

**ARNCLIFFE SCOTS SPORTS & SOCIAL CLUB LIMITED**

**ACN 000 346 690**

**FINANCIAL STATEMENTS**

**YEAR ENDED 28 FEBRUARY 2023**

**ARNCLIFFE SCOTS SPORTS & SOCIAL CLUB LIMITED**  
**DIRECTOR'S REPORT**  
**YEAR ENDED 28 FEBRUARY 2023**

The Directors present the financial report for the year ended 28 February 2023 and in accordance with a resolution of the Director's report as follows:

**DIRECTORS**

The names and qualifications of the Directors of the Company in office at the date of this report are:

**Glenn Ellis** : Director  
: Management Accountant (retired)  
: Member of Club since 28/02/1995  
: Board Member 10 years

**Glenys Ellis** : Director  
: Volunteer Sports Administration  
: Member of Club since 28/02/1995  
: Board Member 12 years

**Dianne Polychrone** : Director  
: Admin Office Support  
: Member of Club since 06/02/2008  
: Board Member 10 years

**Kon Kuskovski** : Director  
: Site Operations Coordinator  
: Member of Club since 04/03/2002  
: Board Member 10 years

**Laurie Barnes** : Director  
: Plumber  
: Member of Club since 21/02/2003  
: Board Member 9 years

**John Stojanovski** : Director  
: Maintenance service  
: Member of Club since 12/12/1995  
: Board Member 8 years

**Darrell Bartlett** : Director  
: Maintenance Delivery Coordinator  
: Member of Club since 28/02/2001  
: Board Member 1 year

**Cane Zajakovski** : Director  
: Sales Manager  
: Member of Club since 17/04/2003  
: Board Member 1 year

**DIRECTORS MEETINGS:**

The number of Directors' meetings and number of meetings attended by each of the Directors of the Company during the financial year were:

	<u>Possible Meetings</u>	<u>Meetings Attended</u>
Glenn Ellis	10	10
Glenys Ellis	10	9
Dianne Polychrone	10	10
Kon Kuskovski	10	7
John Stojanovski	10	9
Laurie Barnes	10	8
Zvonko Volar	4	3
Darrell Bartlett	6	5
Cane Zajakovski	6	6

**PRINCIPAL ACTIVITIES:**

The principal activity of the company is that of a Licensed Club.

**REVIEW AND RESULTS OF OPERATIONS:**

The Net Loss of the Company for the year was \$509,175 (2022: Loss \$432,203) after providing Depreciation and amortization of \$353,454 (2022: \$371,051).

**DIVIDENDS:**

In accordance with the Club's Constitution, no dividend can be paid and, accordingly, no dividend has been paid or recommended to be paid.

**STATE OF AFFAIRS:**

During this financial year there was no other significant change in the state of affairs of the Company other than that referred to elsewhere in this Directors' Report, President's Message, accounts or notes thereto.

**ENVIRONMENTAL REGULATION:**

The Company's operations are subject to various environmental regulations under either Commonwealth or State legislation.

The Board believes that the Company has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the Company.

**EVENTS SUBSEQUENT TO BALANCE DATE:**

To ensure the future financial viability of the Club, the Board of Directors are currently investigating the possibility of a merger with another registered Club or other solutions within the next twelve months.

**LIKELY DEVELOPMENTS:**

The directors do not anticipate any particular development in the operations of the Company which will affect the results in subsequent years.

**SHARES:**

As the Company is a corporation limited by guarantee, there are no shares held by the Directors of the Company.

**DIRECTORS' INTERESTS:**

There are no particulars of Directors' interests in contracts or proposed contracts with the Company, which were disclosed by the Directors in accordance with Section 232A.

**DIRECTORS' BENEFITS:**

Since the end of the previous financial year, no director has received or become entitled to receive a benefit other than a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the accounts or the fixed salary of a full-time employee of the company or of a related corporation by reason of a contract made by the company or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest.

**DIRECTORS INDEMNITY:**

The company has not, during or since the end of the financial year, in respect of any person who is or has been an Officer or Auditor of the company indemnified or made any relevant agreement for indemnifying against a liability incurred as an Officer including costs and expenses in successfully defending legal proceedings. During the financial year, the company has not paid premiums to insure Directors and Officers against liabilities for costs and expenses incurred by them in successfully defending any legal proceedings arising out of their conduct while acting in the capacity of Director or Officer of the company other than conduct involving a wilful breach of duty in relation to the company.

## REGISTERED CLUBS ACT ANNUAL REPORTING REQUIREMENTS

The following information provided to members is in the format approved by the Department of Gaming and Racing. Members may inspect the originals of these disclosures by making a written application to the secretary.

### TOP EXECUTIVE REMUNERATION

Remuneration (short term benefits) received or due and receivable by top executive officers of the company and any related parties for management of affairs of the company whose remuneration is greater than \$100,000. The number of executives whose income was within the following bands.

	2023	2022
\$110,000 - \$120,000	1	-
\$100,000 - \$110,000	-	1

### DISCLOSURE OF INTEREST OF DIRECTORS AND EMPLOYEES IN CONTRACTS WITH THE CLUB

In the reporting period, there was no occasion when directors or employees reported a material interest in a matter that related to the affairs of the Club.

### DIRECTOR AND EMPLOYEE INTEREST IN HOTELS

In the reporting period, there were no directors or top executives who had a financial interest in a hotel.

### GIFTS TO DIRECTORS AND EMPLOYEES

In the reporting period, there were no occasions when directors, top executives, or employees of the club reported receiving gifts from affiliated bodies or contractors.

### DETAILS OF OVERSEAS TRAVEL

In the reporting period there were no occasions when directors or employees of the club received any overseas travel.

### LOANS TO STAFF

In the reporting period, no loan to staff was provided.

