

John Edmondson V.C. Memorial Club Limited

ABN: 59 112 321 445

Financial Statements

For the Year Ended 31 December 2023

John Edmondson V.C. Memorial Club Limited

ABN: 59 112 321 445

For the year ended 31 December 2023

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John Edmondson V.C. Memorial Club Limited

ABN: 59 112 321 445

Directors' Report

For the year ended 31 December 2023

The Directors present their report, together with the financial statements, on John Edmondson V.C. Memorial Club Limited (the 'Club' or 'Company') for the year ended 31 December 2023.

General information

Directors

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

Names	Qualifications
Mr Dallas Stewart (President)	Retired
Mr Brian McCormack (Deputy President)	Retired
Mr Mario Valenti	Tailor
Mr Tony Hogan	Entertainer
Mr Geoffrey Craig	Sales Manager
Mr Kenneth Arkley	Retired
Mr Benjamin Woolf (appointed 21 April 2023)	Teacher

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

Principal Activities

The principal activity of John Edmondson V.C. Memorial Club Limited during the financial year was the operation of a licensed club for the benefit of its members and their guests.

How the club measures its performance

The Club measures its performance based on:

- a) the number of members and guests that the Club has attracted in the year.
- b) on the level of surplus generated by each of its key operation systems which enables funds to be available for meeting the objectives.

Operating Results

The deficit of John Edmondson V.C. Memorial Club Limited after providing for income tax amounted to \$168,184 (2022: \$469,133 surplus).

John Edmondson V.C. Memorial Club Limited

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Directors' Report

For the year ended 31 December 2023

Members Guarantee

The Club has varying classes of membership as set out below. If the Company is wound up, the Constitution states that each member is required to contribute a maximum of \$1 each towards any outstanding obligations of the Company. At 31 December 2023 the number of members was 6,511 (2022: 6,494).

Details of members

Each class of membership in the Company:

Class	Number		Liability of members on a wind up	
	2023	2022	2023	2022
Service members	153	170	\$153	\$170
Associate members	6,358	6,323	\$6,358	\$6,323
Honorary Life members	0	1	\$0	\$1
Total	6,511	6,494	\$6,511	\$6,494

Short-term and long-term objectives of the Club

The Club's objectives are to focus on:

1. The development and delivery of premium club facilities and services to its members and guests, and;
2. The promotion of the social welfare of its members and community sports and recreational organisations.

Strategy for achieving those objectives

The strategy for achieving the objectives has been to:

1. Update the premise to reflect the quality of appearance of the Club;
2. Update and expand car parking facilities of the Club;
3. Constantly monitor and improve the services of the bar, restaurants, bistro areas, and;
4. Attract quality entertainment to the venue at reasonable prices.

How those activities assisted in achieving the Club's objectives

The surpluses of the Club after meeting the needs of the Club have been employed to enhancing the abovementioned facilities and the provision of donations to the local sporting and community support organisations, public schools and other charitable associations.

John Edmondson V.C. Memorial Club Limited

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Directors' Report

For the year ended 31 December 2023

Meetings of Directors


During the financial year, 11 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:


	Directors' Meetings		Special Meetings	
	Eligible to attend	Number attended	Eligible to attend	Number attended
Mr D Stewart	11	11	0	0
Mr B McCormack	11	10	0	0
Mr M Valenti	11	9	0	0
Mr T Hogan	11	11	0	0
Mr G Craig	11	9	0	0
Mr K Arkley	11	7	0	0
Mr B Woolf	7	7	0	0

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out at page 4.

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

Director: 

Director: 

Dated this Twenty day of February 2024

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Auditor's Independence Declaration

To the Directors of John Edmondson V.C. Memorial Club Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of John Edmondson V.C. Memorial Club Limited for the year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.



