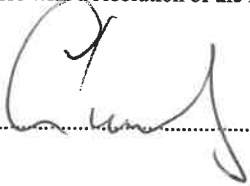
Except for the above, the company has not, during or since the end of the financial year, in respect of any person who is or has been an officer or auditor of the company or of a related body corporate: indemnified or made any relevant agreement for indemnifying against a liability, including costs and expenses in successfully defending legal proceedings; or paid or agreed to pay a premium in respect of a contract insuring against a liability for the costs or expenses to defend legal proceedings.

**Auditor's independence declaration**

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2019 has been received and can be found on page 4 of the financial report.

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

Director: .....  
L. Kennedy



Director: .....  
P. Simmons



Dated: 26/9/2019

VJR  
V.J. RYAN  
& CO  
CHARTERED ACCOUNTANTS  
A.B.N. 55 704 784 107


The Board of Directors  
Ryde Ex-Services Memorial & Community Club Limited  
728 Victoria Road  
RYDE NSW 2112

Dear Board Members

**Lead Auditor's Independence Declaration to the Directors of  
Ryde Ex-Services Memorial & Community Club Limited**

In relation to our audit of the financial report of Ryde Ex-Services Memorial & Community Club Limited for the year ended 30 June 2019, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

V J RYAN & CO  
Chartered Accountants

V.J. Ryan & Co  


**Peter D Wyer  
Partner**

Dated 26 September 2019

Level 5  
255 George Street  
SYDNEY NSW 2000

Liability limited by a scheme approved under Professional Standards Legislation

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**RYDE EX-SERVICES MEMORIAL & COMMUNITY CLUB LIMITED**  
**A.B.N 85 001 057 585**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
Note	\$	\$
Revenue	5 3,286,662	3,285,648
Cost of sales	(302,774)	(361,948)
<b>GROSS PROFIT</b>	<u>2,983,888</u>	<u>2,923,700</u>
Other income	5,646	6,466
Legal expenses	(229,095)	(169,920)
Employee benefits	6 (792,182)	(838,424)
Repairs and maintenance	(332,832)	(270,955)
Poker machine promotions and duty	(418,621)	(394,001)
Administrative, member & facility expenses	(967,417)	(1,109,240)
<b>PROFIT BEFORE DEPRECIATION, FINANCE COSTS, SALE OF ASSETS &amp; INCOME TAX EXPENSE</b>	<u>249,387</u>	<u>147,626</u>
Depreciation	(452,698)	(493,693)
Finance costs	-	(165,981)
<b>(LOSS) BEFORE SALE OF ASSETS</b>	<u>(203,311)</u>	<u>(512,048)</u>
Profit on sale of sports hall	-	3,903,964
Profit on sale of fixed asset	5,455	-
<b>PROFIT/(LOSS) BEFORE INCOME TAX</b>	<u>(197,856)</u>	<u>3,391,916</u>
Income tax expense	8 -	-
<b>PROFIT/(LOSS) FOR THE YEAR</b>	<u>(197,856)</u>	<u>3,391,916</u>
<b>OTHER COMPREHENSIVE INCOME, NET OF INCOME TAX</b>		
<b>Items that will not be reclassified subsequently to profit or loss</b>		
Gain on revaluation of land	-	13,927,800
<b>Items that will be reclassified to profit or loss when specific conditions are met</b>	-	-
<b>Other comprehensive income for the year, net of tax</b>	<u>-</u>	<u>13,927,800</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<u>(197,856)</u>	<u>17,319,716</u>

The accompanying notes form part of these financial statements.

**RYDE EX-SERVICES MEMORIAL & COMMUNITY CLUB LIMITED**  
**A.B.N 85 001 057 585**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2019**

