



WAGGA RSL
AND
COMMERCIAL
CLUB

2019 - 2020



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Wagga RSL Club Ltd will be held on Tuesday 20th October 2020 at 5.30pm at the Wagga RSL Club premises, Dobbs St, Wagga Wagga.

BUSINESS

1. To receive and consider the Ordinary Resolutions
2. To receive and consider the report of the Directors
3. To receive and consider the Financial Statements:
 - i. Consolidated Statement of Profit or Loss and Other Comprehensive Income
 - ii. Consolidated Statement of Financial Position
 - iii. Consolidated Statement of Changes in Equity
 - iv. Consolidated Statement of Cash Flows
 - v. Notes to the Financial Statements
4. To receive and consider the Auditors Report
5. To declare the election of Directors for the ensuing period
6. Any other relevant business of which due notice has been given

By order of the Board of Directors.



ANDREW BELL
General Manager



ORDINARY RESOLUTION ONE

"That pursuant to the Registered Clubs Act 1976, as amended, the members hereby approve and agree to the members of the Board and Senior Management during the period preceding the next Annual General Meeting receiving the following benefits and the members further acknowledge that the benefits outlined in subparagraphs (a) to (i) are not available to members generally, but, only to those members who are elected to the Board of Directors of the Club, or Senior Managers;

- a. Reasonable meals and refreshments for each Director in conjunction with each Board or Committee Meeting;
- b. Reasonable costs or expenses in relation to the professional development and education of Directors and Managers including:-
 - i. Attending meetings of associations of which the Club is a member or Managers or Directors of the Club are members;
 - ii. Attending seminars, lectures, trade displays, organised study tours, fact finding tours and other similar events as may be determined by the Board from time to time;
 - iii. Attending other registered clubs or gaming premises for the purpose of observing their facilities and methods of operation;
 - iv. Attending conferences and training sessions in relation to their roles and responsibilities under the Registered Clubs Act, the Corporation Act 2001 and any other relevant legislation.
- c. Reasonable costs or expenses of attending functions whilst representing the Club with partners where appropriate;
- d. Reasonable costs or expenses of traveling by either private or public transport to and from Directors or other duly constituted meetings held within the Club or elsewhere;
- e. Reasonable costs or expenses in relation to such other duties including entertainment of special guests of the Club and other promotional activities approved by the Board;
- f. Reasonable costs or expenses in relation to the provision of uniforms and associated apparel for the use of each Director or Senior Manager when representing the Club;
- g. The provision of a specially reserved parking space at the Club for the use of the President when attending the Club to carry out his duties;
- h. Reasonable costs or expenses in relation to presentations to members (other than in the form of money) or to other persons to acknowledge services, which in the opinion of the Directors, were of benefit to the Club; and
- i. Reasonable costs or expenses relating to the sponsorship by payment of money or provision of benefits to such sporting events, sports or community organisations, which, in the opinion of the Directors will be beneficial to the Club or the community over and above such expenditure required under the Club Grants Scheme."

EXPLANATORY MESSAGE

Pursuant to the requirements of the Registered Clubs Act 1976, the Club is required at each Annual General Meeting to have approved by Ordinary Resolution, the benefits to be provided to the Directors of the Club. The benefits, which are provided, are the standard benefits to have been provided to Directors of the Club over a number of years. The purpose of this Resolution is to comply with the requirements of the Registered Clubs Act.

NOTES TO MEMBERS REGARDING ORDINARY RESOLUTION ONE

To be passed, Ordinary Resolution 1 must receive a simple majority of votes in its favour from those persons present at the Meeting who are eligible to vote. Proxy voting is not permitted under the Registered Clubs Act.



ORDINARY RESOLUTION TWO

Approval of Honoraria for Directors for the year 2020/2021.

"That pursuant to the Registered Clubs Act 1976, as amended, the members hereby approve and agree to the members of the Board, during the period preceding the next Annual General Meeting receiving Honoraria for the positions named, and the sums referred to below, in respect of services rendered to the Club and the members further acknowledge that the Honoraria are not available to members generally, but only those members who are elected to the Board of Directors of the Club:

- i. \$14,634 to the President
- ii. \$8,195 to the Vice President
- iii. \$3,513 to each other Director"

EXPLANATORY MESSAGE

Pursuant to the requirements of the Registered Clubs Act 1976, the Club is required to have the Honoraria for Directors approved by the members at the Annual General Meeting. The Honoraria has been adjusted by 1.0% to reflect the increase in the Consumer Price Index (CPI) and will continue to be adjusted on an annual basis as approved at the 2011 Annual General Meeting. The purpose of this Resolution is to comply with the requirements of the Registered Clubs Act.

NOTES TO MEMBERS REGARDING ORDINARY RESOLUTION TWO

To be passed, Ordinary Resolution 2 must receive a simple majority of votes in its favour from those members present at the Meeting who are eligible to vote. Proxy voting is not permitted under the Registered Clubs Act. The Board recommends Ordinary Resolution 2 to the Meeting.

REPORTS

PRESIDENT'S REPORT

2020 what a year you have been. Hopefully by the time you read this, we are in a more settled environment. Sometimes after tough times, we come out the other side all the wiser, and we find things have changed for the better. I hope this is one of those times.

For the Wagga RSL group, we started the financial year very well, and were looking at a great result for the year. Unfortunately, in March this all changed. We have had some challenging times, and as a Board, we are proud of the positive way the management team and staff have handled the cards we were dealt.

We were asked to close our doors on March 23 but were thankful to be able to re-open under a restricted capacity on June 1 to many very positive and happy members. It was exceptional to see how the RSL Club became an outlet for everyone to escape COVID, as our members and visitors were welcomed back to some normality again by our very excited staff.

Thanks, must go to the staff who operated the Coffee Shop. Renee Asgill, Kim Kelly and their team managed this challenge exceptionally well with great passion and fun had by all. Matt and Lauren Oates from CNL Catering decided it was an appropriate time for them to change their work life and have time off to enjoy their growing family. We wish them the best for future endeavours and thank them for being a part of our team for the last six years.