Grant Thornton Audit Pty Ltd
Chartered Accountants



B Narsey
Partner – Audit & Assurance

Sydney, 20 February 2024

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John Edmondson V.C. Memorial Club Limited

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Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2023

	Note	2023 \$	2022 \$
Revenue from sale of goods		1,328,572	1,257,042
Revenue from rendering of services		11,221,961	12,251,995
Other income		557,186	209,163
Total Revenue and Other Income	2	13,107,719	13,718,200
Depreciation, amortisation and impairments		(1,855,095)	(1,936,305)
Bar and catering expenses		(595,800)	(546,319)
Administrative expenses		(2,334,913)	(2,305,422)
Gaming expenses		(739,989)	(763,663)
Gaming tax expenses		(2,478,783)	(2,739,275)
Employment expenses		(4,906,317)	(4,642,745)
Director honorarium and expenses		(72,761)	(56,953)
Other expenses	3	(292,245)	(258,385)
Total Expenses		(13,275,903)	(13,249,067)
(Deficit)/Surplus before income taxes		(168,184)	469,133
Income tax expense	4	-	-
(Deficit)/Surplus after income taxes		(168,184)	469,133
Other comprehensive income		-	-
Total comprehensive (loss)/income for the year		(168,184)	469,133

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

John Edmondson V.C. Memorial Club Limited

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Statement of Financial Position

As at 31 December 2023

	Note	2023 \$	2022 \$
ASSETS			
Current assets			
Cash and cash equivalents	5	4,521,300	5,156,544
Inventories	6	68,363	64,107
Other current assets	7	7,774,600	6,095,149
Total current assets		12,364,263	11,315,800
Non-current assets			
Property, plant and equipment	8	31,451,315	32,532,328
Intangible assets	9	549,427	549,427
Other non-current assets	7	6,305	6,305
Total non-current assets		32,007,047	33,088,060
TOTAL ASSETS		44,371,310	44,403,860
LIABILITIES			
Current liabilities			
Trade and other payables	10	642,461	678,336
Short-term provisions	11	1,708,499	1,536,990
Total current liabilities		2,350,960	2,215,326
Non-current liabilities			
Other long-term provisions	11	87,016	87,016
Total non-current liabilities		87,016	87,016
TOTAL LIABILITIES		2,437,976	2,302,342
NET ASSETS		41,933,334	42,101,518
FUNDS			
Accumulated funds		41,933,334	42,101,518
TOTAL FUNDS		41,933,334	42,101,518

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

John Edmondson V.C. Memorial Club Limited

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Statement of Changes in Funds

For the Year Ended 31 December 2023

2023

	Accumulated Funds	Total
	\$	\$
Balance at 1 January 2023	42,101,518	42,101,518
Net Deficit	(168,184)	(168,184)
Other Comprehensive Income	-	-
Balance at 31 December 2023	41,933,334	41,933,334

2022

	Accumulated Funds	Total
	\$	\$
Balance at 1 January 2022	41,632,385	41,632,385
Net Surplus	469,133	469,133
Other Comprehensive Income	-	-
Balance at 31 December 2022	42,101,518	42,101,518

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

John Edmondson V.C. Memorial Club Limited

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Statement of Cash Flows

For the Year Ended 31 December 2023

	Note	2023 \$	2022 \$
Cash from operating activities:			
Receipts from members and patrons		13,805,587	14,859,939
Payments to suppliers and employees		(8,168,896)	(12,927,338)
Dividends received		125	92
Interest received		445,170	75,871
Other revenue		17,180	17,180
Income tax paid		-	-
Net cash provided by operating activities		6,099,166	2,025,744
Cash flows from investing activities:			
Payments for investments in term deposits		(6,055,039)	(6,055,039)
Proceeds from sale of plant and equipment		141,168	117,000
Acquisition of property, plant and equipment		(820,539)	(658,241)
Net cash used in investing activities		(6,734,410)	(6,596,280)
Net cash provided by financing activities			
		-	-
Net increase/(decrease) in cash held		(635,244)	(4,570,535)
Cash at beginning of financial year		5,156,544	9,727,079
Cash at end of financial year	5	4,521,300	5,156,544

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

John Edmondson V.C. Memorial Club Limited

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Notes to the Financial Statements

For the year ended 31 December 2023

1 Statement of Significant Accounting Policies

(a) General information

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and interpretation adopted

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

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

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

Basis of preparation

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The financial statements were authorised for issuance in accordance with a resolution of the Directors on 20 February 2024.