	Note	2019 \$	2018 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	9	365,626	250,297
Trade and other receivables	10	-	21,196
Inventories	11	26,336	29,951
Other assets	12	18,079	57,617
<b>TOTAL CURRENT ASSETS</b>		<u>410,041</u>	<u>359,061</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	13	23,726,858	24,158,336
<b>TOTAL NON-CURRENT ASSETS</b>		<u>23,726,858</u>	<u>24,158,336</u>
<b>TOTAL ASSETS</b>		<u>24,136,899</u>	<u>24,517,397</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	14	171,680	152,429
Borrowings	15	117,025	188,355
Employee benefits	16	64,902	56,601
<b>TOTAL CURRENT LIABILITIES</b>		<u>353,607</u>	<u>397,385</u>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	15	17,993	134,488
Employee benefits	16	30,648	53,017
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>48,641</u>	<u>187,505</u>
<b>TOTAL LIABILITIES</b>		<u>402,248</u>	<u>584,890</u>
<b>NET ASSETS</b>		<u>23,734,651</u>	<u>23,932,507</u>
<b>EQUITY</b>			
Reserves	17	13,927,800	13,927,800
Retained earnings		9,806,851	10,004,707
<b>TOTAL EQUITY</b>		<u>23,734,651</u>	<u>23,932,507</u>

The accompanying notes form part of these financial statements.



**RYDE EX-SERVICES MEMORIAL & COMMUNITY CLUB LIMITED**  
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**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**2019**

	Retained Earnings	Asset Revaluation Reserve	Total
Note	\$	\$	\$
<b>Balance at 1 July 2018</b>	<b>10,004,707</b>	<b>13,927,800</b>	<b>23,932,507</b>
Loss for the year	(197,856)	-	(197,856)
Other comprehensive income for the period	-	-	-
17	-	-	-
<b>Balance at 30 June 2019</b>	<b>9,806,851</b>	<b>13,927,800</b>	<b>23,734,651</b>

**2018**

	Retained Earnings	Asset Revaluation Reserve	Total
Note	\$	\$	\$
<b>Balance at 1 July 2017</b>	<b>6,612,791</b>	<b>-</b>	<b>6,612,791</b>
Profit for the year	3,391,916	-	3,391,916
Other comprehensive income for the year	-	13,927,800	13,927,800
17	-	13,927,800	13,927,800
<b>Balance at 30 June 2018</b>	<b>10,004,707</b>	<b>13,927,800</b>	<b>23,932,507</b>

The accompanying notes form part of these financial statements.

**RYDE EX-SERVICES MEMORIAL & COMMUNITY CLUB LIMITED**  
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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	3,292,583	3,322,537
Payments to suppliers and employees	(2,945,911)	(3,170,699)
Interest received	75	6,466
Interest paid	-	(165,981)
<b>Net cash (used in) operating activities</b>	<u>346,747</u>	<u>(7,677)</u>
24		
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment	(49,048)	(144,299)
Proceeds from sale of property, plant & equipment	5,455	-
<b>Net cash used in investing activities</b>	<u>(43,593)</u>	<u>(144,299)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Repayment of borrowings	-	(803,169)
Payment of finance lease liabilities	(187,825)	(160,308)
<b>Net cash used in/(provided by) financing activities</b>	<u>(187,825)</u>	<u>(963,477)</u>
Net increase/(decrease) in cash and cash equivalents held	115,329	(1,115,453)
Cash and cash equivalents at beginning of year	250,297	1,365,750
<b>Cash and cash equivalents at end of financial year</b>	<u>365,626</u>	<u>250,297</u>
9		

The accompanying notes form part of these financial statements.

**RYDE EX-SERVICES MEMORIAL & COMMUNITY CLUB LIMITED**  
**A.B.N 85 001 057 585**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

Ryde Ex-Services Memorial & Community Club Limited ('the Company') is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia. The nature of the operations and principal activities of the company is a licensed club.

The financial report was authorised for issue by the Directors in accordance with a resolution of the directors on the day of signing the directors' declaration.

Comparatives are consistent with prior years, unless otherwise stated.

**1 Basis of Preparation**

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

The financial statements, except for the cash flow information 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.

*Australian Accounting Standards* set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

**2 Change in Accounting Policy**

**Financial Instruments - Adoption of AASB 9**

The Company has adopted AASB 9 Financial Instruments for the first time in the current year with a date of initial adoption of 1 July 2018. The key changes to the Company's accounting policy and the impact on these financial statements from applying AASB 9 are described below.

