



CHARTERED ACCOUNTANTS
AUSTRALIA • NEW ZEALAND

IBW ACCOUNTING

ABN 19 583 021 748

BULLI WORKERS CLUB LIMITED

ACN 59 001 070 364

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

IAN C. BROWN B.COMM F.C.A.

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LIABILITY LIMITED BY A SCHEME APPROVED UNDER PROFESSIONAL STANDARDS LEGISLATION

BULLI WORKERS CLUB LIMITED

ABN 59 001 070 364

REPORT OF THE DIRECTORS YEAR ENDED 30 JUNE 2020

Directors

The names of directors in office during the year or to the date of this report are:

D. Lane, D. Carney, G. Ford, S Johnston, R. Day, R. McMullen and B Smith

Attendance Record of Meetings Held in the Past Year of Office

There were 13 meetings held during the year and the personal attendance records of the Directors are set out below:

	Board Meetings		Years on Board
	<u>Eligible</u>	<u>Attended</u>	
D. Lane	13	12	10
D. Carney	13	12	13
G. Ford	13	11	5
S Johnston	13	10	3
R. Day	13	7	3
R. McMullen	13	10	3
B Smith	13	8	2

Objectives

Short term: The objectives of Bulli Workers Club Limited are to maintain, and continually develop, a modern social and entertainment venue providing a high level of service consistent with the expectations of members and visitors to the Club.

Long term: To maintain the ongoing financial viability of the Club and the best possible facilities for members.

Strategy for achieving the objectives

The principal strategies of Bulli Workers Club Limited include

- Offering a broad range of entertainment and social activities.
- Maintaining high levels of customer service.
- Providing a safe and rewarding working environment for Club staff.

Principal Activities

The Club has in the course of the financial year continued to carry on its normal activities as a Registered Club, and there has not been any significant change in the nature of these activities during the year, except that the Club's revenue was severely impacted when it closed from 23 March 2020 due to Covid-19 trading restrictions imposed by the NSW Government.

The Club commenced restricted trading activities from 1 June 2020. At the date of this report, the directors are unable to quantify the effect of Covid-19 restrictions on future trading activities of the Club.

BULLI WORKERS CLUB LIMITED

ABN 59 001 070 364

Performance measurement and key performance indicators

Performance is compared regularly against relevant industry and internal benchmarks to assess the performance of strategic initiatives, and to measure the effectiveness in achieving short and long term objectives.

Contributions on winding up

The Club is a public company limited by guarantee, and in accordance with the club's constitution, the liability of members in the of the club being wound up would not exceed \$1 per member. The total amount that members of the company are liable to contribute if the company is wound up is \$2,583 based on 2,583 current members

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2020 has been received and a copy of the declaration is attached to this report.

Dated: 14 September 2020

Director: D Lane

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF THE BULLI WORKERS CLUB LIMITED**

I declare that, to the best of my knowledge, during the 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.

Dated: 14 September 2020

IBW ACCOUNTING
Chartered Accountant

2 Hebron Avenue
Mt Pleasant NSW 2519



IAN BROWN

BULLI WORKERS CLUB LIMITED

ABN 59 001 070 364

DIRECTORS' DECLARATION YEAR ENDED 30 JUNE 2018

In the director's opinion:

1. The attached financial statements and notes comply with the Corporations Act 2001, the Australian accounting Standards – Reduced Disclosure Requirements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
2. The attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2020 and performance for the financial year ended on that date; and
3. There are reasonable grounds to believe the company will be able to pay its debts as and when they become due and payable.

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

Dated: 14 September 2020

Director: D Lane

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BULLI WORKERS CLUB LIMITED.

Report on the Financial Report

I have audited the financial statements of the Bulli Workers Club Limited being the director's declaration, statement of comprehensive income, statement of changes in equity, statement of financial position, statement of cash flows and notes for the financial year ended 30 June 2020.