John Edmondson V.C. Memorial Club Limited ('Club' or 'Company') is a company limited by guarantee established and domiciled in Australia.

The financial statements have been prepared on an accruals basis and are based on historical costs and do not take into account changing money values or, except where stated, for certain financial instruments which are recognised at fair value. Cost is based on the fair values of the consideration given in exchange for assets.

The preparation of financial statements in conformity with Australian Accounting Standards – Simplified Disclosures requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements.

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

(b) Income Tax

The Income Tax Assessment Act provides that the Company is liable for tax only on non-member income and income tax expense has been provided for as calculated by this special formula.

John Edmondson V.C. Memorial Club Limited

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Notes to the Financial Statements

For the year ended 31 December 2023

1 Statement of Significant Accounting Policies

(c) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned using the first in first out basis.

(d) Property, Plant and Equipment

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Club and the cost of the item can be measured reliably. All other repair and maintenance are charged to the income statement during the financial period in which they are incurred.

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 their useful lives to the Club commencing from the time the asset is held ready for use.

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

Buildings	40 years - Straight Line
Plant and Equipment	2.5-11 years - Straight Line
Poker Machines	3.7-5 years - Straight Line
Motor Vehicles	3-8 years - Straight Line

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each financial year end.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income.

(e) Impairment of Assets

At each reporting date the Company assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, the recoverable amount is determined and impairment losses are recognised in the profit or loss where the asset's carrying value exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. As the future economic benefits of all of the Company's assets (other than poker machines and related equipment) are not primarily dependent upon their ability to operate net cash inflows and if deprived of the asset, the Company would replace the asset's remaining future economic benefits, "value in use" is determined as the depreciated replacement cost of the asset, rather than by using discounted cash flows.

Impairment testing is performed annually for intangible assets with indefinite lives.

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Notes to the Financial Statements

For the year ended 31 December 2023

1 Statement of Significant Accounting Policies

(f) Intangible Assets

Poker machine licenses

Intangible assets represent poker machine licenses. These assets are carried at cost and are not amortised because they have indefinite useful lives. The useful life is assessed annually to determine whether events or circumstances continue to support an indefinite useful life assessment. The carrying value of poker machine licenses is reviewed annually for impairment.

(g) Employee Benefits

Provision is made for the Club's liability for employee benefits arising from services rendered by employees to reporting 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 present value of the estimated future cash outflows to be made for those benefits. Expected future cash flows have been discounted using notional government bond rates at balance sheet date with terms to maturity that match as closely as possible the estimated future cash outflows.

Contributions are made by the Club to an employee superannuation fund and are charged as expenses when incurred.

(h) Financial Instruments

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at cost using the effective interest rate method.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Impairment

At each reporting date, the Club assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the statement of comprehensive income.

John Edmondson V.C. Memorial Club Limited

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Notes to the Financial Statements

For the year ended 31 December 2023

1 Statement of Significant Accounting Policies

(i) 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.

(j) Revenue

AASB 15 Revenue from contracts with customers

Revenue arises mainly from the sale of goods (from the provision of beverages, food and other goods) and rendering of service (comprising revenues from gaming facilities, commissions and other services).

To determine whether to recognise revenue, the Club follows a 5-step process:

- 1 Identifying the contract with a customer
- 2 Identifying the performance obligations
- 3 Determining the transaction price
- 4 Allocating the transaction price to the performance obligations
- 5 Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is recognised either at a point in time or over time, when (or as) the Club satisfies performance obligations by transferring the promised goods or services to its customers.

