



Riverstone Schofields

MEMORIAL CLUB

**RIVERSTONE SCHOFIELDS
MEMORIAL CLUB**

ANNUAL REPORT 2021

DIRECTORS 2021



GLEN HUNTER
PRESIDENT



MARK STACEY
SNR VICE PRESIDENT



MALCOM REED JNR
JNR VICE PRESIDENT



MARK WHITBY JNR
TREASURER



CORINA BROWN
DIRECTOR



STEPHEN COX
DIRECTOR



GENE RILEY
DIRECTOR



KURT HIPPE
DIRECTOR



GRAHAM KEATING
DIRECTOR



MARK SHERIDAN
CHIEF EXECUTIVE OFFICER



MARK WHITBY
OPERATIONS MANAGER

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RIVERSTONE-SCHOFIELDS MEMORIAL CLUB LIMITED
ABN 31 000 898 626
Market Street Riverstone 2765

ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of Riverstone-Schofields Memorial Club Limited will be held at 10 am on Sunday 15 May 2022 at the premises of the Club, Market Street, Riverstone, New South Wales.

BUSINESS:

1. To confirm the minutes of the previous Annual General Meeting held on Sunday 23 May 2021.
2. To receive and consider the Board of Directors report for the year ending 31st December 2021.
3. To receive and consider the Statement of Financial Performance, Statement of Cash Flows and accompanying statements and the Auditors report.
4. To consider the ordinary resolutions.
5. General business
6. To declare the returning officers report on the election of the Board of Directors.

That all questions of a financial nature are to be provided to the General Manager no later than 7 days prior to the date of the meeting.

Riverstone-Schofields Memorial Club Limited
Ordinary Resolutions
AGM (2021 Financial Statements)

FIRST ORDINARY RESOLUTION

That pursuant to the Registered Clubs Act 1976, Sec 10 (6) (d) "Requirements to be met by clubs."

- a) That the members approve and agree to expenditure by the club in a sum not exceeding \$10,000 (excluding GST) for the 12-month period or prorate thereof until the next AGM of the club for the following activities of Directors
 - i) Reasonable meal and refreshments to be associated with each Board meeting of the club.
 - ii) The right for Directors to incur reasonable expenses in travelling to and from Board meetings and other committee meetings as approved by the Board from time to time on the production of invoices, receipts, and other proper evidence of such expenditure.
 - iii) The reasonable cost of entertaining and providing refreshments in the club premises for the members of the Board of Directors for entertaining visitors in the club.
 - iv) The provision as required of blazers and associated apparel for the use of Club Directors when representing the club.
- b) The members acknowledge that the benefits in paragraph (a) above are not available to members generally but only for those members who are Directors of the club.
- c) The members acknowledge that the benefits in paragraph (a) above are in addition to the payment of out-of-pocket expenses that are paid to directors for expenses that are reasonably incurred while carrying out his or her duties in relation to the club.
- d) That the out-of-pocket expenses must be authorized by a current resolution of the Board.

Explanatory Note:

It is necessary for the Directors to attend Board meetings out of normal business hours and to be active in performing their duties in the pursuit of the Clubs success within and outside the Club and in the community.

The Registered Clubs Act basic tenant is that no member can receive a benefit over another member. Section 10 (6) of the Act permits both the reasonable and appropriate expenses to be incurred on behalf of Directors as well as reimbursement of out-of-pocket expenses in the performance of their role for the governing body.

Riverstone-Schofields Memorial Club Limited
Ordinary Resolutions
AGM (2021 Financial Statements)

SECOND ORDINARY RESOLUTION

That pursuant to the Registered Clubs Act 1976 Sec 10 (6) (d) "Requirements to be met by clubs."

- a) That the members approve and agree to expenditure by the club in a sum not exceeding \$10,000 (excluding GST) for the 12-month period or prorate thereof until the next AGM of the club and for the professional development and education of Directors
 - i) The reasonable cost of Directors attending the Clubs NSW AGM and the Services Clubs AGM and any other association of which the club is a member.
 - ii) The reasonable cost of Directors attending industry related functions where Directors are required to represent the club
 - iii) The reasonable cost of Directors attending seminars, lectures, trade displays and other similar events as may be determined by the Board from time to time.
- b) The members acknowledge that the benefits in paragraph (a) above are not available to members generally but only for those members who are Directors of the club.