Directors Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I have conducted my audit in accordance with Australian Auditing Standards. These auditing standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

BULLI WORKERS CLUB LIMITED

ABN 59 001 070 364

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

I believe the audit evidence I have obtained is sufficient and appropriate to provide the basis for my audit opinion.

Independence

In conducting my audit, I have complied with independence requirements of the Corporations Act 2001. I confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Bulli Workers Club Limited would be in the same terms of provided to the directors at the date of this auditor's report.

Auditor's Opinion

In my opinion, the financial statements of the Bulli Workers Club Limited is in accordance with the Corporations Act 2001, including:

- a) giving a true and fair view of the Company's financial position as at 30 June 2020 and the performance for the year ended on that date; and
- b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Regulations 2001.

Dated: 15 September 2020

IBW ACCOUNTING
Chartered Accountant

2 Hebron Avenue
Mt Pleasant NSW 2519



IAN BROWN

BULLI WORKERS CLUB LTD
ABN 59 001 070 364492

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020	2019
Revenue	(2)	1,855,965	2,114,860
Bar and Catering		(350,151)	(482,238)
Gaming Expenses		(106,672)	(119,642)
Other Human Resource Costs		(549,267)	(465,120)
Other Promotional Costs		(241,029)	(214,823)
Other Expenses		(637,056)	(776,730)
Profit/(Loss) before Income Tax		<u>(28,210)</u>	<u>56,307</u>
Income Tax Expense	(3)	-	-
Total Comprehensive Income/(Loss) for the Year		<u><u>(28,210)</u></u>	<u><u>56,307</u></u>

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2020

	Retained Earnings
Balance at 1 July 2018	2,815,788
Operating Profit for the Year	56,308
Balance at 30 June 2019	<u>2,872,096</u>
Operating Profit/(Loss) for the Year	(28,210)
Balance at 30 June 2020	<u><u>2,843,886</u></u>

The accompanying notes form part of these financial statements.

BULLI WORKERS CLUB LTD
ABN 59 001 070 364492

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	NOTE	2020	2019
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	(4)	1,044,744	962,665
Receivables	(5)	36,679	-
Inventories	(6)	46,455	44,254
Other Current Assets	(7)	17,452	16,325
TOTAL CURRENT ASSETS		<u>1,145,330</u>	<u>1,023,244</u>
NON-CURRENT ASSETS			
Property ,Plant & Equipment	(8)	1,854,427	2,001,819
TOTAL NON-CURRENT ASSETS		<u>1,854,427</u>	<u>2,001,819</u>
TOTAL ASSETS		<u><u>2,999,757</u></u>	<u><u>3,025,063</u></u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other Payables	(9)	18,130	31,689
Short Term provisions	(10)	126,863	121,278
TOTAL CURRENT LIABILITIES		<u>144,993</u>	<u>152,967</u>
NON-CURRENT LIABILITIES			
Long Term Provisions	(10)	10,878	-
TOTAL NON-CURRENT LIABILITIES		<u>10,878</u>	<u>-</u>
TOTAL LIABILITIES		<u><u>155,871</u></u>	<u><u>152,967</u></u>
NET ASSETS		<u><u>2,843,886</u></u>	<u><u>2,872,096</u></u>
EQUITY			
Retained Earnings		2,843,886	2,872,096
TOTAL EQUITY		<u><u>2,843,886</u></u>	<u><u>2,872,096</u></u>

The accompanying notes form part of these financial statements.