The Club recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Club satisfies a performance obligation before it receives the consideration, the Club recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

Sale of goods

Revenue from the sale of goods comprises revenue earned from the provision of food and beverages and is recognised at the point in time, upon the consumer obtaining the good, which is generally at the time of delivery.

Rendering of services

Revenue from rendering of services comprises from gaming facilities and other services to members and other patrons of the Club and is recognised at a point in time.

Membership subscriptions

Revenue from membership subscriptions is recognised over time as the member consumes the benefit of the membership, which is over the life of the membership.

Interest income

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other income

Other income is recognised when the right to receive the income has been established.

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

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Notes to the Financial Statements

For the year ended 31 December 2023

1 Statement of Significant Accounting Policies

(k) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation 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 statements of financial position are shown inclusive of GST.

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

(l) Comparative Figures

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

(m) Provisions

Provisions are recognised when the Club 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.

(n) Trade payables

Trade and other payables represent liabilities for goods and services provided to the Club prior to the year end and which are unpaid. These amounts are unsecured and have up to 14 day payment terms.

John Edmondson V.C. Memorial Club Limited

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Notes to the Financial Statements

For the year ended 31 December 2023

1 Statement of Significant Accounting Policies

(o) Critical accounting estimates and judgments

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Revenue recognition

Under AASB 15, the Company makes judgements in determining when it has satisfied the performance obligations and thereby when it is able to recognise revenue from any of its contracts where it may have sufficiently specific performance obligations. Similarly, under AASB 1058, where the consideration for the asset being received is significantly less than fair value (principally to further the Company's objectives), income is recognised as the residual of the difference between the fair value of the asset recognised and the consideration for that asset, after deducting any other related amounts. In such circumstances, the Company assesses and makes a judgement of the fair value of any consideration provided.

Long service leave provision

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

Useful life of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

Impairment

Management assesses impairment at each reporting date by evaluating conditions specific to the Company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Fair value less costs to sell or current replacement cost calculations performed in assessing recoverable amounts incorporate a number of key estimates.

John Edmondson V.C. Memorial Club Limited

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Notes to the Financial Statements

For the year ended 31 December 2023

2 Revenue and Other Income

	2023	2022
Revenue from Contracts with Customers	\$	\$
- Bar, catering and other sale of goods	1,328,572	1,257,042
- Poker machine receipts	11,124,644	12,141,530
- Tab, keno and other commissions	80,773	91,753
- Member subscriptions	16,544	18,712
<i>Operating revenue from contracts with customers</i>	12,550,533	13,509,037
 <i>Timing of revenue recognition</i>		
- Revenue from goods or services recognised at a point in time	12,533,989	13,490,325
- Revenue from goods or services recognised over time	16,544	18,712
Total	12,550,533	13,509,037
 Other Income		
- Other revenue	17,180	17,180
- Dividends	125	92
- Interest	445,170	75,871
- Net gain/(loss) on disposal of non-current assets	94,711	116,020
Total Revenue and Other Income	13,107,719	13,718,200

3 Results for the year

The results for the year have been arrived at after crediting the following items:

(a) Expenses

	2023	2022
	\$	\$
Superannuation expense	419,139	391,220

(b) Other Expenses

Marketing expenses	46,318	5,080
Club groups and entertainment expenses	152,698	145,474
Other expenses	93,229	107,831
Total Other Expenses	292,245	258,385

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Notes to the Financial Statements

For the year ended 31 December 2023

4 Income Tax Expense

(a) The components of tax expense/(income) comprise:

	2023	2022
	\$	\$
Current tax	-	-
	-	-

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

	2023	2022
	\$	\$
Ordinary activities before income tax - Prima facie tax payable on profit at 25% (2022: 25%)	-	117,283
Add:		
Tax effect of:		
- Other non-allowable items	-	57,947
- Other timing adjustments	-	9,172
- Future income tax benefit on tax losses not brought to account	-	66,128
Less:		
Tax effect of:		
- Net income attributable to members	-	(250,530)
Income tax attributable to entity	-	-

The prima facie tax expense on profit from ordinary activities arises when the Club is in a profitable position. When the Club is in a current year loss position, the prima facie tax expense is nil. Due to member income representing a significantly high portion of the entity's total income and any non-member income being reduced by its share of deductible expenses, the Club is typically in an overall tax loss position. Subsequently, no income tax expense or future income tax benefit is recognised in the accounts.

John Edmondson V.C. Memorial Club Limited

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Notes to the Financial Statements

For the year ended 31 December 2023

5 Cash and Cash Equivalents

	2023	2022
	\$	\$
Cash on hand	600,000	600,000
Cash at bank	3,921,300	4,556,544
	4,521,300	5,156,544

6 Inventories

	2023	2022
	\$	\$
CURRENT		
At Cost		
Bar stock	41,239	41,273
Kitchen & Coffee Shop	27,124	22,834
	68,363	64,107

7 Other Assets

	2023	2022
	\$	\$
CURRENT		
Prepayments	30,614	24,583
Short term deposits	7,500,000	6,055,038
Other current assets	243,986	15,528
	7,774,600	6,095,149
NON-CURRENT		
Other non-current assets	6,305	6,305
	6,305	6,305

John Edmondson V.C. Memorial Club Limited

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Notes to the Financial Statements

For the year ended 31 December 2023

8 Property Plant and Equipment

	2023	2022
	\$	\$
LAND AND BUILDINGS		
Freehold land		
George Street, Liverpool - at cost	1,068,131	1,068,131
Macquarie Street, Liverpool - at cost	2,128,101	2,128,101
Total freehold land	3,196,232	3,196,232
Buildings		
George Street, Liverpool - at cost	42,530,721	42,394,970
Macquarie Street, Liverpool - at cost	3,842,692	3,842,692
Less accumulated depreciation	(19,623,991)	(18,468,049)
Total buildings	26,749,422	27,769,613
Buildings under construction	-	-
Total land and buildings	29,945,654	30,965,845
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	8,255,155	8,341,773
Less accumulated depreciation	(7,680,021)	(7,766,775)
Total plant and equipment	575,134	574,998
Motor vehicles		
At cost	162,174	132,055
Less accumulated depreciation	(49,898)	(90,730)
Total motor vehicles	112,276	41,325
Poker machines		
At cost	5,444,790	5,401,146
Less accumulated depreciation	(4,626,539)	(4,450,986)
Total poker machines	818,251	950,160
Total plant and equipment	1,505,661	1,566,483
Total property, plant and equipment	31,451,315	32,532,328

John Edmondson V.C. Memorial Club Limited

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Notes to the Financial Statements

For the year ended 31 December 2023

8 Property Plant and Equipment

(a) Movements in Carrying Amounts

	Land \$	Buildings \$	Buildings under construction \$	Plant and Equipment \$	Motor Vehicles \$	Poker Machines \$	Poker Machines under Hire Purchase \$	Total \$
Current Year								
Balance at the beginning of year	3,196,232	27,769,613	-	574,998	41,325	950,160	-	32,532,328
Additions	-	191,751	-	181,212	122,011	325,565	-	820,539
Disposals	-	-	-	-	(36,679)	(9,778)	-	(46,457)
Transfers	-	(56,000)	-	56,000	-	-	-	-
Depreciation	-	(1,155,942)	-	(237,076)	(14,381)	(447,696)	-	(1,855,095)
Carrying amount at the end of year	3,196,232	26,749,422	-	575,134	112,276	818,251	-	31,451,315
Prior Year								
Balance at the beginning of year	3,196,232	28,848,241	-	763,119	53,826	949,953	-	33,811,371
Additions	-	75,427	-	73,445	-	509,370	-	658,242
Disposals	-	-	-	-	-	(980)	-	(980)
Transfers	-	-	-	-	-	-	-	-
Depreciation	-	(1,154,055)	-	(261,566)	(12,501)	(508,183)	-	(1,936,305)
Carrying amount at the end of year	3,196,232	27,769,613	-	574,998	41,325	950,160	-	32,532,328