Explanatory Note:

It is both appropriate and necessary for the Directors to be active in performing of their duties in the pursuit of the Club's success to be engaged in the peak industry body, Club NSW training and other industry supplier events. The Directors out of pocket expenses and expenses incurred on their behalf reflect the expenses reasonably and appropriately incurred in the performance of these duties.

THIRD ORDINARY RESOLUTION

That pursuant to the Registered Clubs Act Section 10 (6) (b) "Requirements to be met by clubs" the members hereby approve the payment of the annual honorariums plus any applicable superannuation guarantee levy for the Clubs Board of Directors for the 12 months to May 2022.

President	\$1,100.00
Senior Vice President	\$1,100.00
Junior Vice President	\$1,100.00
Treasurer	\$1,100.00
Ordinary Directors	\$1,100.00 each

Being a total of \$9,900 for 9 serving directors (plus any applicable superannuation guarantee levy)

Explanatory Note:

The Registered Clubs Act allows for an honorarium to be paid in respect to services as a member of the governing body and is required to be passed at the general meeting by persons eligible to vote at the annual election. The amount of \$9,900.00 represent 12 months for the 9 serving Directors individual amounts.

Riverstone-Schofields Memorial Club Limited
Ordinary Resolutions
AGM (2021 Financial Statements)

FOURTH ORDINARY RESOLUTION

That the Clubs Constitution (amended 1 May 2011), Board of Directors, Section 39 (c) is to be amended as follows: -

39 (c) In order to be eligible to be elected to or be appointed to the Board a person must have been a financial Full member of the Club for a continuous period of at least five (5) years immediately prior to nominating for the Board or at the time of appointment as the case may be.

Explanatory Note:

The existing eligibility to be elected or appointed to the Board of a continuous period of at least two (2) years is deemed to be too short a period and exposes the composition of the Board to be too easily diluted and potentially alter the direction, purpose and aims of the Club. The commitment to the local area and community is best served by a longer nomination eligibility period.

FIFTH ORDINARY RESOLUTION

That a financial member who has nominated for election to the Board of Directors may withdraw their nomination and participation in the election process by tabling a written instruction to the Club Secretary.

Explanatory Note:

In accordance with the Clubs Constitution (amended 1 May 2011) Board of Directors Section 41 (d)(e) the Board may make such by-laws not inconsistent with the Constitution as it thinks necessary for the conduct of the election and all matters in connection therewith.

That a written request to withdraw by a nominee from the nomination and election process can be acted upon and removed from the nomination display Board and noted as such. That the withdrawn nominee will not be included in the voting process and the order of nominees will move up one place in the online voting. The operations of the Clubs Constitution shall determine the steps applied as a consequence of the withdrawal of the nomination.

This withdrawal of nomination does not enable the edit, addition, alteration or updates to details or pictures that were included in the nomination application and displayed for the ballot and election of the Directors.

PRESIDENTS REPORT

It has been an extremely tough couple of years due to COVID having such a drastic impact on every aspect of our lives on a global scale that could never have been imagined. When you add in the extremes of weather and flood impacts, people in our community have endured hard times.

I am very proud of how the club and our patrons have adapted to all of the changes, challenges, and limitations on how we have been able to engage with you.

I thank all the staff for the work that you have done through very trying conditions and in doing so have managed to keep the Club operating. Your efforts to make us a destination that patrons felt safe and confident to attend and spend their time has been noticed and appreciated.

It has still been a profitable year, despite the setbacks and limitations on trade.

I am very happy to say that we have renewed a contract with "Market St Bistro". Tony, Kat, James and their team are back where they belong.

Having Chinese catering back at the club has been greatly appreciated by members. Thanks guys, keep up the good work!

Since the club has opened up to 100% capacity, we have made a concentrated effort to upgrade our entertainment, which has been well received by our members'.