Many thanks go to Alan and Ivy from Pearl Chinese. They have gone above and beyond to ensure we could cater for our community with a takeaway option during shutdown. They have also been very accepting to the continual changes to ensure the safety of all our diners. There is no doubt they are well known for serving outstanding Chinese cuisine in the region.

We recently welcomed the Chilterns group who are the new contract caterers for Albert's restaurant and the Baker & Coffee Maker at the RSL Club. The professionalism and support they have brought to our dining has been brilliant to say the least. We wish them all the best for their future growth with us.

The RSL Sub-Branch also had to temporarily close its doors but are now open once again to offer support for all returned service personnel. We wish Dave Gardiner and his group of tireless workers the best in these difficult and changing times.

Of course, our popular lawn bowlers suffered the same fate, and could not use our greens for an extended period. With confidence returning they are slowly getting back to some normality as we look forward to major competitions returning soon.

Thank you to the Board for their ongoing support and encouragement for the management and staff during the closedown. Whilst it was a worrying time, we were always confident that there was light on the other side. Also, welcome to Geoff Simpson, who has been appointed to the board. Geoff is a refreshing addition,

bringing extensive skills to support his role on the board. Special thanks must go to John Gray who after sixteen years is retiring from the board. John was also on the board at the Commercial Club for sixteen years previously. John has witnessed some monumental events during his time, and we wish him and Norma all the best for the coming years.

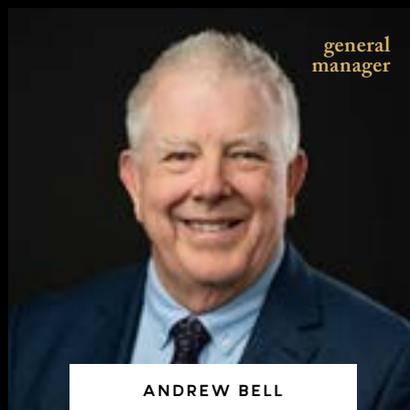
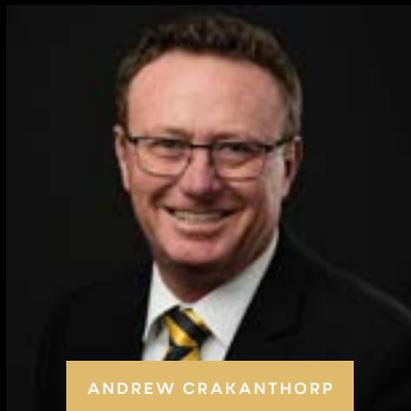
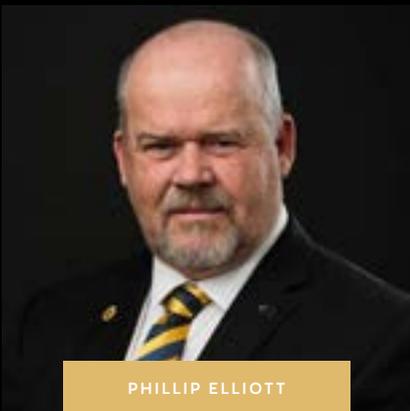
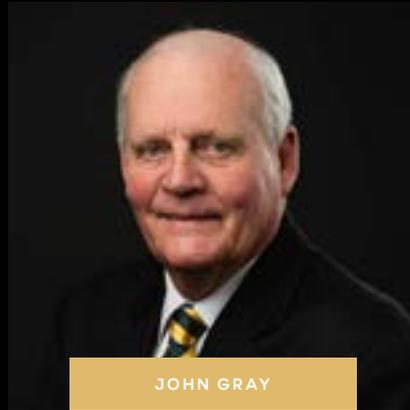
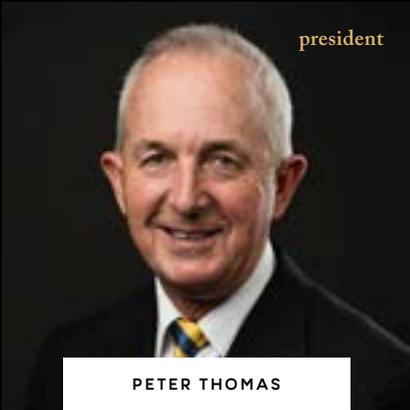
At this stage our Christmas Party is on Friday 11th of December. This has been a wonderful night in the past so pencil this date in and stay updated on our Facebook page and website for further details and updates.

On a sad note we have announced the closure of the Commercial Club. We have worked exceptionally hard over the last 11 years to make it work but unfortunately the continual years of losses as a stand-alone business, coupled with the current environment gave us little alternative. Our focus is now on our core business to ensure the longevity of the RSL Club.

Thank you to our members for your continued support even during the tough times. You all allow us to continue the good work in our community and giving back to those who need it most. Bring on 2021!



PETER THOMAS
President



REPORTS

DIRECTORS' REPORT

The Directors of Wagga RSL Club Ltd (the 'Club or Company') have pleasure in presenting their report together with the financial statements for the year ended 30 June 2020 and the auditor's report thereon.

DIRECTORS

The Directors of the Club at any time during or since the financial year are:

PETER THOMAS
president

Years of service: 12
Occupation: Manager

JOHN GRAY

Years of service: 16
Occupation: Retired

ANDREW
CRAKANTHORP

Years of service: 6
Occupation:
General Manager

KYLIE SHAW

Years of service: 1
Occupation: Manager

PHILLIP MCINTOSH
vice president

Years of service: 13
Occupation:
General Manager

PHILLIP ELLIOTT

Years of service: 13
Occupation: Manager

JANE BARNES

Years of service: 2
Occupation: Public Servant

GEOFF SIMPSON

Years of service: 1
(appointed March 2020 under REF 31
Registered Clubs Regulation 2015)
Occupation: Public Servant

All directors are considered to be independent non-executive directors and have been in office since the start of the financial year to the date of this report unless otherwise stated.