John Edmondson V.C. Memorial Club Limited

ABN: 59 112 321 445

Notes to the Financial Statements

For the year ended 31 December 2023

9 Intangible Assets

	2023	2022
	\$	\$
Poker machines licenses		
Cost	549,427	549,427
Net carrying amount	549,427	549,427
Total Intangibles	549,427	549,427

10 Trade and Other Payables

	2023	2022
	\$	\$
CURRENT		
Sundry payables and accrued expenses	642,461	678,336
	642,461	678,336

11 Provisions

	2023	2022
	\$	\$
CURRENT		
Employee benefits		
Long Service Leave Entitlement	953,118	755,721
Sick Leave Entitlement	10,156	24,633
Annual Leave Entitlement	733,911	744,526
Jackpot provisions	11,314	12,110
	1,708,499	1,536,990
	2023	2022
	\$	\$
NON-CURRENT		
Employee benefits		
Long Service Leave Entitlement	87,016	87,016
	87,016	87,016

John Edmondson V.C. Memorial Club Limited

ABN: 59 112 321 445

Notes to the Financial Statements

For the year ended 31 December 2023

12 Members' Guarantee

The Company is limited by guarantee. If the Company is wound up, the constitution states that each member is to contribute a maximum of \$1 each towards meeting any outstanding obligations of the Company. At 31 December 2023 the number of financial members totalled \$6,511 (2022: \$6,494).

13 Capital and Leasing Commitments

The Club had no commitments at 31 December 2023 (2022: \$56,000).

14 Key Management Personnel Compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of that entity. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Key Management Persons (KMP) have been taken to comprise the directors and the members of the executive management responsible for the day to day financial and operational management of the Club. Directors who acted for the Club during the financial year are listed in the directors' report.

The aggregate Compensation of Key Management Persons including non-monetary benefits, post-employment and other long-term benefits paid or payable or provided for was as follows:

	2023	2022
	\$	\$
Directors	40,160	36,660
Key management personnel (other than directors)	455,269	447,280
Total compensation	495,429	483,940

John Edmondson V.C. Memorial Club Limited

ABN: 59 112 321 445

Notes to the Financial Statements

For the year ended 31 December 2023

15 Other Related Party Transactions

In addition to the above, the Club has agreed to meet costs up to:

- \$20,000 in total per annum in relation to the Directors, to assist them in the carrying out of their duties including: telephone costs, uniforms and parking;
- \$75,000 in total per annum in relation to the Directors' professional development and education;
- \$145,000 in total per annum in relation to the food, travel and entertainment related to Directors' other duties.

In 2023, John Edmondson V.C. Memorial Club purchased entertainment from Director, Tony Hogan.

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

	2023	2022
	\$	\$
Transactions		
Entertainment	3,200	2,225
Total	3,200	2,225

16 Remuneration of Auditors

During the financial year the following fees were paid or payable for services provided by Grant Thornton the auditor of the Company:

	2023	2022
	\$	\$
Audit Services		
Audit of the financial statements	52,530	51,074
Non-Assurance Services		
Preparation of financial statements, income tax return and fringe benefits tax return	31,764	34,685
Total	84,294	85,759

17 Contingent Liabilities

The Club had no contingent liabilities as at 31 December 2023 (2022: nil).