For example, we have added live music to the terrace on a Sunday afternoon and I encourage you all to come down and see for yourself!

Looking back, it is now five years since the Fitness First Gym became an income stream outside of the core Club business and we can clearly see the benefits of this business decision.

Moving forward, we hope to announce significant changes to the club, with the emphasis on the outdoor gaming area and the outdoor terrace.

I would like to commend the Board of Directors for their continued great work, during these trying times, finding ways to continue their duties, even when the club was closed. You should be proud of a great board.

Congratulations to our CEO Mark Sheridan and his team for providing strong leadership throughout the year. Mark, your guidance through these tough times has been respected and appreciated by the board.

On behalf of the Board of Directors, I offer our appreciation and respect.

Finally, to our members, thank you. Again, whilst it would have been easier to stay at home, you continued to make the effort to come to the club when you could and made the Club viable. On behalf of the Board of Directors, management and staff, thank you.

Let's all hope that these COVID days are well and truly behind us and that as a group we can continue to grow and build our community and next year will be a year of prosperity.

Glenn Hunter
President

CEO REPORT

On behalf of the Board of Directors, I am pleased to present to the members' the 2021 Annual Report for the year ended 31 December 2021, which details the financial result of the net profit after tax of \$175,175 (2020: \$393,133).

It has been an unprecedented disruptive and difficult few years with constantly changing mandatory COVID restrictions imposed on the business. To see the industry forced to close for a second time in 2 years and the resulting impacts on staff, patrons and suppliers was worrying for all.

The decisions and choices made in this COVID environment were made with the best interest of our patrons in mind and included from being a member only club to extending the exclusion of unvaccinated people for a time. These types of choices were made to support those patrons who had chosen to support the Club and had already returned to the club during these difficult times.

I wish to acknowledge the Directors for their dedication and application to deliver on behalf of members providing a premium offering and services while equally mindful of being a sustainable business.

While the club has continued its prudent and conservative approach to its finances and spending, that does not mean that nothing has changed. Some of the changes that occurred including the renovation of the main bathroom amenities area, back of house upgrades to the Kitchen cooking area and new members kiosk.

The Board has continued to support the local community with the "Dollars for Dignity" initiative reaching those most in need and affected by the floods.

I am also pleased to say that along with the removal of the restrictions on seating capacity, members badge draws, exciting new bands and entertainment combined with Chinese catering have all contributed to increased member visitation and trade.

To all our staff irrespective of experience, role or how long you have been with us, I personally thank you for your engagement during these challenging times. It is particularly pleasing to see and receive positive feedback as you go about your daily tasks and engage with our patrons in a professional and engaging manner.

I wish to acknowledge the long-term staff who have left us after many years of service and contribution to the business and members experiences at the Club.

In closing, I look forward to working with the Board and management in the design and delivery of the necessary changes to the Club premises and achievement of growth and improved members facilities.

Mark Sheridan
CEO

TREASURER REPORT

Thank you again to our Staff and Members for all your support and dedication through what was unfortunately another challenging year impacted by the pandemic and also the very significant flooding events throughout our community.

We had hoped that 2021 would see a return to a level of stability, security and normalcy of operations, however the events of the year did not eventuate as hoped. Starting the year positively with a program of investment in Club facilities, with the refurbishment of the bistro bathroom facilities, we the Board and Management were forced to adopt much more conservative financial management of the Club to ensure the viability of operations following a second year of impacted trading from forced lockdown and restricted reopening.

Despite the challenges and impacts of a second year of the pandemic the Club was able to return a positive result for financial year 2021 with a net profit after tax of \$175,175.

In last year's statements there was a noted declaration regarding the assessment of the Club as a going concern. At the time the Board were managing this concern and as noted in last year's report we were in the process of addressing by renewing our debt facilities with ANZ. I am pleased to report this was successfully completed and our long term debt position has been resolved such that there is no concern regarding ongoing viability of Club operations and Audit statement removed from 2021 opinion.

Thank you all again for your support, patience and resiliency this past year it has been appreciated and we the Board look forward to welcoming more of you back as we expand our services throughout 2022.