DIRECTORS' MEETINGS

The number of Directors' meetings attended by each of the Directors of the Club during the year are:

name	meetings attended	meetings held*
Peter Thomas	10	11
Phillip McIntosh	10	11
John Gray	10	11
Phillip Elliott	10	11
Andrew Crakanthorp	10	11
Jane Barnes	11	11
Kylie Shaw	10	11
Geoff Simpson	4	4

*Reflects the number of meetings held during the time the Director held office during the year.

OPERATING PROFIT

The profit of the consolidated group for the financial year after providing for income tax amounted to \$195,346 (2019: \$554,841).

SIGNIFICANT CHANGES

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

REPORTS

DIRECTORS' REPORT

PRINCIPAL ACTIVITIES

The principal activities of the Company during the financial year were the operation of a licensed club.

No matters or circumstances have arisen since the end of the financial year which 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.

FUTURE DEVELOPMENTS

The existing four investment properties on Goonigul Avenue, Wagga Wagga have been demolished and are to have five new investment properties built on the existing land. The investment properties would be rented out at commercial rates. At balance date no commitments and no contracts have been executed in relation to this development.

As disclosed within note 26 of this report the Group undertook a detailed review of the operations of Wagga RSL and Commercial Club. The Board have concluded that the current economic and health and safety environment would not support a fiscally responsible decision to re-open Wagga RSL Commercial Club.

Further detail regarding 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.

REVIEW OF OPERATIONS

Due to the COVID-19 pandemic government restrictions the Club was forced to shut from 23 March 2020 to 31 May 2020. The Club then reopened under trading restrictions from 1 June 2020 which significantly impacted pre-COVID-19 trading levels. The operating profit of the Club for the year before providing for income tax was \$224,602 (2019: \$512,580). Income tax expenses is \$29,256 (2019: \$42,261).

ENVIRONMENTAL ISSUES

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

SHORT TERM OBJECTIVES OF THE COMPANY

The Company has identified the following short term objectives:

- To trade profitably to guarantee future growth.
- To provide a safe environment for Members and their guests; and
- To continue to give Members and their guests the best service possible.

LONG TERM OBJECTIVES OF THE COMPANY

The Company has identified the following long term objectives:

- To continue to remain financially secure;
- To grow the Company operations in accordance with Members interests and to show genuine concern for the comfort and satisfaction of Members and their guests; and
- To continue to promote sport in the Community by providing sporting facilities for use by the Members and to be recognised for contribution to sport.

MEMBERSHIP

The Club is a company limited by guarantee and without a share capital. The number of members as at 30 June 2020 was 25,961 (2019: 26,578). In the event of winding up every member undertakes to contribute \$2 during the time of membership or within one year thereafter.

DIVIDENDS

In accordance with the Articles of Association, the Parent Company is a company limited by guarantee to the extent of \$2 per member and accordingly no shares or debentures have been issued and no dividends have been recommended or paid, since the start of the financial year.

INDEMNIFYING OFFICER OR AUDITOR

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

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

Mr Peter Thomas	Mr Phillip Elliott	Ms Kylie Shaw
Mr Phillip McIntosh	Mr Andrew Crakanthorp	
Mr Geoff Simpson	Mr John Gray	Mrs Jane Barnes

LEAD AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration as required under section 307C of the Corporations Act is on page 14 and forms part of the Directors' report for the financial year ended 30 June 2020.

Dated at Wagga Wagga this 25th day of August 2020. Signed in accordance with a resolution of Directors.



PETER THOMAS
President



PHILLIP MCINTOSH
Director

LEAD AUDITOR'S INDEPENDENCE DECLARATION

UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

To: the Directors of Wagga RSL Club Ltd and its
controlled entity

I declare that, to the best of my knowledge and
belief, in relation to the audit for the financial year
ended 30 June 2020 there have been:

- i. no contraventions of the auditor
independence requirements as set out in
the Corporations Act 2001 in relation to the
audit; and
- ii. no contraventions of any applicable code of
professional conduct in relation to the audit.



**CROWE
ALBURY**



**BRADLEY
D BOHUN**
Partner

Dated at Wagga Wagga this
25th day of August 2020

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2020

	NOTE	2020 \$	2019 \$
Revenue	2	16,071,288	17,933,341
Cost of goods sold		(1,280,022)	(1,533,185)
Buildings and maintenance expenses		(2,249,193)	(2,568,349)
Depreciation and amortisation expenses		(1,937,652)	(1,967,114)
Employee benefits expenses	3	(5,089,326)	(5,098,687)
Members expenses and donations	4	(2,578,548)	(2,887,977)
Interest expense		(187,924)	(299,269)
Motel operating expenses		(161,654)	(190,966)
Poker machine duty		(1,811,163)	(2,169,724)
Other expenses		(551,204)	(705,490)
Profit (Loss) before income tax		224,602	512,580
Income tax benefit / (expense)	5	(29,256)	42,261
Profit for the year		195,346	554,841
Other comprehensive income		(556,422)	-
Total comprehensive income for the period		(361,076)	554,841

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 22 to 52.

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2020

	NOTE	2020 \$	2019 \$
CURRENT ASSETS			
Cash and cash equivalents	6	580,391	456,070
Trade and other receivables	7	227,550	66,989
Inventories	8	106,566	146,148
Other assets	9	83,677	83,659
TOTAL CURRENT ASSETS		998,184	752,866
NON-CURRENT ASSETS			
Financial assets	10	52,607	854,469
Property, plant and equipment	11	31,403,591	31,300,856
Investment property	12	3,316,670	4,602,647
Intangible assets	13	1,703,625	1,734,162
TOTAL NON-CURRENT ASSETS		36,476,493	38,492,134
TOTAL ASSETS		37,474,677	39,245,000

The consolidated statement of financial position is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 22 to 52.