### CONTRACTS APPROVED BY THE BOARD

In the reporting period, no controlled contracts have been approved by the Board where a director or Top Executive has a pecuniary interest.

**EMPLOYEES RELATED TO DIRECTORS AND TOP EXECUTIVES**

In the reporting period, there were no employees related to directors and top executives.

**SETTLEMENTS PAID BY THE CLUB**

In the reporting period, the club made no legal settlements with either a director or club employee.

**LEGAL FEES PAID BY THE CLUB**

In the reporting period, there were no instances when the club paid legal fees on behalf of a director or club employee.

**GAMING MACHINE PROFIT**

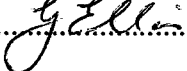
The combined gaming machine profit for the period ending 28 February 2023 was \$1,278,036 (2022: \$1,009,424).

Please note that this amount is profit before State Duties and all other gaming related expenditure.

**AUDITOR'S INDEPENDENCE DECLARATION**

A copy of the Auditor's Independence Declaration as required under section 307C of the Corporations Act 2001 is attached.

For and on behalf of the Board  
(and in accordance with its resolution)

DIRECTOR.....  
**Glenn Ellis**

Signed at Arncliffe this 3rd day of July 2023

**ARNCLIFFE SCOTS SPORTS & SOCIAL CLUB LIMITED**  
**DIRECTORS' DECLARATION**  
**YEAR ENDED 28 FEBRUARY 2023**

In the opinion of the Directors:

(a) The Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position, Cash Flow Statement, Statement of Changes in Equity/Fund and Notes to and forming part of Financial Statements:

(i) give a true and fair view of the financial position of the Company as at 28 February 2023 and of its performance as represented by the results of its operations and its cash flows, for the year ended on that date; and

(ii) complying with Accounting Standards and the Corporations Regulations 2001; and

(b) As at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

For and on behalf of the Board  
(and in accordance with its resolution)

DIRECTOR.....  
**Glenn Ellis**

Signed at Arncliffe this 3rd day of July 2023

## AUDITOR'S INDEPENDENCE DECLARATION

**To: Board of Directors of Arncliffe Scots Sports & Social Club Limited**

I declare that, to the best of my knowledge and belief, in relation to the audit of the financial year ended 28 February 2023, there have been:

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

**Charles Behrens BBus, FCA**  
Registered Company Auditor



Norwest, NSW  
26<sup>th</sup> June 2023



## INDEPENDENT AUDITOR'S REPORT

### To: Members of Arncliffe Scots Sports & Social Club Limited

### Report on the Audit of the Financial Report

#### Opinion

I have audited the financial report of Arncliffe Scots Sports & Social Club Limited, which comprises the statement of financial position as of 28 February 2023, the statement of comprehensive income, statement of changes in equity 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 company's declaration.

In my opinion, the accompanying financial report of Arncliffe Scots Sports & Social Club Limited has been prepared in accordance with the Corporations Act 2001, including:

- a) giving a true and fair view of the financial position as at 28 February 2023 and of the financial performance for the year then ended; and
- b) complying with Australian Accounting Standards to the extent described in Note 1 and complying with the Corporations Regulations 2001.

#### Basis for Opinion

I have conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the Audit of the Financial Report section of my report. I am independent of Arncliffe Scots Sports & Social Club Limited in accordance with 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 my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

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

#### Other Information

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 28 February 2023, but does not include the financial report and my auditor's report thereon. My opinion on the financial report does not cover the other information and accordingly, I do not express any form of assurance conclusion thereon.

In connection with the audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

### **Responsibilities of Arncliffe Scots Sports & Social Club Limited for the Financial Report**

The company is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and for such internal control as the company determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the company is responsible for assessing its 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 company either intends to liquidate or to cease operations or has no realistic alternative but to do so.

The company is responsible for overseeing its financial reporting processes.

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

My 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 my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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 the financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 company,

- Conclude on the appropriateness of the Company's 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I have communicated with the company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control identified during the audit.



.....  
**Charles Behrens BBus, FCA**  
Registered Company Auditor

Date: 4<sup>th</sup> day of July 2023  
76 Central Park Avenue  
NORWEST NSW 2153

**ARNCLIFFE SCOTS SPORTS & SOCIAL CLUB LIMITED**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 28 FEBRUARY 2023**

	Note	2023 \$	2022 \$
<b>Continuing Operations</b>			
Revenue from sale of goods	2 (a)	300,102	199,681
Revenue from rendering of services	2 (a)	1,456,393	1,157,482
Other revenue	2 (a)	65,546	91,122
<b>Total revenue</b>		<b><u>1,822,040</u></b>	<b><u>1,448,285</u></b>
Cost of goods sold		(158,645)	(98,023)
Poker machine duty		(140,624)	(42,690)
Employment expenses		(662,325)	(504,783)
Social & promotion expenses		(290,048)	(244,516)
Occupancy expenses		(94,736)	(90,709)
Repairs & maintenance		(124,375)	(101,209)
Sporting Grants		(5,000)	(5,000)
Insurance		(113,679)	(110,816)
Cleaning		(66,869)	(51,728)
Other expenses		(315,782)	(254,371)
<b>Total Expenditure</b>		<b><u>(1,972,082)</u></b>	<b><u>(1,503,844)</u></b>
<b>Earnings before interest, depreciation and tax</b>		<b><u>(150,043)</u></b>	<b><u>(55,559)</u></b>
Depreciation and amortisation	3(a)	(353,454)	(371,051)
Interest paid	3(a)	(5,679)	(5,593)
<b>Profit /(Loss) before tax</b>		<b><u>(509,175)</u></b>	<b><u>(432,203)</u></b>
Income tax expense		-	-
<b>Net profit (loss) for the year</b>		<b><u>(509,175)</u></b>	<b><u>(432,203)</u></b>
<b>Other Comprehensive Income</b>			
Revaluation of Land		300,000	
<b>Total Other Comprehensive Income for the year</b>		<b><u>300,000</u></b>	<b><u>-</u></b>
<b>Total Comprehensive Income attributable to:</b>			
Members of the Company	13	<b><u>(209,175)</u></b>	<b><u>(432,203)</u></b>