Mark Whitby
Treasurer

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Riverstone-Schofields Memorial Club Limited

ABN 31 000 898 626

Financial Statements
For the Year Ended 31 December 2021

Riverstone-Schofields Memorial Club Limited
Directors' Report
For the Financial Year Ended 31 December 2021

Directors

The names of the Directors in office at any time during the year ended 31 December 2021 are as follows:

Name	Special Responsibilities	Appointed	Ceased	Qualification
Glenn Hunter	President	17 January 2021		Manager
Lawrence Cauchi	Former President	15 May 2016	23 May 2021	Financial Planner
Mark Paul Whitby	Treasurer	17 January 2021		IT Manager
Corina Brown	Former Treasurer	21 May 2017		Office Manager
Mark Stacey	Senior Vice-President	17 January 2021		Builder
Glenn Riley	Former Senior Vice-President	6 May 2012	17 January 2021	Clerk
Malcolm David Reed	Junior Vice-President	19 May 2019		General Manager
John Huntington	Former Junior Vice-President	19 May 2019	17 January 2021	Business Owner
Kurt Hippe	Director	1 May 2011		Private Investigator
Stephen Cox	Director	17 January 2021		Council Worker
Gene Riley	Director	17 January 2021		Teachers Aid
Graham Keating	Director	23 May 2021		Yardsman
Stephen Sidaway	Former Director	18 May 2015	17 January 2021	General Manager
Lila Whitby	Former Director	21 May 2017	17 January 2021	Retired

Riverstone-Schofields Memorial Club Limited
Directors' Report
For the Financial Year Ended 31 December 2021

Meetings of Directors

During the year, 10 meetings of Directors were held. Attendances by each Director were as follows:

Name	Number Attended	Number Eligible to Attend
Glenn Hunter	9	9
Lawrence Cauchi	5	5
Mark Paul Whitby	9	9
Corina Brown	10	10
Mark Stacey	9	9
Glenn Riley	1	1
Malcolm David Reed	10	10
John Huntington	1	1
Kurt Hippe	10	10
Stephen Cox	9	9
Gene Riley	9	9
Graham Keating	5	5
Stephen Sidaway	1	1
Lila Whitby	1	1

Constitution

The Club is a Company Limited by Guarantee and without Share Capital and the liability of members of the Licensed Club is limited to an amount not exceeding five (\$5.00) dollars towards the payments of debts and liabilities in the event of winding up. The number of members at year end were:

Associate: 13,587

Life: 3

Activities

The principal activity of the Company in the course of the financial year was to provide members and their guests with amenities and facilities usually associated with a social and recreational Club.

No significant change in the nature of the activity occurred during the year.

Short-term Objective

The primary short-term objective of the Club is to maintain its financial security while continuing to develop the Club's facilities for its members.

Long-term Objective

The long-term objective of the Club remains consistent with the original aims of the Founding Members, which is the promotion of the local community from the greater Riverstone area.

Strategies in Achieving These Objectives

The Club has continued to invest in the Club's facilities ensuring the Club continues to be an attractive place for its members and guests. The Club continues to maintain control over its own financial future.

The Club has carefully monitored its operational performance to ensure that costs and expenditure are appropriate for the Club. However, the Club has carried on supporting and sponsoring a variety of events, social activities and charities.

Riverstone-Schofields Memorial Club Limited
Directors' Report
For the Financial Year Ended 31 December 2021

Operating Results

The net operating surplus of the Company after providing for income tax for the financial year was \$175,175 (2020: \$393,133 surplus).

Review of Operations

A review of the operations of the Company during the financial year and the results of those operations found that during the year, the Company continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

Dividends

The Company is a not-for-profit organisation and is prevented by its Constitution from paying a dividend.

State of Affairs

In the opinion of the Directors there were no significant changes in the state of affairs of the Company that occurred during the Financial Year under review not otherwise disclosed in this Report or the Accounts.

Events Subsequent to Balance Date

The Directors are not aware of any matters or circumstances which have arisen since the end of the financial year, which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in financial years subsequent to the financial year ended 31 December 2021.