	NOTE	2020 \$	2019 \$
CURRENT LIABILITIES			
Trade and other payables	14	1,159,594	1,573,764
Borrowings	15	4,199,386	5,078,921
Provisions	16	577,927	548,756
TOTAL CURRENT LIABILITIES		5,936,907	7,201,441
NON-CURRENT LIABILITIES			
Borrowings	15	1,327,709	1,459,108
Deferred tax liabilities	17	818,966	832,280
TOTAL NON-CURRENT LIABILITIES		2,146,675	2,291,388
TOTAL LIABILITIES		8,083,582	9,492,829
NET ASSETS		29,391,095	29,752,171
EQUITY			
Reserves		6,622,013	7,178,435
Retained earnings		22,769,082	22,573,736
TOTAL EQUITY		29,391,095	29,752,171

The consolidated statement of financial position is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 22 to 52.

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2020

	RETAINED EARNINGS \$	ASSET REVALUATION RESERVES \$	TOTAL EQUITY \$
BALANCE AT 1 JULY 2018	<u>22,018,895</u>	<u>7,178,435</u>	<u>29,197,330</u>
Profit attributable to equity	554,841	-	554,841
Revaluations	-	-	-
BALANCE AT 30 JUNE 2019	<u>22,573,736</u>	<u>7,178,435</u>	<u>29,752,171</u>
Profit attributable to equity	195,346	-	195,346
Revaluations	-	(556,422)	(556,422)
BALANCE AT 30 JUNE 2020	<u>22,769,082</u>	<u>6,622,013</u>	<u>29,391,095</u>

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2020

	NOTE	2020 \$	2019 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		17,395,334	19,891,988
Payments to suppliers and employees		(15,663,016)	(17,127,059)
Dividends received		1,995	6,541
Interest received		1	1
Income taxes (paid)/refunded		42,570	(45,589)
Finance costs		(187,924)	(299,269)
NET CASH PROVIDED BY OPERATING ACTIVITIES	21	1,588,960	2,426,613
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		180,571	182,721
Payments for property, plant and equipment		(1,436,260)	(1,887,358)
Proceeds from the sale of financial assets		801,861	-
NET CASH USED IN INVESTING ACTIVITIES		(453,827)	(1,704,637)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		-	-
Repayments for borrowings		(1,146,519)	(708,937)
NET CASH USED IN FINANCING ACTIVITIES		(1,146,519)	(708,937)
Net increase/(decrease) in cash held		(11,386)	13,039
Cash at beginning of financial year		113,560	100,521
CASH AT END OF FINANCIAL YEAR	6	102,174	113,560

The consolidated statement of financial position is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 22 to 52.

2

CAFES

25,961

MEMBERS

5

BARs

306,089

VISITS TO OUR CLUBS

SNAPSHOT

134

STAFF EMPLOYED

69

DAYS CLOSED
DUE TO COVID-19

3

RESTAURANTS

545

FREE ROOM HIRES

46

MOTEL ROOMS

2

APARTMENTS



WAGGA RSL MOTEL &
APARTMENTS

9.3

BOOKING.COM
RATING

9

FUNCTION ROOMS

2019-2020

2020 TRIPADVISOR
TRAVELLERS
CHOICE AWARD

13,002

FACEBOOK FOLLOWERS

126

COMMUNITY GROUPS
SUPPORTED

4.5/5

TRIPADVISOR RATING

NOTES TO & FORMING PART OF
THE FINANCIAL REPORT

NOTE ONE

**a. STATEMENT OF SIGNIFICANT
ACCOUNTING POLICIES**

The financial report is a general purpose financial report that has been prepared in accordance with the Corporations Act 2001 and Australian Accounting Standards – Reduced Disclosure Regime, and complies with other requirements of the law.

The consolidated financial statements and notes represent those of Wagga RSL Club Limited and its controlled entity ("the consolidated group" or "the Group"). Wagga RSL Club Limited is a company limited by guarantee. The Group is a not-for-profit entity for financial reporting purposes under the Australian Accounting Standards.

**i. REPORTING BASIS AND
CONVENTIONS**

The financial report has been prepared on an accruals basis and is based on historical costs. It does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

**b. ACCOUNTING POLICIES PRINCIPLES
OF CONSOLIDATION**

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Wagga RSL Club Limited at the end of the reporting period. A controlled entity is any entity over which Wagga RSL Club Limited has the power to govern the financial and operating policies so as to obtain benefits from its activities.

In preparing the consolidated financial statements, all intragroup balances and transactions between entities in the consolidated group have been eliminated in full on consolidation.

c. INVENTORIES

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

d. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities in the statement of financial position.

e. PROPERTY, PLANT AND EQUIPMENT

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

i. PROPERTY

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

Increases in the carrying amount arising on revaluation of property, plant & equipment are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the statement of profit or loss and other comprehensive income.

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

ii. PLANT & EQUIPMENT

Plant & equipment is measured on the cost basis less any depreciation and impairment losses.

iii. DEPRECIATION

The depreciable amount of all fixed assets including buildings and capitalised leased

assets, but excluding freehold land, is depreciated on a straight line basis over the assets useful life.

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

CLASS OF FIXED ASSET	DEPRECIATION RATE
Buildings	2.5%
Plant & Equipment	5 - 50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date.

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

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

f. FINANCIAL INSTRUMENTS

i. INITIAL RECOGNITION AND MEASUREMENT

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Group commits itself to either purchase or sell the asset (ie trade date accounting adopted).

Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expense to profit or loss immediately.

ii. CLASSIFICATION AND SUBSEQUENT MEASUREMENT

Financial assets classified as "fair value through profit or loss" are subsequently measured at fair value with changes in carrying amounts being included in profit or loss.

g. IMPAIRMENT OF ASSETS

At each reporting date, the Group reviews the carrying values of its tangible and intangible 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 costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

Impairment testing is performed annually for intangible assets with indefinite lives. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

h. INTANGIBLES

Poker machine licences and water licences are recorded at either cost or deemed cost and have an infinite life. Licences are assessed annually for impairment. Software assets are amortised over the useful life of the asset.

i. EMPLOYEE BENEFITS

Provisions are made for the Group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Those cashflows are discounted using market yields on corporate bonds with terms to maturity that match the expected timing of cashflows.

j. PROVISIONS

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at reporting date.

k. INVESTMENT PROPERTY

Investment property, comprising of freehold residential properties, is held to generate long-term rental yields. Investment property is initially measured at cost and subsequently measured at fair value.