Statement of Profit or Loss is to be read in conjunction with the notes to the financial statements

**ARNCLIFFE SCOTS SPORTS & SOCIAL CLUB LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 28 FEBRUARY 2023**

	Notes	2023 \$	2022 \$
<b>Current assets</b>			
Cash and Cash Equivalents	6	469,735	687,551
Inventories	7	28,194	24,284
Other current assets	8	151,149	149,722
<b>Total current assets</b>		<b>649,079</b>	<b>861,557</b>
<b>Non current assets</b>			
Property, plant and equipment	9	7,146,238	7,053,464
<b>Total non current assets</b>		<b>7,146,238</b>	<b>7,053,464</b>
<b>TOTAL ASSETS</b>		<b>7,795,317</b>	<b>7,915,021</b>
<b>Current liabilities</b>			
Trade and other payables	10	106,881	139,665
Other liabilities	11	77,176	63,344
Borrowings	12	159,283	100,636
<b>Total current liabilities</b>		<b>343,340</b>	<b>303,644</b>
<b>Non current liabilities</b>			
Provisions	11	14,605	35,989
Borrowings	12	71,160	-
<b>Total non current liabilities</b>		<b>85,765</b>	<b>35,989</b>
<b>TOTAL LIABILITIES</b>		<b>429,105</b>	<b>339,633</b>
<b>NET ASSETS</b>		<b>7,366,212</b>	<b>7,575,388</b>
<b>MEMBERS' FUND</b>			
Retained Earnings (Fund)	13	4,969,820	5,478,996
Assets Revaluation Reserve	13	2,396,392	2,096,392
<b>TOTAL FUNDS ATTRIBUTABLE TO THE MEMBERS OF THE COMPANY</b>		<b>7,366,212</b>	<b>7,575,388</b>

Statement of Financial Position is to be read in conjunction with the notes to the financial statements

**ARNCLIFFE SCOTS SPORTS & SOCIAL CLUB LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 28 FEBRUARY 2023**

	Notes	Assets Revaluation Reserve \$	Retained Earnings \$	Total Attributable to the members \$
<b>Balance at 1st March 2022</b>		2,096,392	5,478,996	7,575,388
Net Profit/(Loss) for the year			(509,175)	(509,175)
Other Comprehensive Income for the year		300,000	-	300,000
<b>Balance at 28th February 2023</b>	<b>13</b>	<b>2,396,392</b>	<b>4,969,820</b>	<b>7,366,212</b>

The statement of changes in equity is to be read in conjunction with the notes to the financial statements

**ARNCLIFFE SCOTS SPORTS & SOCIAL CLUB LIMITED**  
**STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED 28 FEBRUARY 2023**

	Note	2023 \$	2022 \$
<b>Cash flows from operating activities</b>			
Cash receipts in the course of operations (net)		1,822,040	1,424,285
Cash payments in the course of operations (net)		(2,023,435)	(1,557,251)
<b>Net cash provided by operating activities</b>	16	(201,396)	(132,966)
<b>Cash flows from investing activities</b>			
Payments for Property, Plant & Equipment	9	(146,227)	(133,155)
Proceeds from sale of non-current assets	3(b)	-	24,000
<b>Net cash used in investing activities</b>		(146,227)	(109,155)
<b>Cash flows from financing activities</b>			
Borrowings (Payments) - equipment (net)		129,808	(51,159)
<b>Net cash provided by (used in) financing activities</b>		129,808	(51,159)
<b>Net increase/(decrease) in cash held</b>		(217,815)	(293,280)
<b>Cash and Cash equivalents at the beginning of the financial year</b>	6	687,551	980,831
<b>Cash and Cash equivalents at the end of the financial year</b>	6	469,735	687,551

The cash flow statement is to be read in conjunction with the notes to the financial statements

**ARNCLIFFE SCOTS SPORTS & SOCIAL CLUB LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2023**

**1 Statement of significant accounting policies**

The financial report is a general-purpose financial report which has been prepared in accordance with Australian Accounting Standards- Simplified Disclosure Requirements, the Corporations Act 2001, and the Gaming Machine Tax Act 2001.

Arncliffe Scots Sports & Social Club Limited is a company limited by guarantee, incorporated, and domiciled in Australia.

Accounting Standards and Interpretations most relevant to the company are:

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

The Company being classified as Tier 2 continues to apply the full recognition and measurement requirement of Australian Accounting Standards with substantially reduced and simplified disclosure in accordance with AASB 1060 and later amending standards as relevant.

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

**Basis of Preparation**

The financial report has been prepared on an accruals basis and is based on historical costs and except for certain non-current assets and financial instruments that are measured at revalued amounts or fair values of assets as explained in the accounting policies below.

The financial report is presented in Australian Dollars which is the Company's functional and presentation currency.

The financial report was authorised for issue on 3<sup>rd</sup> July 2023 in accordance with a resolution of the Directors. The Directors have power to amend and reissue the financial report.

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income, and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by the Company.

**New, Revised or Amending Accounting Standards and Interpretations Adopted:**

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



**ARNCLIFFE SCOTS SPORTS & SOCIAL CLUB LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2023**

**1 Statement of significant accounting policies (continued)**

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are 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.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report:

**Going concern:**

The annual report has been prepared on a going concern basis, which assumes continuity of the normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of the business. To ensure the future financial viability of the Club, the Board of Directors is currently investigating the possibility of a merger with another registered Club or other solutions within the next twelve months. At the date of the issuance of this report, the Directors are confident that the company will be able to continue as a going concern and accordingly, the financial report has been prepared on a going-concern basis.