Likely Developments and Results

Likely developments in the operations of the Company and the expected results of the operations have not been included in this report as the Directors believe on reasonable grounds, that the inclusion of such information would be likely to result in unreasonable prejudice to the Company.

Environmental Issues

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

Directors' Interest

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or receivable by Directors shown in the accounts) by reason of a contract made by the Company or a related corporation with a Director or with a firm of which the Director is a Member, or with an entity in which the Director has a substantial interest.

Directors' Indemnity

Directors' indemnity premiums have been provided for, and paid, during the year for Directors' and Officers' Liability. The Insurance is in respect of legal liability for damages and legal costs arising from claims made by reason of any omissions or acts (other than dishonesty) by them, whilst acting in their individual or collective capacity as Directors or Officers.

The Directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the Directors' and Officers' Liability and legal expenses insurance contracts, as such disclosure is prohibited under the terms of the contracts.

Riverstone-Schofields Memorial Club Limited
Directors' Report
For the Financial Year Ended 31 December 2021

Proceedings on Behalf of Company

No person has applied for leave to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

Auditor's Independence Declaration

The Directors have obtained a declaration of independence from the auditor, in accordance with section 307C of the *Corporations Act 2001*, which forms part of this report. A copy of the declaration is attached to this report.

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



Glenn Hunter
Director

12 April 2022



Mark Paul Whitby
Director

12 April 2022



SDJ Audit Pty Ltd t/a SDJA
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Riverstone-Schofields Memorial Club Limited
Auditor's Independence Declaration to the Directors of Riverstone-Schofields Memorial Club Limited
For the Financial Year Ended 31 December 2021

In accordance with the requirements of the *Corporations Act 2001*, 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.

SDJA

SDJA

A handwritten signature in black ink, appearing to read "Simon Joyce", written over a light blue rectangular background.

Simon Joyce
Director
12 April 2022
Sydney, New South Wales

Riverstone-Schofields Memorial Club Limited
Statement of Profit or Loss and Other Comprehensive Income
For the Financial Year Ended 31 December 2021

	Notes	2021	2020
		\$	\$
Revenue			
Revenue	4	6,771,962	7,659,062
Other income	4	443,686	1,025,613
Total revenue		7,215,648	8,684,675
Expenses			
Administration expenses		(1,634,548)	(2,121,794)
Changes in inventories		(345)	(2,843)
Consumables used		(763,162)	(817,157)
Depreciation and amortisation		(668,886)	(842,840)
Employee benefits expense		(2,243,593)	(2,854,779)
Function and entertainment expenses		(350,006)	(337,965)
Finance costs		(22,312)	(39,399)
Marketing and promotion		(482,951)	(377,891)
Occupancy costs		(874,670)	(896,874)
Total expenses		(7,040,473)	(8,291,542)
Net surplus before income tax		175,175	393,133
Income tax expense		-	-
Net surplus for the year		175,175	393,133
Other comprehensive income		-	-
Total comprehensive income		175,175	393,133

The accompanying notes form part of these financial statements.

Riverstone-Schofields Memorial Club Limited
Statement of Financial Position
As at 31 December 2021

	Notes	2021 \$	2020 \$
Assets			
Current			
Cash and cash equivalents	5	3,256,041	3,367,230
Trade and other receivables	6	43,404	18,746
Inventories	7	39,535	39,880
Other assets	8	157,706	133,078
Current assets		3,496,686	3,558,934
Non-current			
Property, plant and equipment	9	12,765,661	12,967,611
Intangibles	10	205,763	205,763
Non-current assets		12,971,424	13,173,374
Total assets		16,468,110	16,732,308
Liabilities			
Current			
Trade and other payables	11	764,113	1,024,981
Provisions	12	698,368	737,918
Borrowings	13	116,484	2,385,266
Other liabilities	14	44,324	52,304
Current liabilities		1,623,289	4,200,469
Non-current			
Provisions	12	36,640	41,792
Borrowings	13	2,176,296	33,337
Non-current liabilities		2,212,936	75,129
Total liabilities		3,836,225	4,275,598
Net assets		12,631,885	12,456,710
Equity			
Accumulated funds		12,631,885	12,456,710
Total equity		12,631,885	12,456,710

The accompanying notes form part of these financial statements.