Fair value of investment properties is determined every 3-5 years based on a valuation by an independent valuer who has recognised and appropriate professional qualifications. Fair values are determined by the valuer using market information, including prices for similar properties in comparable locations.

Changes to fair values of investment properties are recognised in profit or loss in the period in which they occur.

l. REVENUE AND OTHER INCOME

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and cessation of all involvement in those goods.

Poker machine revenue is shown net of Gaming Machine Tax that was paid to the Office of State Revenue.

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

Dividend revenue is recognised when the right to receive a dividend has been established.

m. GOODS AND SERVICES TAX

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

n. COMPARATIVE FIGURES

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

o. INCOME TAX

The mutuality principle has been applied to the calculation of the parent company's income tax. The Club has estimated that the assessable proportion of mutual income represented by results of trading attributable to non-members of the Group is to be 18.20% (2019:18.20%). The mutuality methodology applied is the result of door counts which are considered to be reasonably representative of members vs non-members accessing the Club and generating profits.

The income tax expense for the year comprises current income tax expense and deferred tax expense.

Deferred income tax expense reflects the movements in deferred tax assets and deferred tax liability balances during the year.

Capital gains tax calculations are performed with land and building valuation data referred to above and historical tax base data as retained by the Club.

p. TRADE AND OTHER PAYABLES

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the group during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

q. FAIR VALUE OF ASSETS AND LIABILITIES

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable accounting standards.

"Fair Value" is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability). In the absence of such a market, market information is extracted from the most advantageous market available to the entity at the end of the reporting period (i.e. the market data that maximises the receipts from the sale of the assets or minimize the payments made to transfer the liability, after taking into account transaction costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the assets in its highest and best use or to sell it to another market participant that would use the assets in its highest and best use.

r. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Directors makes estimates and judgements during the preparation of these consolidated 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 consolidated financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

CORONAVIRUS (COVID-19) PANDEMIC

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Club based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic region in which the Club operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Club unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

s. NEW OR AMENDED ACCOUNTING STANDARDS ADOPTED

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

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

The following Accounting Standard is most relevant to the Club:

AASB 15 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Club has adopted AASB 15 from 1 July 2019. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period.

AASB 1058 INCOME OF NOT-FOR-PROFIT ENTITIES

The Club has adopted AASB 1058 from 1 July 2019. The standard replaces AASB 1004 'Contributions' in respect to income recognition requirements for not-for-profit

entities. The timing of income recognition under AASB 1058 is dependent upon whether the transaction gives rise to a liability or other performance obligation at the time of receipt. Income under the standard is recognised where: an asset is received in a transaction, such as by way of grant, bequest or donation; there has either been no consideration transferred, or the consideration paid is significantly less than the asset's fair value; and where the intention is to principally enable the entity to further its objectives. For transfers of financial assets to the entity which enable it to acquire or construct a recognisable non-financial asset, the entity must recognise a liability amounting to the excess of the fair value of the transfer received over any related amounts recognised. Related amounts recognised may relate to contributions by owners, AASB 15 revenue or contract liability recognised, lease liabilities in accordance with AASB 16, financial instruments in accordance with AASB 9, or provisions in accordance with AASB 137. The liability is brought to account as income over the period in which the entity satisfies its performance obligation. If the transaction does not enable the entity to acquire or construct a recognisable non-financial asset to be controlled by the entity, then any excess of the initial carrying amount of the recognised asset over the related amounts is recognised as income immediately. Where the fair value of volunteer services received can be measured, a private sector not-for-profit entity can elect to recognise the value of those services as an asset where asset recognition criteria are met or otherwise recognise the value as an expense.

IMPACT OF ADOPTION

AASB 15 and AASB 1058 were adopted using the modified retrospective approach and as such comparatives have not been restated. There was no impact on opening retained earnings as at 1 July 2019.

t. GOING CONCERN BASIS OF PREPARATION

The financial statements have been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The Group's ability to remain a going concern is dependent upon the continuing surpluses from operations. In the current year the Group produced a net cash surplus from operations of \$1,588,960 (2019: \$2,426,613). As a further measure, the Group has suspended principal repayments on building loans for a six-month period to October 2020 in order to ensure available cash flow to meet operating needs due to the COVID-19 closures. On this basis the Directors are satisfied that it is appropriate to prepare the financial statements on a going concern basis.

NOTES TO & FORMING PART OF
THE FINANCIAL REPORT

NOTE TWO

REVENUE & OTHER INCOME	2020 \$	2019 \$
REVENUE		
Sale of goods	3,041,748	3,491,603
Accommodation income	1,421,750	1,623,696
Gaming income	9,878,311	11,397,598
Commissions	149,630	156,315
Membership subscriptions	93,765	114,468
Dividends received	1,995	6,541
Interest income	1	1
Sundry income	564,446	662,893
Rental income	252,439	276,043
Revaluation of investments	(19,525)	48,306
Profit/(loss) on sale of assets	24,728	155,877
Government subsidies	662,000	-
	16,071,288	17,933,341

NOTES TO & FORMING PART OF
THE FINANCIAL REPORT

NOTE THREE

EMPLOYEE EXPENSES	2020 \$	2019 \$
Salaries and wages	4,192,814	4,095,517
Superannuation	373,882	407,949
Movement in employee leave entitlements	68,511	(28,980)
Other employee related costs	454,119	624,201
	5,089,326	5,098,687

During the year the Group become eligible for the Australian Government's JobKeeper scheme.
2020: \$612,000 (2019: \$0). In accordance with the scheme this was used to pay salaries and wages.