BULLI WORKERS CLUB LTD
ABN 59 001 070 364492

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Members and Visitors	1,818,707	2,132,555
Payments to Suppliers and Employees	(1,677,652)	(1,845,336)
Interest Received	579	2,082
Net Cash Provided by Operating Activities	<u>141,634</u>	<u>289,301</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	<u>(59,555)</u>	<u>(169,350)</u>
Net Cash Provided in Investing Activities	<u>(59,555)</u>	<u>(169,350)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Borrowings	-	-
Repayment of Borrowings	-	-
Net Cash used in Financing Activities	<u>-</u>	<u>-</u>
Net Increase in Cash Held	82,079	119,951
Cash at the Beginning of the Financial Year	962,665	842,714
Net Cash at the End of the Financial Year	<u>1,044,744</u>	<u>962,665</u>
RECONCILIATION OF CASH FROM OPERATIONS WITH OPERATING PROFIT		
Operating profit/(loss) after tax	(28,210)	56,308
Non cash flows in operating profit		
Depreciation	206,947	225,516
Increase/(Decrease in Provisions	16,462	4,283
Decrease/(Increase) in Receivables	(36,679)	-
Decrease/(Increase) in Other Current Assets	(1,127)	(5,769)
Increase/(Decrease in Trade and Other Payables	(13,558)	8,612
Decrease/(Increase) in Inventories	(2,201)	351
	<u>141,634</u>	<u>289,301</u>

The accompanying notes form part of these financial statements.

BULLI WORKERS CLUB LTD
ABN 59 001 070 364492
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

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, revised or amending Accounting Standards and Interpretations adopted.

The company has early adopted AASB 1053 "Application of Tiers of Australian Accounting Standards" and AASB 2010-2 'Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements'. No other new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any impact of the financial performance or position of the company. The following Accounting Standards and Interpretations are most relevant to the company:

AASB 1053 Application of Tiers of Australian Accounting Standards

The company has early adopted AASB 1053 from 1 July 2012. This standard establishes a different financial reporting framework consisting of two Tiers of reporting requirements for preparing general purpose financial statements, being Tier 1 Australian Accounting Standards and Tier 2 Australian Accounting Standards - Reduced Disclosure Requirements. The company being classed as Tier 2 continues to apply the full recognition and measurement requirements of Australian Accounting Standards with substantially reduced disclosure in accordance with AASB 2010-2.

AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements

The company has early adopted AASB 2010-2 from 1 July 2012. These amendments make numerous modifications to a range of Australian Accounting Standards and Interpretations, to introduce reduced disclosure requirements to the pronouncements for application by certain types of entities in preparing general purpose financial statements. The adoption of these amendments has significantly reduced the company's disclosure requirements.

Basis of Preparation

The financial statements are general purpose financial statements that has been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. These financial statements do not comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in the financial statements containing relevant and reliable information about transactions, events and conditions to which they apply.

BULLI WORKERS CLUB LTD
ABN 59 001 070 364492

Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(a) Property, Plant and Equipment

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

Property

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

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves direct in equity; all other decreases are charged to the income statement.

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

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the Company commencing from the time the asset is held ready for use.

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

Class of Fixed Assets	Depreciation Rate %
Buildings	4
Poker Machines	20
Plant and Equipment	5 to 20

BULLI WORKERS CLUB LTD
ABN 59 001 070 364492

(b) Inventories

Inventories consist mainly of bar supplies and promotional items and are valued at the lower of cost and net realisable value. Cost is determined on a first in, first out basis, and does not include any overhead expenses

(c) Employee Entitlements

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

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.

Contributions are made by the Company to employee superannuation funds and are charged as expenses when incurred.

(d) Income Tax

The Club pays income tax on income derived other than from members.

Income tax expense for the year ended 30 June 2019 is detailed at Note 3.

(e) Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand and deposits at call with the bank, net of bank overdraft.

(f) Comparative Figures

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

(g) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST (except where stated). Receivables and payables in the statement of financial position are shown inclusive of GST.