**Classification of financial assets**

The financial assets of the Company have been reclassified into one of the following categories on adoption of AASB 9 based on primarily the business model in which a financial asset is managed and its contractual cash flow characteristics:

- Measured at amortised cost
- Fair value through profit or loss (FVTPL)
- Fair value through other comprehensive income - debt instruments (FVOCI - debt)
- Fair value through other comprehensive income - equity instruments (FVOCI - equity).

**Impairment of financial assets**

The incurred loss model from AASB 139 has been replaced with an expected credit loss model in AASB 9 for assets measured at amortised cost, contract assets and fair value through other comprehensive income. This has resulted in the earlier recognition of credit loss (bad debt provisions).

**Classification of financial assets and financial liabilities**

The table below illustrates the classification and measurement of financial assets and liabilities under AASB 9 and AASB 139 at the date of initial application being 1 July 2018.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**2 Change in Accounting Policy (Continued)**

**Financial Instruments - Adoption of AASB 9 (Continued)**

**Classification of financial assets and financial liabilities (Continued)**

	Classification under AASB 139	Classification under AASB 9	Carrying amount under AASB 139 \$	Reclassific- ation \$	Carrying amount under AASB 9 \$
<b>Financial assets</b>					
Trade and other receivables	Loans and receivables	Amortised cost	350	-	350
Cash and cash equivalents	Loans and receivables	Amortised cost	250,297	-	250,297
<b>Total financial assets</b>			250,647	-	250,647
<b>Financial liabilities</b>					
Finance lease liabilities	Other financial liabilities	Other financial liabilities	322,843	-	322,843
Trade and other payables	Other financial liabilities	Other financial liabilities	176,858	-	176,858
<b>Total financial liabilities</b>			499,701	-	499,701

**3 Summary of Significant Accounting Policies**

**(a) Revenue and other income**

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

**(i) Sale of goods and services**

Revenue from bar sales, poker machines and other services are recognised on a receipts basis.

**(ii) Interest Revenue**

Interest revenue is recognised when it accrues.

**(iii) Sale of non-current assets**

The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal and is included as revenue at the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed.

**(b) Income Tax**

The company is subject to income tax on its investment income and on the income derived from non-members, less all allowable deductions applicable to this assessable income. Income derived from members is not subject to income tax in accordance with the principle of mutuality. It is therefore inappropriate to compare income tax payable with net income disclosed in the Statement of Profit or Loss and Other Comprehensive Income. There are no material temporary differences.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**3 Summary of Significant Accounting Policies (Continued)**

**(c) Finance costs**

Finance costs include interest and lease finance charges.

**(d) Cash and cash equivalents**

Cash and cash equivalents in the Statement of Financial Position comprise cash on hand and at bank together with short-term deposits with an original maturity of six months or less that are readily convertible to known cash amounts subject to insignificant risk of changes in value.

**(e) Inventories**

Inventories are measured at the lower of cost and net realisable value. Cost assigned to inventories are on an average cost basis.

**(f) Property, plant and equipment**

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

**Freehold land and building**

Freehold Land was revalued to Director's Valuation at year end. Previously it was valued at cost. Buildings are measured at cost less accumulated depreciation and any impairment in value.

**Plant, equipment and poker machines**

These assets are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset

**Depreciation**

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the estimated useful life.

The depreciation rates used for each class of asset are as follows:

Buildings and improvements	2.5%
Vehicles	20%
Furniture, fittings and equipment	15%
Poker machines	20%

The estimated useful lives, residual values and depreciation methods are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the profit or loss. When revalued assets are sold, the amounts included in the revaluation reserve relating to those assets are transferred to retained earnings.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**3 Summary of Significant Accounting Policies (Continued)**

**(g) Financial instruments**

*Impairment of financial assets*

For the prior year:

At the end of the reporting period the Company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate. Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

For the current year:

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

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

**Financial assets**

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. The Company only has financial assets which are classified at amortised cost. These are assets where the business model is to hold assets to collect contractual cash flows and contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position. Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment. Interest income and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

*Impairment of financial assets*

*Trade receivables*

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses (probability of non-payment of the receivable). The estimated life time credit losses is zero.

**Financial liabilities**

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

The financial liabilities of the Company comprise trade payables and finance lease liabilities.