**Revenue recognition – Note 2**

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

***Sales of goods***

Revenue from sales of goods comprises revenue earned from the provision of food, beverage and other goods. Revenue is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of the ownership of the goods.

***Rendering of services revenue***

Revenue from rendering of services comprises revenue from gaming facilities together with other services to members and other patrons of the Club and is recognised when the services are provided.

***Interest revenue***

Interest revenue is recognised as it accrues, considering the effective interest rate, which, for floating rate financial assets is the rate inherent in the instrument.

***Other income***

Other income is recognised when it is received or when the right to receive payment is established.

***Government Grant***

Government grant includes job keeper payment and cash flow boosts received from the government as a stimulus package in response to Covid 19. The government grant is recognized as income when there is reasonable assurance that the Club will comply with the conditions attached to them.

***Sale of non-current assets***

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

**ARNCLIFFE SCOTS SPORTS & SOCIAL CLUB LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2023**

**1 Statement of significant accounting policies (continued)**

**Goods and services tax**

Revenues, expenses, and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. 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 are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as a current asset or liability in the statement of financial position.

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

**Borrowing /Finance costs**

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

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

Where funds are borrowed generally, borrowing costs are capitalised using a weighted average capitalisation rate.

**Impairment of Assets**

Nonfinancial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets' carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

**Intangible Assets**

Poker machine licenses are valued in the accounts at the cost of acquisition. Poker machine licenses are not amortised as these licenses have an indefinite life for which market value exceeds the original cost. The balance is reviewed annually and any balance representing future benefits for which the realisation is no longer probable is written off.

**ARNCLIFFE SCOTS SPORTS & SOCIAL CLUB LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2023**

**1 Statement of significant accounting policies (continued)**

**Property, Plant and Equipment**

All assets acquired including property, plant and equipment and intangibles other than goodwill are initially recorded at their cost of acquisition at the date of acquisition, being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition.

Freehold land has a value significantly more than cost. Freehold land has been stated at revalued amount based on the value as determined by the Directors at the end of reporting period.

Expenditure is only recognised as an asset when the entity controls future economic benefits because of the costs incurred, that are probable and can be measured reliably. Costs attributable to feasibility and alternative approach assessments are expensed as incurred.

***Subsequent additional costs***

Costs incurred on assets after initial acquisition are capitalised when it is probable that future economic benefits more than the originally assessed performance of the asset will flow to the Company in future years, otherwise expensed as incurred.

Depreciation and amortisation

***Useful lives***

All non-current assets have limited useful lives and are depreciated/amortised using the straight-line method or diminishing value methods over their estimated useful lives.

Assets are depreciated or amortised from the date of acquisition.

Depreciation and amortisation rates and methods are reviewed annually for appropriateness. When changes are made, adjustments are reflected prospectively in current and future periods only.

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

	<b>2023</b>	<b>2022</b>
<i>Property, plant and equipment</i>		
Plant and equipment – poker machines	20%	20%
Plant and equipment – other	10-20%	10-20%
Plant and equipment – computers	25%	25%
Plant and equipment – computer software	40%	40%

The assets which are no longer usable, as identified by the management, being old and due to renovation of the main building, have been written off in the accounts.

**Cash and Cash Equivalents**

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

**ARNCLIFFE SCOTS SPORTS & SOCIAL CLUB LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2023**

**1 Statement of significant accounting policies (continued)**

**Trade Receivables**

Trade receivables represent the principal amounts due at balance date less provision for doubtful amounts. The collectability of debts is assessed at reporting date and specific provision is made for any doubtful accounts. Trade receivables are usually settled within 60 days.

**Inventories – Note 7**

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

**Trade and Other Payables – Note 10**

Liabilities are recognised for amounts to be paid in the future for goods or services received. Trade accounts payable are normally settled within 60 days.

**Employee entitlements – Note 11**

*Wages, salaries, annual leave, and sick leave*

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to reporting 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, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash flows to be made for those benefits.

Liabilities for employee's sick leave are recognised when the leave is taken and measured at the rate paid or payable.

The provision for employee benefits relating to long service leave represents the present value of estimated future cash outflows to be made resulting from employee's service provided to reporting date. The provision is calculated for eligible employees who have completed five years of services, using expected future increases in wages and salary rates including related on-costs and expected settlements dates based on turnover history and is discounted using the rates attached to national government bonds at reporting date which most closely match the terms of maturity of the related liabilities. The unwinding of the discount is treated as a long service leave expense.

*Superannuation plan*

The Company contributes to an employee superannuation fund. Contributions are charged against income as they are made. The Company has no legal or constructive obligations to the fund for any deficit.

**ARNCLIFFE SCOTS SPORTS & SOCIAL CLUB LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2023**

**1 Statement of significant accounting policies (continued)**

**Financial Assets**

The Company classifies its financial assets into the following categories: loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at each reporting date.

**(i) Loans and receivables**

Trade receivables, loans and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are measured at amortised cost using the effective interest method less any impairment. They arise when the Company provides money, goods, or services directly to a debtor with no intention of selling the receivable.

They are included in current assets, except for those with maturities greater than 12 months after the Statement of Financial Position date which are classified as non-current assets. Loans and receivables are included in receivables in the Statement of Financial Position

**(ii) Available for sale financial assets**

Available for sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

All financial assets are recognised on trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are derecognised when the right to receive cash flows from the financial assets has expired or has been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Available-for-sale financial assets are subsequently carried at fair value. Unrealised gains and losses arising from changes in the fair value of nonmonetary securities classified as available for sale are recognised in equity in the fair value revaluation reserve. When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments are included in the profit or loss as gains and losses from investment securities.