Riverstone-Schofields Memorial Club Limited
Statement of Changes in Equity
For the Financial Year Ended 31 December 2021

	Notes	Accumulated Funds	Total Equity
		\$	\$
Balance at 1 January 2020		12,063,577	12,063,577
Surplus for the year		393,133	393,133
Other comprehensive income		-	-
Total comprehensive income		<u>393,133</u>	<u>393,133</u>
Balance at 31 December 2020		<u>12,456,710</u>	<u>12,456,710</u>
Balance at 1 January 2021		12,456,710	12,456,710
Surplus for the year		175,175	175,175
Other comprehensive income		-	-
Total comprehensive income		<u>175,175</u>	<u>175,175</u>
Balance at 31 December 2021		<u>12,631,885</u>	<u>12,631,885</u>

The accompanying notes form part of these financial statements.

Riverstone-Schofields Memorial Club Limited
Statement of Cash Flows
For the Financial Year Ended 31 December 2021

	Notes	2021	2020
		\$	\$
Cash flows from operating activities			
Receipts from members, customers and others		7,459,544	8,460,733
Receipts from government stimulus		313,686	875,500
Payments to suppliers and employees		(7,382,652)	(7,562,759)
Interest received		141	283
Finance costs and interest paid		(22,312)	(39,399)
Net cash provided by operating activities		368,407	1,734,358
Cash flows from investing activities			
Rent received		113,163	138,008
Payments for property, plant and equipment		(466,936)	(215,114)
Net cash used in investing activities		(353,773)	(77,106)
Cash flows from financing activities			
Net (repayment of)/increase in borrowings		(125,823)	851,532
Net cash (used in)/provided by financing activities		(125,823)	851,532
Net change in cash and cash equivalents		(111,189)	2,508,784
Cash and cash equivalents at beginning of financial year		3,367,230	858,446
Cash and cash equivalents at end of financial year	5	3,256,041	3,367,230

The accompanying notes form part of these financial statements.

Riverstone-Schofields Memorial Club Limited
Notes to the Financial Statements
For the Financial Year Ended 31 December 2021

1. General information

The financial report covers Riverstone-Schofields Memorial Club Limited as an individual entity. Riverstone-Schofields Memorial Club Limited is a not-for-profit Company Limited by Guarantee, incorporated and domiciled in Australia.

The principal place of business is 23 Market Street, Riverstone, NSW, 2765.

The financial report was authorised for issue by the Directors on 12 April 2022.

With the exception of reclassifications between certain financial statement line items, comparatives are consistent with prior years, unless otherwise stated.

2. Changes in accounting policies

New and revised standards that are effective for these financial statements

A number of revised standards became effective for the first time to annual periods beginning on or after 1 January 2020. The adoption of these revised accounting standards has not had a material impact on the entity's financial statements.

Accounting Standards issued but not yet effective and not been adopted early by the Company

A number of new and revised standards have been issued but are not yet effective and have not been adopted early by the Company. The Directors are currently assessing the impact such standard will have on the Company.

3. Summary of accounting policies

Financial reporting framework

The general purpose financial statements of the Company have been prepared in accordance with the requirements of the *Corporations Act 2001*.

Statement of compliance

The general purpose financial statements of the Company have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board.

Basis of preparation

The financial statements have been prepared on an accruals basis and are based on historical costs modified by the revaluation of selected non-current assets and financial instruments for which the fair value basis of accounting has been applied.

The financial statements are presented in Australian Dollars (\$AUD), which is also the functional currency of the Company.

The significant accounting policies that have been used in the preparation of these financial statements are summarised below.

Riverstone-Schofields Memorial Club Limited
Notes to the Financial Statements
For the Financial Year Ended 31 December 2021

Revenue from contracts with customers

Revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the entity expects to receive in exchange for those goods or services.

Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Other revenue

For any revenue streams that are not defined as contracts with customers, then the revenue is recognised when the entity gains control, economic benefits are probable and the amount of the revenue can be measured reliably.

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

Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin.

Income taxes

The income tax expense or benefit for the period, is the tax payable on that period's taxable income based on the applicable income tax rate, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates that are enacted or substantively enacted.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and derecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same tax authority on either the same taxable entity or different taxable entity's which intend to settle the claim simultaneously.

Riverstone-Schofields Memorial Club Limited
Notes to the Financial Statements
For the Financial Year Ended 31 December 2021

Mutuality principle

The Company calculates its income in accordance with the mutuality principle, which excludes from income, any amounts of subscriptions and contributions from members, and payments received from members, for particular services provided by the club or association, e.g. poker machines, bar and dining room service. The Commissioner of Taxation accepts this method of calculating income as appropriate for recognised clubs and associations.

Cash and cash equivalents

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

Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and is net of any rebates and discounts received. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

Property, plant and equipment

Land and buildings

Land and buildings are initially measured using the cost model. Buildings are recorded at cost less accumulated depreciation and impairment.

Plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and impairment.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Company, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate	Method
Buildings and leasehold improvements	2.5%	Prime cost
Plant and equipment	7.5% - 40%	Diminishing value
Leased plant	30%	Prime cost
Poker machines	30%	Diminishing value
Leased machines	30%	Diminishing value

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

Intangible assets

Poker machine licences

Poker machine licences are considered to have an indefinite useful life. The Company tests for impairment annually, irrespective of whether there is any indication of impairment.

Riverstone-Schofields Memorial Club Limited
Notes to the Financial Statements
For the Financial Year Ended 31 December 2021

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognised in profit or loss within other income or other expenses.

Impairment of non-financial assets

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

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or CGU.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

Financial instruments

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial assets

Contract assets and receivables

A contract asset is recognised when the entity's right to consideration in exchange goods or services that has transferred to the customer when that right is conditioned on the entity's future performance or some other condition.

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e. only the passage of time is required before payment of the consideration is due).

Contract assets and receivables are subject to impairment assessment.

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), or fair value through profit or loss.

Financial assets at amortised cost

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Riverstone-Schofields Memorial Club Limited
Notes to the Financial Statements
For the Financial Year Ended 31 December 2021

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, at amortised cost unless or at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

Financial liabilities at amortised cost

After initial recognition, trade and other payables, interest-bearing loans and lease liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. Due to the short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Goods and services tax (GST)

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

Receivables and payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

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

Provision for employee benefits

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

Other provisions

Provisions are recognised when the Company 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.

Riverstone-Schofields Memorial Club Limited
Notes to the Financial Statements
For the Financial Year Ended 31 December 2021

Provisions are measured at the present value of management's best estimate of the outflow required to settle the obligation at the end of the reporting period. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the unwinding of the discount is taken to finance costs in the statement of profit or loss and other comprehensive income.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

Liabilities relating to contracts with customers

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the entity transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the entity performs under the contract (i.e. transfers control of the related goods or services to the customer).

The services are usually provided within twelve (12) months of receipt of the payment. Where the amount received is in respect of services to be provided over a period that exceeds twelve (12) months after the reporting date, the liability is discounted and presented as non-current.

Significant management judgement in applying accounting policies

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Inventories

Management estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

Useful lives 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

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units, based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Riverstone-Schofields Memorial Club Limited
Notes to the Financial Statements
For the Financial Year Ended 31 December 2021

Provisions

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

Long service leave

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.