NOTES TO & FORMING PART OF
THE FINANCIAL REPORT

NOTE FOUR

MEMBER EXPENSES & DONATIONS	2020 \$	2019 \$
Raffles, trophies and prizes	799,719	821,925
Members amenities	258,963	439,546
Promotions	766,333	751,183
Sponsorship and donations	244,124	253,519
Club points redeemed	423,169	507,309
Other member expenses	86,240	114,495
	<u>2,578,548</u>	<u>2,887,977</u>

NOTES TO & FORMING PART OF
THE FINANCIAL REPORT

NOTE FIVE

INCOME TAX EXPENSE	2020 \$	2019 \$
THE COMPONENTS OF THE TAX EXPENSE COMPRISE:		
Total income tax payable for this year	(42,570)	45,589
Movements in deferred tax liability	13,314	(11,172)
Under/(over) provided in prior years	-	(76,678)
INCOME TAX EXPENSE	(29,256)	(42,261)
<i>The prima facie tax on profit</i>		
SALES REVENUE		
Mutual income	12,432,200	13,641,336
Fully taxable	2,716,335	3,085,117
Non taxable (exempt income)	242,365	370,597
	15,390,900	17,097,050
TAXABLE INCOME		
Non member's income (18.21%)	2,262,645	2,482,706
Fully taxable income	2,716,335	3,085,117
	4,978,980	5,567,823

INCOME TAX EXPENSE	2020 \$	2019 \$
ALLOWABLE EXPENSES		
Non members expenses (18.21%)	2,083,982	2,239,873
Fully deductible expenses	2,654,878	3,080,924
Prior years tax losses utilised	-	71,837
	4,738,859	5,392,634
TAXABLE INCOME	240,121	175,188
TAX AT 27.5%	42,570	48,177
Less tax effect of franking credits	-	(2,588)
Movements in deferred tax liability	(13,314)	(11,172)
Under/(over) provided in prior years	-	(76,678)
INCOME TAX ATTRIBUTED TO THE GROUP	29,256	(42,261)

NOTES TO & FORMING PART OF
THE FINANCIAL REPORT

NOTE SIX

CASH & CASH EQUIVALENTS	2020 \$	2019 \$
Cash on Hand	571,728	440,180
Cash at Bank	8,663	15,890
	580,391	456,070
RECONCILIATION OF CASH		
Cash at the end of the financial year as shown in the consolidated statement of financial position as follows:		
Cash & Cash Equivalents	580,391	456,070
Bank Overdraft (Note 15)	(478,217)	(342,510)
CASH & CASH EQUIVALENTS PER STATEMENT OF CASH FLOW	102,174	113,560

NOTE SEVEN

TRADE & OTHER RECEIVABLES	2020 \$	2019 \$
CURRENT		
Trade Debtors	23,550	66,989
Other receivable - Government subsidies	204,000	-
	227,550	66,989

NOTES TO & FORMING PART OF
THE FINANCIAL REPORT

NOTE EIGHT

INVENTORIES	2020 \$	2019 \$
CURRENT		
At cost:	106,566	146,148
STOCK ON HAND	106,566	146,148

NOTE NINE

OTHER ASSETS	2020 \$	2019 \$
CURRENT		
Prepayments	83,677	83,659
TOTAL OTHER ASSETS	83,677	83,659

NOTES TO & FORMING PART OF
THE FINANCIAL REPORT

NOTE TEN

FINANCIAL ASSETS	2020 \$	2019 \$
NON-CURRENT		
LSL Investment Portfolio - at market value	43,369	166,410
Shares in Listed Companies - at market value	9,238	11,099
BT Portfolio - at market value	-	676,960
	<u>52,607</u>	<u>854,469</u>



NOTES TO & FORMING PART OF
THE FINANCIAL REPORT

NOTE ELEVEN

PROPERTY, PLANT & EQUIPMENT	2020 \$	2019 \$
LAND AND BUILDINGS		
FREEHOLD LAND AT FAIR VALUE		
Land - Core Property	3,375,000	3,375,000
Land - Other	1,790,000	1,070,000
	5,165,000	4,445,000
BUILDINGS AT FAIR VALUE		
Buildings (core property) - at fair value	15,290,000	15,290,000
Building (other) at fair value	4,860,000	4,860,000
Building additions - at cost	8,133,539	8,021,670
Less: accumulated depreciation	(6,140,007)	(5,418,476)
	22,143,532	22,753,194
PLANT AND EQUIPMENT		
At Cost	14,443,564	13,971,905
Less: accumulated depreciation	(10,765,002)	(10,027,593)
	3,678,562	3,944,312
Capital work in progress	416,497	158,350
TOTAL PROPERTY, PLANT AND EQUIPMENT	31,403,591	31,300,856

a. 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.

	FREEHOLD LAND \$	BUILDINGS \$	PLANT & EQUIPMENT \$	WORK IN PROGRESS \$	TOTAL \$
BALANCE AT 1 JULY 2018	4,445,000	22,920,960	3,837,214	146,984	31,350,158
Reallocations	-	528,319	235,725	(764,044)	-
Additions	-	11,305	1,176,776	824,991	2,013,072
Disposals	-	-	(627,906)	(49,581)	(677,487)
Depreciation expense	-	(707,390)	(677,497)	-	(1,384,887)
BALANCE AT 30 JUNE 2019	4,445,000	22,753,194	3,944,312	158,350	31,300,856
Reallocations	720,000	667,776	322,144	(423,943)	1,285,977
Additions	-	10,070	698,585	727,605	1,436,260
Disposals	-	(9,555)	(104,472)	(45,515)	(159,542)
Revaluation	-	(556,422)	-	-	(556,422)
Depreciation expense	-	(721,531)	(1,182,007)	-	(1,903,538)
BALANCE AT 30 JUNE 2020	5,165,000	22,143,532	3,678,562	416,497	31,403,591

b. ASSET REVALUATIONS

The freehold land and buildings (core property) were independently valued at 30 June 2015 by Preston Rowe Paterson. The movement in valuation has been recorded through the asset revaluation reserve.

c. ASSET REVALUATIONS - OTHER

The freehold land and buildings (other) were independently valued at 31 August 2015 by Opteon Property Group. The movement in valuation has been recorded through the asset revaluation reserve.

The directors are satisfied that land and buildings are not impaired.