John Edmondson V.C. Memorial Club Limited

ABN: 59 112 321 445

Notes to the Financial Statements

For the year ended 31 December 2023

18 Subsequent Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Club, the results of those operations, or the state of affairs of the Club in future financial years (2022: nil).

19 Club Details

(a) Registered office

The registered office of the Club is:
John Edmondson V.C. Memorial Club Limited
185 George Street
Liverpool NSW 2170

John Edmondson V.C. Memorial Club Limited

ABN: 59 112 321 445


Directors' Declaration

The Directors of John Edmondson V.C. Memorial Club Limited declare that:

1. The financial statements and notes, as set out on pages 5 to 23, are in accordance with the Corporations Act 2001 and:
 - (a) give a true and fair view of the financial position as at 31 December 2023 and of the performance for the year ended on that date of John Edmondson V.C. Memorial Club Limited; and
 - (b) comply with Australian Accounting Standards and the Corporations Regulations 2001.
2. In the Directors' opinion, there are reasonable grounds to believe that John Edmondson V.C. Memorial Club Limited will be able to pay its debts as and when they become due and payable.

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

Director 

Director 

Dated this Twenty sixth day of February 2024

Independent Auditor's Report

To the Members of John Edmondson V.C. Memorial Club Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of John Edmondson V.C. Memorial Club Limited (the Company), which comprises the statement of financial position as at 31 December 2023, the statement of profit or loss and other comprehensive income, statement of changes in funds and 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 Company is in accordance with the *Corporations Act 2001*, including:

- a giving a true and fair view of the Company's financial position as at 31 December 2023 and of its performance for the year ended on that date; and
- b complying with Australian Accounting Standards *AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the *Corporations Regulations 2001*.

Basis for opinion

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

We 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 Company's annual report for the year ended 31 December 2023 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.

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 Standard – *AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the *Corporations Act 2001*. The Directors' responsibility also includes 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.

- 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.

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

The logo for Grant Thornton, featuring the company name in a stylized, cursive script.

Grant Thornton Audit Pty Ltd
Chartered Accountants

A handwritten signature in black ink, appearing to read 'B Narsey'.

B Narsey
Partner – Audit & Assurance

Sydney, 20 February 2024

Disclaimer for the year ended 31 December 2023

To the Directors of John Edmondson V.C. Memorial Club Limited

The additional financial data presented on pages 29 to 35 is in accordance with the books and records of the consolidated entity which has been subjected to the auditing procedures applied in our statutory audit of the consolidated entity for the year ended 31 December 2023. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than John Edmondson V.C. Memorial Club Limited) in respect of such data, including any errors or omissions therein however caused.



Grant Thornton Audit Pty Ltd
Chartered Accountants



B Narsey
Partner – Audit & Assurance

Sydney, 20 February 2024

John Edmondson V.C. Memorial Club Limited

ABN: 59 112 321 445

Schedules

For the year ended 31 December 2023

BAR TRADING ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2023

	2023	2022
	\$	\$
SALES	606,598	614,619
LESS: COST OF GOODS SOLD		
Opening Stock	41,273	28,407
Purchases	262,360	256,340
	303,633	284,747
Less: Closing stock	41,238	41,273
	262,395	243,474
GROSS PROFIT	344,203	371,145
LESS: DIRECT EXPENSES		
Bar Promotions	-	-
Stocktake fees	-	-
Wages	439,542	440,222
	439,542	440,222
NET INCOME after direct expenses	(95,339)	(69,077)

John Edmondson V.C. Memorial Club Limited

ABN: 59 112 321 445

Schedules

For the year ended 31 December 2023

CATERING TRADING ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2023

	2023	2022
	\$	\$
SALES	721,974	642,423
LESS: COST OF GOODS SOLD		
Opening Stock	22,834	20,329
Purchases	325,116	294,956
	347,950	315,285
Less: Closing Stock	27,124	22,834
	320,826	292,451
GROSS PROFIT	401,148	349,972
LESS: DIRECT EXPENSES		
Wages	549,487	532,787
NET INCOME/(LOSS) after direct expenses	(148,339)	(182,815)