The Company assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit and loss – is removed from available-for-sale investments revaluation reserve and recognised in the profit or loss. Impairment losses recognised in the profit or loss on equity instruments are not reversed

**ARNCLIFFE SCOTS SPORTS & SOCIAL CLUB LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2023**

**1 Statement of significant accounting policies (continued)**

through profit or loss. Available for sale financial assets are included in receivables in the Statement of Financial Position

**(iii) Held to Maturity Investments**

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the entity has the positive intention and ability to hold-to-maturity and are measured at amortised cost after initial recognition using the effective interest method. If the entity were to sell other than an insignificant amount of held-to-maturity investments, the whole category is then reclassified as available-for-sale.

Impairment losses are measured as the difference between the investment's carrying amount and the present value of the estimated future cash flows, excluding future credit losses that have not been incurred. The cash flows are discounted at the investment's original effective interest rate. Impairment losses are recognised in profit or loss.

**Financial Liabilities**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit or loss and other comprehensive income over the period of borrowings using the effective interest method.

Borrowings are classified as non-current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

**Fair Value Estimation**

The fair value of financial assets and financial liabilities are estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets such as trading and available for sale securities is based on quoted market prices at the balance date. The quoted market price used for financial assets held by the Company is the current bid price.

The carrying value of trade receivables and payables is assumed to approximate their fair value due to their short-term nature.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar liabilities.

**Revisions of accounting estimates**

Revisions to accounting estimates are recognised prospectively in current and future periods only.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates 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.

**ARNCLIFFE SCOTS SPORTS & SOCIAL CLUB LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2023**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>2. Revenue</b>		
<i>(a) From operating activities</i>		
Sale of goods revenue from operating activities	300,102	199,681
Rendering of services revenue from operating activities	1,456,393	1,157,482
<b>Other revenues</b>		
Government Grant		
Jobkeeper payment	-	67,122
Insurance claim received	65,546	-
Profit/(Loss) from sale of non-current assets	-	24,000
Total other revenues	65,546	91,122
<b>Total revenue from ordinary activities</b>	<b>1,822,040</b>	<b>1,448,285</b>

**3. Profit from ordinary activities before income tax expense**

**(a) Profit from ordinary activities before income tax expense has been arrived at after charging/(crediting) the following items:**

Interest paid	5,679	5,593
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**ARNCLIFFE SCOTS SPORTS & SOCIAL CLUB LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>3. Profit from ordinary activities before income tax expense (continued)</b>		
<b>(a) Profit from ordinary activities before income tax expense has been arrived at after charging/(crediting) the following items:</b>		
Depreciation of:		
Plant and equipment	164,227	181,907
Buildings & Improvements	189,227	189,144
Total depreciation	353,454	371,051
Net expense from movements in provision for:		
employee entitlements	(7,553)	23,593
<b>(b) Profit before income tax expense includes the following revenues and expenses whose disclosure is relevant in explaining the financial performance</b>		
Profit (Loss) on sale of plant and equipment	-	24,000
<b>4. Auditor's remuneration</b>		
<u>Audit services:</u>		
Auditors of the company	5,970	5,970
<b>5. Income Tax</b>		
No provision for income tax has been made due to the accumulated losses brought forward from prior years.		
<b>6. Cash and Cash Equivalents</b>		
Cash on Hand	100,000	100,000
Clearing Accounts	(3,782)	11,259
Cash at Bank	373,518	576,292
	469,735	687,551



**ARNCLIFFE SCOTS SPORTS & SOCIAL CLUB LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>7. Inventories</b>		
Finished goods - at cost	28,194	24,284
<b>8. Other Assets</b>		
<b>Current</b>		
Other receivables	-	29,399
Prepayments	142,559	110,993
Staff Advance	-	740
Accrued Income	8,590	8,590
	151,149	149,722
<b>9. Property, plant &amp; equipment</b>		
<b>Freehold land &amp; Buildings</b>		
Freehold land - Revalued	2,350,000	2,050,000
Building at 29 Burrows Street, Arncliffe (at cost)	7,574,531	7,574,531
Less: Accumulated Depreciation	(3,500,949)	(3,311,722)
	4,073,582	4,262,809
<b>Total Freehold Land and Building</b>	<b>6,423,582</b>	<b>6,312,809</b>
<b>Plan &amp; Equipment</b>		
Poker Machines (at Cost)	3,406,849	3,278,761
Less: Accumulated Depreciation	(2,885,305)	(2,769,032)
	521,544	509,729
Plant, Fixtures & Fittings, Vehicles (at cost)	1,638,099	1,619,959
Less: Accumulated Depreciation	(1,436,986)	(1,389,033)
	201,112	230,927
<b>Total Plant &amp; Equipment</b>	<b>722,656</b>	<b>740,656</b>
<b>Total Property Plant &amp; Equipment</b>	<b>7,146,238</b>	<b>7,053,464</b>

**ARNCLIFFE SCOTS SPORTS & SOCIAL CLUB LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2023**

	2023	2022
	\$	\$
<b>9. Property, plant &amp; equipment (cont)</b>		
Reconciliations of the carrying amounts for each class of property plant and equipments are set out below:		
<i><b>Freehold land &amp; Buildings</b></i>		
Carrying amount at beginning of year	6,312,809	6,476,363
Revaluation	300,000	-
Additions	-	25,590
Depreciation	(189,227)	(189,144)
Carrying amount at end of year	<b>6,423,582</b>	<b>6,312,809</b>
 <i><b>Plant &amp; Equipment</b></i>		
Carrying amount at beginning of year	740,656	814,998
Additions	146,227	107,565
Disposals	-	-
Depreciation /adjustments	(164,227)	(181,907)
Carrying amount at end of year	<b>722,656</b>	<b>740,656</b>
<b>Total Property Plant &amp; Equipment</b>	<b>7,146,238</b>	<b>7,053,464</b>