NOTES TO & FORMING PART OF
THE FINANCIAL REPORT

NOTE TWELVE

INVESTMENT PROPERTY	2020 \$	2019 \$
Investment Property - at market value	4,036,670	4,602,647
MOVEMENTS IN CARRYING AMOUNTS		
Movement in the carrying amounts for investment property between the beginning and the end of the current financial year is as follows:		
BALANCE AT 30 JUNE 2019	4,602,647	4,602,647
Additions	-	-
Reallocations	(1,285,977)	-
CARRYING AMOUNT AT 30 JUNE 2020	3,316,670	4,602,647

NOTES TO & FORMING PART OF
THE FINANCIAL REPORT

NOTE THIRTEEN

INTANGIBLE ASSETS	2020 \$	2019 \$
Poker Machine Entitlements - at cost	1,621,986	1,621,986
Water Licenses - at cost	2,625	2,625
Software - at cost	150,184	150,184
Less: accumulated amortisation expense	(71,171)	(40,633)
	1,703,625	1,734,162

NOTE FOURTEEN

TRADE & OTHER PAYABLES	2020 \$	2019 \$
CURRENT		
Accrued Expenditure	828,557	168,384
Trade Creditors	180,636	1,023,964
Income Tax Payable	17,606	7,785
Other Creditors	(42,245)	96,882
GST Payable	175,040	276,749
	1,159,594	1,573,764

NOTES TO & FORMING PART OF
THE FINANCIAL REPORT

NOTE FIFTEEN

BORROWINGS	2020 \$	2019 \$
CURRENT		
Bank Overdraft	478,217	342,510
Bank Bills	2,946,920	3,779,313
Other Bank Loans	774,249	957,098
TOTAL CURRENT BORROWINGS	4,199,386	5,078,921
NON-CURRENT		
Other Bank Loans	1,327,709	1,459,108
TOTAL NON-CURRENT BORROWINGS	1,327,709	1,459,108
TOTAL BORROWINGS	5,527,095	6,538,029

The borrowings are secured by:

- a. Registered mortgage over the Commercial Club premises located at 77 Gurwood Street Wagga;
- b. Registered mortgage over the Wagga RSL Club premises located at Dobbs Street Wagga;
- c. Registered mortgage over Wagga RSL Motel premises located at 156 Kincaid Street Wagga;
- d. Registered mortgage over property located at 149 Gurwood Street Wagga;
- e. Registered mortgage over properties located at 18, 20, 22 Goonigul Avenue Wagga;
- f. Registered mortgage over property located at 158 Kincaid Street Wagga;
- g. Deed of covenant over the club including charge over liquor licence;
- h. Fixed and floating charge over all existing and future assets and undertakings.

NOTES TO & FORMING PART OF
THE FINANCIAL REPORT

NOTE SIXTEEN

PROVISIONS	2020 \$	2019 \$
Provision for employee entitlements	513,138	444,626
Club points	64,789	104,130
TOTAL PROVISIONS	577,927	548,756

NOTE SEVENTEEN

DEFERRED TAX LIABILITIES	2020 \$	2019 \$
Deferred tax liabilities	818,966	832,280

NOTE EIGHTEEN

COMPANY DETAILS

The Registered Office and Principle place of business is Dobbs Street, Wagga Wagga NSW 2650.

NOTES TO & FORMING PART OF
THE FINANCIAL REPORT

NOTE NINETEEN

KEY MANAGEMENT PERSONNEL COMPENSATION	2020 \$	2019 \$
Total compensation	<u>1,077,903</u>	<u>983,915</u>

NOTE TWENTY

RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions. These terms and conditions are no more favourable than those available to other parties unless otherwise stated.

NOTES TO & FORMING PART OF
THE FINANCIAL REPORT

NOTE TWENTY-ONE

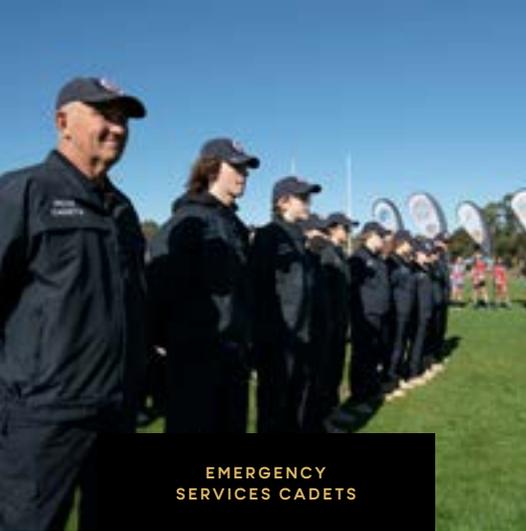
CASH FLOW INFORMATION	2020 \$	2019 \$
RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH PROFIT AFTER INCOME TAX		
Profit (Loss) after income tax	195,346	554,841
NON-CASH FLOWS IN PROFIT		
(Profit)/loss on disposal of non-current assets	(24,728)	(155,877)
Change in net market value of investments	-	(63,741)
Depreciation and Amortisation	1,937,652	1,967,114
CHANGES IN ASSETS AND LIABILITIES, NET OF THE EFFECTS OF PURCHASE AND DISPOSALS OF SUBSIDIARIES		
(Increase) Decrease in inventories	39,582	22,503
(Increase) Decrease in receivables	(160,561)	119,796
(Increase) Decrease in other assets	(18)	9,493
Increase (Decrease) in trade creditors	(414,170)	83,000
Increase (Decrease) in provisions	29,171	(22,666)
Increase (Decrease) in deferred tax liability	(13,314)	(87,850)
	1,588,960	2,426,613

NOTES TO & FORMING PART OF
THE FINANCIAL REPORT

NOTE TWENTY-TWO

PARENT INFORMATION	2020 \$	2019 \$
The following information has been extracted from the books and records of the parent and has been prepared in accordance with Australian Accounting Standards.		
FINANCIAL POSITION		
ASSETS		
Current assets	2,180,960	1,901,501
Non-current assets	32,152,514	33,964,949
TOTAL ASSETS	34,333,474	35,866,450
LIABILITIES		
Current liabilities	3,982,806	5,116,953
Non-current liabilities	98,039	119,458
Total Liabilities	4,080,845	5,236,411
NET ASSETS	30,252,630	30,630,039
EQUITY		
Retained earnings	26,798,336	26,619,323
Reserves	3,454,294	4,010,716
TOTAL EQUITY	30,252,630	30,630,039