**(h) Impairment of non-financial assets**

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**3 Summary of Significant Accounting Policies (Continued)**

**(h) Impairment of non-financial assets (Continued)**

Where 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 amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount.

**(i) Trade and other payables**

For the prior year:

Trade and other payables represent the liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid.

**(j) Interest bearing loans and borrowings**

For the prior year:

Borrowings are initially recognized 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 recognized in the profit or loss over the period of borrowings using the effective interest method.

Borrowings are classified as 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.

**(k) Leases**

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the company, are classified as finance leases. Finance leases are capitalised, recognising an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the company will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

**(l) Employee benefits**

Provision is made for entitlements accruing to employees in relation to wages, salaries, annual leave, long service leave and other benefits where the company has a present obligation to pay resulting from employees' services provided up to reporting date.

- **Wages, Salaries, and Annual Leave** – Liabilities for employee benefits for wages, salaries and annual leave is expected to be settled within 12 months of year-end. The provision has been calculated at current wage and salary rates including related on-costs. Sick leave is expensed as incurred.
- **Long Service Leave** – The liability for employee benefits for long service leave represents the present value of the estimated future cash outflows to be made resulting from employees' services provided up to reporting date. The portion of the long service leave liability not expected to be settled within 12 months is discounted using the rates applicable to national government securities at reporting date, which most closely match the terms of maturity of the related liability.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**3 Summary of Significant Accounting Policies (Continued)**

**(l) Employee benefits (Continued)**

- Superannuation – Superannuation contributions by the company on a defined basis to an employee superannuation fund are charged as expenses when incurred. The Company has no legal obligation to provide benefits to employees on retirement provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settle.

**(m) Goods and services tax (GST)**

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

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

**(n) New accounting standards and interpretations**

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective, and have not been adopted early by the Company. The Company will consider the impact in future years.

**4 Critical Accounting Estimates and Judgments**

The Directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates. Estimates and assumptions are reviewed on an ongoing basis.



**RYDE EX-SERVICES MEMORIAL & COMMUNITY CLUB LIMITED**  
**A.B.N 85 001 057 585**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**5 Revenue and Other Income**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Sales revenue		
- Bar sales	764,856	840,074
- Catering sales	24,622	22,222
	<u>789,478</u>	<u>862,296</u>
Rendering of services		
- Poker machines- net clearances	2,132,677	1,951,813
- Members' subscription	10,078	11,046
- Functions revenue	23,072	21,859
- Raffles and bingo	97,947	122,063
- ATM, keno and TAB commission received	105,631	125,548
- Sports hall income	-	94,331
- Sundry income	127,704	82,329
<b>Total</b>	<u>2,497,109</u>	<u>2,408,989</u>
Finance income		
- interest received	75	14,363
<b>Total Revenue</b>	<u>3,286,662</u>	<u>3,285,648</u>

**6 Expenses**

Other expenses:		
Salary and wages	715,035	755,285
Superannuation contributions	57,064	65,463
Workers compensation	20,083	17,676
	<u>792,182</u>	<u>838,424</u>

**7 Auditors' Remuneration**

Remuneration of the auditor - V J Ryan & Co for:		
- auditing and reviewing the financial statements	20,000	20,000
- other services	4,000	8,000
	<u>24,000</u>	<u>28,000</u>

**RYDE EX-SERVICES MEMORIAL & COMMUNITY CLUB LIMITED**  
**A.B.N 85 001 057 585**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**8 Income Tax Expense**

(a) Reconciliation of income tax to accounting profit:

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Prima facie tax payable on profit from ordinary activities before income tax at 27.5% (2018: 27.5%)	(54,411)	932,777
Add/subtract:		
Tax effect of:		
- Mutuality adjustment	54,411	(932,777)
Income tax expense	<u>-</u>	<u>-</u>

**9 Cash and Cash Equivalents**

Cash on hand	100,000	100,000
Cash at bank	265,626	150,297
	<u>365,626</u>	<u>250,297</u>

**10 Trade and Other Receivables**

**CURRENT**

Trade receivables	-	350
GST receivable	-	20,846
	<u>-</u>	<u>21,196</u>

**11 Inventories**

**CURRENT**

At cost:

Inventories	26,336	29,951
-------------	--------	--------

**12 Other Assets**

**CURRENT**

Prepayments	3,103	5,877
Other assets	14,976	51,740
	<u>18,079</u>	<u>57,617</u>

**RYDE EX-SERVICES MEMORIAL & COMMUNITY CLUB LIMITED**  
**A.B.N 85 001 057 585**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**13 Property, Plant and Equipment**

	<b>Note</b>	<b>2019</b>	<b>2018</b>
		<b>\$</b>	<b>\$</b>
<b>Land and buildings</b>			
<b>Freehold land</b>			
At directors' valuation	13(a)	<u>18,895,000</u>	18,895,000
		<u>18,895,000</u>	<u>18,895,000</u>
<b>Buildings</b>			
At cost		5,792,753	5,792,753
Accumulated depreciation		<u>(1,935,870)</u>	<u>(1,805,683)</u>
		<u>3,856,883</u>	<u>3,987,070</u>
<b>Total land and buildings</b>		<u>22,751,883</u>	<u>22,882,070</u>
<b>Plant and equipment</b>			
<b>Plant and equipment</b>			
At cost		1,134,407	1,132,053
Accumulated depreciation		<u>(888,865)</u>	<u>(796,497)</u>
		<u>245,542</u>	<u>335,556</u>
<b>Poker machines</b>			
At cost		1,654,405	1,683,741
Accumulated depreciation		<u>(924,972)</u>	<u>(743,031)</u>
		<u>729,433</u>	<u>940,710</u>
<b>Total plant and equipment</b>		<u>974,975</u>	<u>1,276,266</u>
<b>Total property, plant and equipment</b>		<u>23,726,858</u>	<u>24,158,336</u>

**(a) Revaluation**

The freehold land was revalued to Directors Valuation as at 30 June 2018. This valuation was based on the latest Notice of Valuation from the NSW Valuer General dated 1 July 2016. In the Directors opinion this amount is less than the current fair value.

**(b) Core properties**

The company's core properties under the Registered Clubs Act are their premises located at 724 Victoria Road, Ryde, NSW 2112.

There are no non-core properties held by the company.

**(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:

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**13 Property, Plant and Equipment (Continued)**

**(c) Movements in Carrying Amounts (Continued)**

	Land	Buildings	Plant and Equipment	Poker Machines	Total
	\$	\$	\$	\$	\$
<b>Year ended 30 June 2019</b>					
Opening balance	18,895,000	3,987,070	335,556	940,710	24,158,336
Additions	-	-	2,354	46,694	49,048
Disposals	-	-	-	(27,828)	(27,828)
Depreciation	-	(130,187)	(92,368)	(230,143)	(452,698)
<b>Balance at the end of the year</b>	<b>18,895,000</b>	<b>3,856,883</b>	<b>245,542</b>	<b>729,433</b>	<b>23,726,858</b>

**14 Trade and Other Payables**

	2019	2018
	\$	\$
<b>CURRENT</b>		
Trade payables	20,141	29,972
GST payable	6,697	-
Other creditors and accruals	144,842	122,457
	<u>171,680</u>	<u>152,429</u>

**15 Borrowings**

**CURRENT**

Secured liabilities:

Finance leases

**Note**

18 117,025 188,355

**NON-CURRENT**

Secured liabilities:

Finance leases

18 17,993 134,488

**Total borrowings**

135,018 322,843

**16 Employee Benefits**

	2019	2018
	\$	\$
<b>CURRENT LIABILITIES</b>		
Provision for annual leave	64,902	56,601
<b>NON-CURRENT LIABILITIES</b>		
Provision for long service leave	30,648	53,017

**RYDE EX-SERVICES MEMORIAL & COMMUNITY CLUB LIMITED**  
**A.B.N 85 001 057 585**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**17 Asset revaluation reserve**

The asset revaluation reserve records fair value movements on land held under the revaluation model.

**18 Capital and Leasing Commitments**

**(a) Finance Leases**

Minimum lease payments:

- not later than one year

117,025 188,355

- between one year and five years

17,993 134,488

Minimum lease payments

135,018 322,843

Present value of minimum lease payments

135,018 322,843

Finance leases are in place for poker machines and related hardware.