John Edmondson V.C. Memorial Club Limited

ABN: 59 112 321 445

Schedules

For the year ended 31 December 2023

POKER MACHINE REVENUE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2023

	2023	2022
	\$	\$
NET RECEIPTS	11,124,643	12,141,530
LESS: DIRECT EXPENSES		
Machines tax	2,478,783	2,739,275
Promotions and other direct expenses	579,286	612,375
Repairs & maintenance	-	-
Wages	745,441	743,363
	3,803,510	4,095,013
NET INCOME after direct expenses	7,321,133	8,046,517

John Edmondson V.C. Memorial Club Limited

ABN: 59 112 321 445

Schedules

For the year ended 31 December 2023

TAB TRADING ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2023

	2023	2022
	\$	\$
INCOME		
Commission received	9,805	4,336
LESS: EXPENSES		
Wages	14,532	17,190
Other direct expenses	380	92
	14,912	17,282
NET INCOME/(LOSS)	(5,107)	(12,946)

John Edmondson V.C. Memorial Club Limited

ABN: 59 112 321 445

Schedules

For the year ended 31 December 2023

KENO TRADING ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2023

	2023	2022
	\$	\$
INCOME		
Commission received	70,047	86,839
LESS: EXPENSES		
Wages	29,924	31,322
Other Costs	13,494	11,950
	43,418	43,272
NET INCOME/(LOSS)	26,629	43,567

John Edmondson V.C. Memorial Club Limited

ABN: 59 112 321 445

Schedules

For the year ended 31 December 2023

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

	2023	2022
	\$	\$
NET INCOME		
Poker machine revenue	7,321,133	8,046,517
Bar trading	(95,339)	(69,077)
Catering trading	(148,339)	(182,815)
Commission received & other income	921	577
Keno trading	26,629	43,567
Dividends received	125	92
Subscriptions received	16,544	18,712
TAB trading account - loss	(5,107)	(12,946)
Sundry income	17,180	17,180
Profit/(loss) on disposal of non-current assets	94,710	116,020
	7,228,457	7,977,827
LESS: OPERATING CHARGES		
Advertising	69,053	28,200
Audit, consultancy and accountancy fees	87,274	112,837
Bank charges	11,675	10,450
Cleaning and laundry	431,959	413,950
Club functions, artists & bands	102,781	106,149
Depreciation	1,855,095	1,936,305
Director's expenses	16,388	8,846
Donations	207,910	230,278
Entertainment	94,025	83,307
Fringe benefits tax	6,231	4,831
Games	2,544	1,691
Gas & electricity	329,862	340,195
Insurance	369,320	289,163
Legal expenses	-	-
Member's transport	-	-
Motor vehicle expenses	19,869	23,087
Payroll tax	179,345	109,487
Postage	5,997	6,010
Printing and stationery	33,305	29,418
Property taxes	125,810	120,159
Repairs & maintenance - general	593,713	606,561

John Edmondson V.C. Memorial Club Limited

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Schedules

For the year ended 31 December 2023

	2023	2022
	\$	\$
Replacements	16,155	22,974
Security services	196,913	188,531
Staff training, meals, drinks & amenities	144,412	159,367
Subscriptions and licences	77,097	77,277
Superannuation	419,139	391,220
Telephone	18,031	22,830
Uniforms & clothing	17,916	30,681
Waste disposal	18,922	24,133
Wages & entitlements	2,391,069	2,206,628
TOTAL CHARGES	7,841,810	7,584,565
OPERATING PROFIT PRIOR TO INVESTMENT INCOME AND BEFORE INCOME TAX	(613,353)	393,262
ADD: INVESTMENT INCOME		
Interest received	445,169	75,871
OPERATING PROFIT BEFORE INCOME TAX	(168,184)	469,133