**ARNCLIFFE SCOTS SPORTS & SOCIAL CLUB LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2023**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>10. Trade and Other Payables</b>		
<b>Current</b>		
Trade creditors	62,264	63,923
GST Liabilities	(21,165)	(4,365)
Other creditors and accruals	65,782	80,107
	<u><b>106,881</b></u>	<u><b>139,665</b></u>
<b>11. Provisions and other payables</b>		
<b>Current</b>		
Employee benefits/ entitlements	77,176	63,344
	<u><b>77,176</b></u>	<u><b>63,344</b></u>
<b>Non current</b>		
Employee benefits/ entitlements	14,605	35,989
	<u><b>14,605</b></u>	<u><b>35,989</b></u>
<b>12. Borrowings</b>		
<b>Current</b>		
Insurance Premium Funding	116,587	100,636
Equipment financing	42,696	-
	<u><b>159,283</b></u>	<u><b>100,636</b></u>
<b>Non current</b>		
Equipment financing	71,160	-
	<u><b>71,160</b></u>	<u><b>-</b></u>
<b>13. Retained Earnings (FUND)</b>		
Retained earnings (fund) at beginning of year	5,478,997	5,911,200
Net (loss)/ profit for the year	(509,175)	(432,203)
	<u><b>4,969,821</b></u>	<u><b>5,478,997</b></u>
<b>Asset revaluation reserve</b>		
Reserve at the beginning of the year	2,096,392	2,096,392
Addition during the year	300,000	-
Reserve at the end of the year	<u><b>2,396,392</b></u>	<u><b>2,096,392</b></u>

**ARNCLIFFE SCOTS SPORTS & SOCIAL CLUB LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2023**

	2023	2022
	\$	\$

**14. Financial Reporting by Segments**

The company operates in one industry, the principal activity being that of a Licensed Club.

**15. Related Parties**

**Key management personnel compensation**

The key management personnel of the Club are the Board of Directors and senior executives (general manager) of the management of the Club. The compensation paid to key management personnel is as follows:

**Directors**

The names of the directors who have held office during the financial year are:-

Glenn Ellis, Glenys Ellis, Dianne Polychrone, Kon Kuskovski, Laurie Barnes, John Stojanovski, Zvonko Volar, Darrell Barlett and Cane Zajakovski

From time to time Directors of the company may transact business or use the facilities of the company. These transactions and use are on the same terms and conditions as those of other members and customers.

	\$	\$
Income received or due and receivable by all directors from the company: (Director Laurie Barnes provided a repairing service to the Club on arm's length basis)	Nil	Nil
Retirement and Superannuation Payments: Amounts paid to directors on retirement from office or to prescribed superannuation funds for provisions of retirement benefits for directors.	Nil	Nil
Loans to Directors: Loans to directors and director related entities	Nil	Nil
<b><u>Senior Executive</u></b>		
Short term benefits (Short term benefits include wages, superannuation)	113,094	98,316
Other long term benefits (Accrued annual and long service leave include on-costs)	37,034	33,088

**ARNCLIFFE SCOTS SPORTS & SOCIAL CLUB LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2023**

**16. Notes to the statement of cash flows**

	Note	2023 \$	2022 \$
<b>Reconciliation of operating profit after income tax to net cash provided by operating activities</b>			
Cash and Bank Balance - Note 6		469,735	687,551
Cash as at the end of the financial year as shown in the statement of Cash Flow is reconciled to the related items in the Statement of Financial Position as follows:			
Cash and Cash equivalents		469,735	687,551
The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown the Statement of Cash Flow as follows:			
Balance as above		469,735	687,551

**Reconciliation of Operating Profit after Income Tax to net cash provided by operating activities**

Profit (loss) after income tax		(509,175)	(432,203)
Non Cash Flows in operating Profit			
Depreciation		353,454	371,051
Investing/Financing Activities			
(Profit) Loss on Disposal of Assets		-	(24,000)
Changes in assets and liabilities			
Decrease (Increase) in Prepayments		(1,427)	(28,848)
Decrease (Increase) in Inventories		(3,911)	(2,553)
Increase (Decrease) in Payables		(32,783)	(40,007)
Increase (Decrease) in provisions and other liabilities		(7,553)	23,593
Net Cash provided by Operating Activities		(201,396)	(132,966)

**ARNCLIFFE SCOTS SPORTS & SOCIAL CLUB LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>17. FINANCIAL RISK MANAGEMENT</b>		
The company's financial instruments consist mainly of deposits		
<b>(i) Financial Assets</b>		
Cash and Cash equivalents	469,735	687,551
Trade and other receivables	151,149	149,722
	<b>620,884</b>	<b>837,273</b>
<b>(ii) Financial Liabilities</b>		
Trade and Other payables (excluding GST, PAYG and accruals)	62,264	63,923
	<b>62,264</b>	<b>63,923</b>

**18. ASSET REVALUATION:**

The Directors advise that freehold land and building owned by the Company has been revalued in March 2021 at \$6,750,000 (land \$2,050,000 and building \$4,700,000) as valued by Independent Valuer. During the year, the land has been revalued based on valuation of Valuer General on 1 July 2022, thereby the revaluation on land of \$300,000 has been accounted for and reserve balance stood at \$2,396,392.

**19. EVENTS SUBSEQUENT TO REPORTING DATE:**

To ensure the future financial viability of the Club the Board of Directors are currently investigating the possibility of a merger with another registered Club or other solutions in the next twelve months.

**ARNCLIFFE SCOTS SPORTS & SOCIAL CLUB LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 28 FEBRUARY 2023**

<b>2023</b>	<b>2022</b>
<b>\$</b>	<b>\$</b>

**20. Company Limited by Guarantee**

Arncliffe Scots Sports & Social Club Limited is a company limited by Guarantee with the liability of the members limited to \$4 as set out in the Company's Memorandum and Articles of Association. Membership numbers as at 28 February 2023 were 1997 (Previous year : 2041).