BULLI WORKERS CLUB LTD
ABN 59 001 070 364492

	2020	2019
NOTE 2. REVENUE		
Gaming	644,846	793,052
Bar and Catering	898,712	1,101,797
Subscriptions	12,410	10,135
Entertainment Income	61,589	81,490
Rent Received	1,350	2,487
Commissions	102,674	75,972
Other Income	8,642	47,845
Government Subsidies	125,163	-
Interest Received	579	2,082
	<u>1,855,965</u>	<u>2,114,860</u>
NOTE 3. INCOME TAX		
Income tax expense has been calculated as follows:		
Profit for the year before income tax	(28,210)	56,307
Less Non-Members adjustment	(2,549)	(81,718)
Taxable Income/(Loss)	(30,759)	(25,411)
Tax Losses from previous years	(110,793)	(85,382)
Total Tax Losses	<u>(141,552)</u>	<u>(110,793)</u>
Income Tax @27.5%	<u>-</u>	<u>-</u>
NOTE 4. CASH AND CASH EQUIVALENTS		
Cash at Bank and in Hand	300,281	368,821
Short-Term Bank deposits	744,463	593,844
	<u>1,044,744</u>	<u>962,665</u>
NOTE 5. RECEIVABLES		
Government Subsidies	<u>36,679</u>	<u>-</u>
NOTE 6. INVENTORIES		
At Cost		
- Trading	<u>46,455</u>	<u>44,254</u>
NOTE 7. OTHER CURRENT ASSETS		
Prepayments	<u>17,452</u>	<u>16,325</u>

BULLI WORKERS CLUB LTD
ABN 59 001 070 364492

	2020	2019
NOTE 8. PROPERTY, PLANT AND EQUIPMENT		
Land and Buildings at Cost	3,421,418	3,421,418
Less Accumulated Depreciation	<u>(1,851,641)</u>	<u>(1,756,502)</u>
Total Land & Buildings	<u>1,569,777</u>	<u>1,664,916</u>
Plant and Equipment at Cost	2,569,486	2,509,931
Less Accumulated Depreciation	<u>(2,284,836)</u>	<u>(2,173,028)</u>
	<u>284,650</u>	<u>336,903</u>
Total Property, Plant and Equipment	<u>1,854,427</u>	<u>2,001,819</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below

	Land and Buildings	Plant and Equipment	Total
Balance at 1.7.19	1,664,916	336,903	2,001,819
Additions		59,555	59,555
Reductions			-
Depreciation Expense	<u>(95,139)</u>	<u>(111,808)</u>	<u>(206,947)</u>
Carrying amount at 30.6.20	<u>1,569,777</u>	<u>284,650</u>	<u>1,854,427</u>

At the date of this report the land and buildings have not been revalued. The NSW Valuer General has a value of \$2,500,000 on the land and this is the value for assessing council rates. The Club buildings at the the date of this report is insured for \$6,500,000

It is anticipated that a formal valuation of the Club's land and buildings will be carried out the 2020/21 financial year.

	2020	2019
NOTE 9. TRADE AND OTHER PAYABLES		
<u>Current - Unsecured</u>		
Trade Payables	18,130	28,344
Sundry Payables and Accrued Expenses	-	3,345
	<u>18,130</u>	<u>31,689</u>

NOTE 10. PROVISIONS

<u>Current</u>		
Employee Entitlements	<u>126,863</u>	<u>121,278</u>
<u>Non-Current</u>		
Employee Entitlements	<u>10,878</u>	<u>-</u>

BULLI WORKERS CLUB LTD
ABN 59 001 070 364492

2020

2019

NOTE 11. KEY MANAGEMENT PERSONNEL DISCLOSURES

The aggregate compensation made to directors and other members of key management personnel of the company is set out below:

Aggregate Compensation	<u>99,770</u>	<u>96,393</u>
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NOTE 12. CONTINGENT LIABILITIES

Estimates of material amounts of contingent liabilities not provided for in the accounts, arising from:

<u>-</u>	<u>-</u>
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NOTE 13. CAPITAL COMMITMENTS

Capital expenditure commitments contracted for net of gst and and not provided for in the accounts.

<u>-</u>	<u>-</u>
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NOTE 14. FINANCIAL INSTRUMENTS

Market Risk

Interest rate risk - The company is not exposed to any significant interest rate risk

NOTE 15. COVID 19

The impact of the closure of the Club during Covid 19 has been detailed in the report of directors.