**19 Key Management Personnel Disclosures**

The key management personnel include the directors as disclosed in the Directors' Report together with the General Manager. The totals of remuneration, which includes director honorariums, paid to the key management personnel of Ryde Ex-Services Memorial & Community Club Limited during the year are as follows:

The total remuneration paid to key management personnel of the Company is \$ 135,932 (2018: \$ 131,450).

**(a) Other Director Transactions with the Company**

From time to time, directors of the company, or their director-related entities, may purchase goods from the company. These purchases are on the same terms and conditions as those entered into by other company employees or customers and are trivial or domestic in nature.

**20 Contingencies**

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2019.

**21 Events Occurring After the Reporting Date**

The Company settled all legal claims with the original purchaser of the Sports Hall on 29 July 2019 for \$1,600,000.

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

**22 Statutory Information**

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

Ryde Ex-Services Memorial & Community Club Limited  
742 Victoria Road  
Ryde NSW 2112

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**23 Members' Fund**

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$ 2 each towards meeting any outstandings and obligations of the Company. At 30 June 2019 the number of members was 4,046 (2018: 3,787).

**24 Cash Flow Information**

**(a) Reconciliation of result for the year to cashflows from operating activities**

Reconciliation of net income to net cash provided by operating activities:


	2019	2018
	\$	\$
Profit/(loss) for the year	(197,856)	3,391,916
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	452,698	493,693
-loss on disposal	27,828	153,562
- gain on sale of fixed assets	(5,455)	-
- gain on sale of sports hall	-	(4,082,200)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	350	36,889
- (increase)/decrease in other assets	39,538	78,943
- (increase)/decrease in inventories	3,615	11,130
- increase/(decrease) in trade and other payables	40,097	(97,789)
- increase/(decrease) in provisions	(14,068)	6,179
Cashflows from operations	<u>346,747</u>	<u>(7,677)</u>

**DIRECTORS' DECLARATION**

The directors of Ryde Ex-Services Memorial & Community Club Limited ('the Company') declare that:

1. The financial statements and notes, as set out on pages 5 to 20, are in accordance with the *Corporations Act 2001* and:
  - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*; and
  - b. give a true and fair view of the financial position as at 30 June 2019 and of the performance for the year ended on that date of the Company.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Director .....   
L. Kennedy

Director .....   
P. Simmons

Dated 26/9/2019

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**  
**RYDE EX-SERVICES MEMORIAL & COMMUNITY CLUB LIMITED**  
**(A Company Limited by Guarantee)**  
**A.B.N. 85 001 057 585**

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**Opinion**

We have audited the financial report of Ryde Ex-Services Memorial & Community Club ("the Company"), which comprises the Statement of Financial Position as at the 30 June 2019, the Statement of Profit or Loss and Other Comprehensive Income, Statement of Cash Flows and Statement of Changes in Equity for the year then ended, and Notes to the Financial Statements comprising the Summary of Significant Accounting Policies and Directors' Declaration.

In our opinion, the accompanying financial report of Ryde Ex-Services Memorial & Community Club 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 2019 and its performance for the financial year ended on that date; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

**Basis for Opinion**

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

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Ryde Ex-Services Memorial & Community 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.

**Information Other than the Financial Report and Auditor's Report Thereon**

The directors are responsible for the other information. The other information comprises the information included in the directors' report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**

**RYDE EX-SERVICES MEMORIAL & COMMUNITY CLUB LIMITED (Continued)**  
**(A Company Limited by Guarantee)**  
**A.B.N. 85 001 057 585**

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**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 have no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

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

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

VJR  
V.J. RYAN  
& CO  
CHARTERED ACCOUNTANTS  
A.B.N. 55 704 784 107

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**

**RYDE EX-SERVICES MEMORIAL & COMMUNITY CLUB LIMITED (Continued)**  
**(A Company Limited by Guarantee)**  
**A.B.N. 85 001 057 585**

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**Auditor's Responsibilities for the Audit of the Financial Report (Continued)**

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

V J RYAN & CO  
Chartered Accountants

*VJ Ryan - G*  
*[Signature]*

Peter D Wyer  
Partner

Dated at Sydney: *26 September 2019*

Level 5  
255 George Street  
SYDNEY NSW 2000