**21. CORE AND NON CORE PROPERTY**

In accordance with provisions under section 41J(2) of the Registered Club Act, the Directors have classified the following assets as core properties of the Company:

Land and Building at Burrows Street, Arncliffe NSW 2205

There has been no non core property identified by the company

**22. COMPANY DETAILS**

The registered office of the company and principal place of business is: Arncliffe Scots Sports & Social Club Ltd, 29 Burrows Street, Arncliffe NSW 2205.

**ARNCLIFFE SCOTS SPORTS & SOCIAL CLUB LIMITED**  
**STATEMENT OF FINANCIAL PERFORMANCE - DETAILED**  
**FOR THE YEAR ENDED 28 FEBRUARY 2023**

	<b>2023</b>	<b>2022</b>
<b><u>REVENUE FROM SALES OF GOODS</u></b>		
Bar Sales	281,849	192,611
Function Sales	18,253	7,069
	<u>300,102</u>	<u>199,681</u>
<b><u>RENDERING SERVICES</u></b>		
Net Poker Machine Revenue	1,278,036	1,009,424
Keno Commission	21,177	13,931
Raffle Revenue	123,581	104,374
TAB Gross Commission	-	-
Member Subscriptions	2,639	1,481
Other Income	13,779	11,090
Other Commissions	17,180	17,180
Government grant	-	67,122
Insurance claim received	65,546	-
Profit/(Loss) on Sale of Non-Current Assets	-	24,000
	<u>1,521,938</u>	<u>1,248,604</u>
<b><u>COST OF GOODS SOLD</u></b>		
Bar Cost of Goods	158,645	98,023
	<u>158,645</u>	<u>98,023</u>
<b>NET Income</b>	<b>1,663,395</b>	<b>1,350,262</b>
<b><u>OCCUPANCY COSTS</u></b>		
Light & Power	75,968	72,569
Rates & Taxes	12,215	11,297
Telephone	6,553	6,843
	<u>94,736</u>	<u>90,709</u>
<b><u>EMPLOYEE EXPENSES</u></b>		
Salaries & Expenses	615,836	441,287
Employee Entitlements	(7,553)	23,593
Superannuation	52,750	39,293
Uniforms	1,292	609
	<u>662,325</u>	<u>504,783</u>



**ARNCLIFFE SCOTS SPORTS & SOCIAL CLUB LIMITED**  
**STATEMENT OF FINANCIAL PERFORMANCE - DETAILED**  
**FOR THE YEAR ENDED 28 FEBRUARY 2023**

	<b>2023</b>	<b>2022</b>
<b><u>SOCIAL &amp; PROMOTION EXPENSES</u></b>		
TAB Promotions	-	-
Advertising	11,818	1,741
Club Promotions	-	-
Raffle	234,299	198,017
Poker Machine Promotions	43,931	44,758
	<u>290,048</u>	<u>244,516</u>
<b><u>REPAIRS &amp; MAINTENANCE</u></b>		
Poker Machine Maintenance	39,288	30,377
Bar Expenses & Replacements	75	615
Keno Maintenance	1,905	1,465
Repairs & Maintenance	83,107	68,753
	<u>124,375</u>	<u>101,209</u>
<b><u>SPORTING EXPENSES</u></b>		
Sporting Grants	5,000	5,000
	<u>5,000</u>	<u>5,000</u>
<b><u>DEPRECIATION/ AMORTISATION</u></b>		
Depreciation- Poker Machine	116,273	124,270
Depreciation – Buildings	189,227	189,144
Depreciation – Plant and Equipment	47,953	57,637
	<u>353,454</u>	<u>371,051</u>

**ARNCLIFFE SCOTS SPORTS & SOCIAL CLUB LIMITED**  
**STATEMENT OF FINANCIAL PERFORMANCE - DETAILED**  
**FOR THE YEAR ENDED 28 FEBRUARY 2023**

	<b>2023</b>	<b>2022</b>
<b>OTHER EXPENSES</b>		
Bar Sundry Expenses	6,675	3,455
TAB Other Expenses	-	-
Accountancy	7,500	8,145
Administration & Bookkeeping	20,009	17,658
Auditors Remuneration - Audit Fees	5,970	5,970
Bank Fees	3,391	2,163
Cash security	19,298	12,416
Cleaning	66,869	51,728
Computer Software	17,275	17,695
Consultancy expenses	-	6,598
Filing fees	405	1,382
General Expenses	4,401	2,030
Insurance	113,679	110,816
Interest paid	5,679	5,593
Hire of Plant & Equipment	2,712	5,242
Legal and Consulting Expenses	120	2,160
Other General Expenses	-	328
Permits & Licences	4,892	9,539
Community Levy	18,393	6,807
Printing, Postage & Stationery	15,719	9,162
Poker Machine Duty	140,624	42,690
Security	122,919	82,685
Training and welfare - Staff	3,747	3,611
Stocktaking fees	8,400	5,600
Subscriptions	53,956	51,725
<b>Total</b>	<b>642,633</b>	<b>465,197</b>