PARENT INFORMATION	2020 \$	2019 \$
COMPREHENSIVE INCOME		
Total profit	179,013	465,028
TOTAL COMPREHENSIVE INCOME	179,013	465,028
GUARANTEES		
Wagga RSL Club Limited has provided a debt and interest guarantee over the borrowings of its subsidiary.		
CARRIED FORWARD TAXES AND LOSSES	1,165,021	1,250,342
BALANCE ATTRIBUTABLE TO THE PARENT ENTITY	1,165,021	1,250,342



EMERGENCY SERVICES CADETS



WAR WIDOWS GUILD OF AUSTRALIA PTY LTD

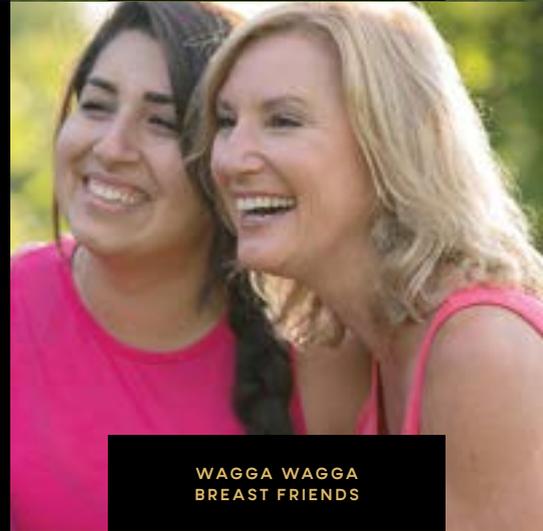


COOLAMON ROVERS FOOTBALL CLUB



KURRAJONG

PROUDLY SUPPORTING OUR COMMUNITY



WAGGA WAGGA BREAST FRIENDS



WAGGA WAGGA PUBLIC SCHOOL



SOUTHERN SPORTS ACADEMY

2020 CLUB GRANTS

NOTES TO & FORMING PART OF
THE FINANCIAL REPORT

NOTE TWENTY-THREE

CAPTIAL COMMITMENTS

2020
\$

2019
\$

The following represent commitments that are contracted but not capitalised in the financial statements. Commitments include operating leases for plant & equipment and capital projects currently in progress.

Not later than 12 months (inc GST)	-	52,787
Between 12 months and 5 years (inc GST)	-	73,524
Greater than 5 years	-	-
	<u>-</u>	<u>126,311</u>

NOTE TWENTY-FOUR

MEMBER'S GUARANTEE

The parent entity is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstanding and obligations of the entity. At 30 June the number of members was 25,961.

NOTE TWENTY-FIVE

FAIR VALUE MEASUREMENTS

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

- **LEVEL 1** Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
- **LEVEL 2** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- **LEVEL 3** Unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

VALUATION TECHNIQUES

The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the company are consistent with one or more of the following valuation approaches:

- **Market approach:** valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- **Income approach:** valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- **Cost approach:** valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

FAIR VALUATION MEASUREMENT

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would

generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

The following table provides the fair values reported in the financial statements that are measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy.

RECURRING FAIR VALUE MEASUREMENTS	NOTE	LEVEL 1 \$	LEVEL 2 \$	LEVEL 3 \$	TOTAL \$
30 JUNE 2020					
Financial Assets	10	52,607	-	-	52,607
Land & Buildings	11	-	-	27,308,532	27,308,532
Investment property	12	-	-	3,316,670	3,316,670
TOTAL ASSETS		52,607	-	30,625,202	30,677,809

NOTE TWENTY-SIX

SUBSEQUENT EVENTS

The Group undertook a detailed review of the operations of Wagga RSL and Commercial Club. The Board have concluded that the current economic and health and safety environment would not support a fiscally responsible decision to re-open Wagga RSL Commercial Club. The Board believe that focusing on the safe reopening of the club site, Corner Kincaid & Dobbs Street, Wagga RSL Club will ensure the core operations remain effective for the continuing use of the majority of club members. For the benefit of the membership, alternate uses for the Commercial Club site will be explored with a strategic view to ensure the long term financial viability of the Wagga RSL Club.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has had a financial impact for the consolidated entity up to 30 June 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 30 June 2020 that has significantly affected, or may significantly affect the Club's operations, the results of those operations, or the Club's state of affairs in future financial years.



DIRECTORS' DECLARATION

The Directors of Wagga RSL Club Ltd (the 'Club') declare that:

- a. The financial statements and notes as set out on pages 15 to 53 are in accordance with the Corporations Act 2001, including:
 - giving a true and fair view of the financial position of the Club and its controlled entities as at 30 June 2020 and of their performance, as represented by the results of their operations and cash flows, for the year ended on that date; and
 - complying with Accounting Standards in Australia - Reduced Disclosure Requirements and the Corporations Regulations 2001; and
- b. in the Directors opinion there are reasonable grounds to believe that the Club will be able to pay its debts as and when they fall due.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:



**MR PETER
THOMAS**
Director



**MR PHILLIP
MCINTOSH**
Director

Dated at Wagga Wagga this
25th day of August 2020

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF WAGGA RSL CLUB LTD

REPORT ON THE FINANCIAL STATEMENTS

OPINION

We have audited the financial report of Wagga RSL Club Ltd (the Club) and its controlled entity (the Group), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the Corporations Act 2001, including:

- a. giving a true and fair view of the Group's financial position as at 30 June 2020 and of its financial performance for the year then ended; and
- b. 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 Group 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL REPORT

The directors of the Group 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 ability of the Group 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 Group 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



WAGGA RSL

Dobbs street, Wagga Wagga

COMMERCIAL CLUB

Gurwood Street, Wagga Wagga

WAGGARSL.COM.AU