**ARNCLIFFE SCOTS SPORTS & SOCIAL CLUB LIMITED**  
**STATEMENT OF FINANCIAL PERFORMANCE - BY SEGMENT**  
**FOR YEAR ENDED 28 FEBRUARY 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>POKER MACHINES</b>		
Net Poker Machine Revenue	1,278,036	1,009,424
	<b>1,278,036</b>	<b>1,009,424</b>
<b>POKER MACHINE EXPENSES</b>		
Poker Machine Duty and DMS Fees	(140,624)	(42,690)
Poker Machine Depreciation	(116,273)	(124,270)
Poker Machine Maintenance	(39,288)	(30,377)
Poker Machine Promotions	(43,931)	(44,758)
<b>Total Direct Expenses</b>	<b>(340,116)</b>	<b>(242,095)</b>
<b>NET INCOME - POKER MACHINES</b>	<b>937,920</b>	<b>767,329</b>
<b>BAR TRADING</b>		
Bar Sales	281,849	192,611
Function Sales	18,253	7,069
<u>Less: Bar Cost of Goods Sold</u>		
Bar Opening Stock	24,284	21,730
Bar Purchases	(154,735)	(95,469)
Bar Closing Stock	(28,194)	(24,284)
Bar Cost of Goods	(158,645)	(98,022)
<b>Bar Gross Profit</b>	<b>141,456</b>	<b>101,659</b>
<b>BAR EXPENSES</b>		
Bar Expenses & Replacements	(75)	(615)
Bar Sundry Expenses	(6,675)	(3,455)
<b>Total Direct Expenses</b>	<b>(6,750)</b>	<b>(4,069)</b>
<b>NET INCOME – BARS</b>	<b>134,707</b>	<b>97,590</b>

**ARNCLIFFE SCOTS SPORTS & SOCIAL CLUB LIMITED**  
**STATEMENT OF FINANCIAL PERFORMANCE - BY SEGMENT**  
**FOR YEAR ENDED 28 FEBRUARY 2023**

	2023	2022
	\$	\$
<b>RAFFLE INCOME</b>		
<b>Raffle Revenue</b>	<b>123,581</b>	<b>104,374</b>
<b>RAFFLE EXPENSES</b>		
Raffle	(234,299)	(198,017)
<b>Total Raffle Expenses</b>	<u><b>(234,299)</b></u>	<u><b>(198,017)</b></u>
<b>NET INCOME - RAFFLES</b>	<u><b>(110,717)</b></u>	<u><b>(93,643)</b></u>
<b>COMMISSIONS</b>		
<b>KENO INCOME</b>		
<b>Keno Commission</b>	<b>21,177</b>	<b>13,931</b>
<b>KENO EXPENSES</b>		
Keno Maintenance	(1,905)	(1,465)
<b>Total Direct Expenses</b>	<u><b>(1,905)</b></u>	<u><b>(1,465)</b></u>
<b>NET INCOME - CLUB KENO</b>	<u><b>19,272</b></u>	<u><b>12,467</b></u>

**ARNCLIFFE SCOTS SPORTS & SOCIAL CLUB LIMITED**  
**STATEMENT OF FINANCIAL PERFORMANCE - BY SEGMENT**  
**FOR YEAR ENDED 28 FEBRUARY 2023**

	2023	2022
<b>NET INCOME</b>		
Poker Machines	937,920	767,329
Bar	134,707	97,590
Club Keno	19,272	12,467
Raffles	(110,717)	(93,643)
Other Commissions	17,180	17,180
Member Subscriptions	2,639	1,481
Other Income	13,779	11,090
Government Grant	-	67,122
Insurance claim received	65,546	-
Profit/(Loss) on Sale of Non-Current Assets	-	24,000
<b>TOTAL NET INCOME</b>	<b>1,080,324</b>	<b>904,617</b>

**ARNCLIFFE SCOTS SPORTS & SOCIAL CLUB LIMITED**  
**STATEMENT OF FINANCIAL PERFORMANCE - BY SEGMENT**  
**FOR YEAR ENDED 28 FEBRUARY 2023**

**OTHER EXPENSES**

Accountancy	(7,500)	(8,145)
Advertising	(11,818)	(1,741)
Auditors Remuneration	(5,970)	(5,970)
Administration & Bookkeeping	(20,009)	(17,658)
Bank Fees	(3,391)	(2,163)
Cash Security	(19,298)	(12,416)
Cleaning & Trade waste	(66,869)	(51,728)
Computer Software	(17,275)	(17,695)
Consultancy expenses	-	(6,598)
Employee Entitlements	7,553	(23,593)
Filing fees	(405)	(1,382)
General Expenses	(4,401)	(2,030)
Hire of Plant & Equipment	(2,712)	(5,242)
Insurance	(113,679)	(110,816)
Interest paid	(5,679)	(5,593)
Legal and Consulting Expenses	(120)	(2,160)
Light & Power	(75,968)	(72,569)
Other General Expenses	-	(328)
Sporting Grants and related costs	(5,000)	(5,000)
Permits & Licences	(4,892)	(9,539)
Community Levy	(18,393)	(6,807)
Printing, Postage & Stationery	(15,719)	(9,162)
Rates & Taxes	(12,215)	(11,297)
Repairs & Maintenance	(83,107)	(68,753)
Salaries & Expenses	(615,836)	(441,287)
Security	(122,919)	(82,685)
Stocktaking fees	(8,400)	(5,600)
Subscriptions	(53,956)	(51,725)
Superannuation	(52,750)	(39,293)
Telephone	(6,553)	(6,843)
Training and welfare - Staff	(3,747)	(3,611)
Uniforms	(1,292)	(609)
<b>TOTAL INDIRECT EXPENSES</b>	<b>(1,352,321)</b>	<b>(1,090,039)</b>

**ARNCLIFFE SCOTS SPORTS & SOCIAL CLUB LIMITED**  
**STATEMENT OF FINANCIAL PERFORMANCE - BY SEGMENT**  
**FOR YEAR ENDED 28 FEBRUARY 2023**

	<b>2023</b>	<b>2022</b>
<b>OPERATING PROFIT/(LOSS) BEFORE DEPRECIATION</b>	<b>(271,995)</b>	<b>(185,422)</b>
Depreciation – Buildings	(189,227)	(189,144)
Depreciation – Plant and Equipment	(47,953)	(57,637)
	<b>(237,180)</b>	<b>(246,781)</b>
<b>NET PROFIT/(LOSS) FOR YEAR</b>	<b>(509,175)</b>	<b>(432,203)</b>