Riverstone-Schofields Memorial Club Limited
Notes to the Financial Statements
For the Financial Year Ended 31 December 2021

	2021	2020
	\$	\$
4. Revenue		
Poker machines net revenue	4,836,711	5,776,834
Bar sales	1,017,372	937,887
Catering sales	362,686	545,497
Entertainment revenue	240,920	147,308
Function revenue	9,704	25,686
Members' subscriptions	21,689	17,225
Keno commissions	103,025	87,262
TAB commissions	57,735	48,434
Sundry income	122,120	72,929
	6,771,962	7,659,062
Other income		
JobKeeper	-	775,500
JobSaver and Service NSW grant	313,686	-
Cash Flow Boost	-	100,000
Rental income	113,163	138,008
Workers compensation income	16,696	11,822
Interest income	141	283
	443,686	1,025,613
5. Cash and cash equivalents		
Cash on hand	200,000	200,000
Cash at bank	3,056,041	3,167,230
	3,256,041	3,367,230
6. Trade and other receivables		
Current		
TAB security deposit	5,000	5,000
Other debtors	38,404	13,746
	43,404	18,746
7. Inventories		
Current		
Bar stock - landed cost	39,535	39,880
	39,535	39,880

Riverstone-Schofields Memorial Club Limited
Notes to the Financial Statements
For the Financial Year Ended 31 December 2021

	2021	2020
	\$	\$
8. Other assets		
Current		
Prepayments	157,706	133,078
	157,706	133,078
9. Property, plant and equipment		
Land and buildings at cost	16,634,634	16,528,975
Land and buildings accumulated depreciation	(4,810,513)	(4,469,304)
	11,824,121	12,059,671
Plant and equipment at cost	2,289,743	2,068,107
Plant and equipment accumulated depreciation	(1,878,826)	(1,748,495)
	410,917	319,612
Poker machines at cost	2,658,082	2,518,441
Poker machines accumulated depreciation	(2,127,459)	(1,930,113)
	530,623	588,328
Total property, plant and equipment	12,765,661	12,967,611

	Land & Buildings	Plant & Equipment	Poker Machines
	\$	\$	\$
Net carrying amount 1 January 2021	12,059,671	319,612	588,328
Additions	105,659	221,636	139,641
Disposals	-	-	-
Depreciation	(341,209)	(130,331)	(197,346)
Net carrying amount 31 December 2021	11,824,121	410,917	530,623

	Total
	\$
Net carrying amount 1 January 2021	12,967,611
Additions	466,936
Disposals	-
Depreciation	(668,886)
Net carrying amount 31 December 2021	12,765,661

Riverstone-Schofields Memorial Club Limited
Notes to the Financial Statements
For the Financial Year Ended 31 December 2021

9. Property, plant and equipment (continued)

For the purpose of determining whether the club's land and building assets are demonstrating any indicators of impairment, it is the Directors' intention to obtain an independent external valuation every three years. During the year ended 31 December 2020, the Directors engaged Global Valuation Services to perform the valuation assessment, with an effective date of 30 January 2020. The valuation assessment highlighted that the combined fair value of the club's land and building assets was higher than the recorded net book value of such assets at that point in time and hence, the risk of impairment appears low.

10. Intangibles

Poker machine licences at cost

2021	2020
\$	\$
205,763	205,763
205,763	205,763

11. Trade and other payables

Current

Trade payables

312,149 330,514

Accrued expenses

412,821 454,849

Net GST and PAYGW payable

39,143 239,618

764,113 1,024,981

12. Provisions

Current

Provision for employee entitlements

591,678 622,990

Provision for poker machine tax

106,690 114,928

698,368 737,918

Non-current

Provision for employee entitlements

36,640 41,792

36,640 41,792

13. Borrowings

Current

Business loan

83,704 2,260,000

Lease and hire purchase liabilities

32,780 125,266

116,484 2,385,266

Non-current

Business loan

2,176,296 -

Lease and hire purchase liabilities

- 33,337

2,176,296 33,337

Riverstone-Schofields Memorial Club Limited
Notes to the Financial Statements
For the Financial Year Ended 31 December 2021

13. Borrowings (continued)

The club has a 5-year business loan facility of \$2,260,000, which was fully utilised as at 31 December 2021. The club also has access to a \$200,000 overdraft facility, which was unutilised as at 31 December 2021.

Security covering the above facilities comprises:

- a. Registered Mortgage given by Riverstone-Schofields Memorial Club Limited over property situated at 23 Market Street, Riverstone (Folio ID 1/1122960);
- b. General Security Agreement given by Riverstone-Schofields Memorial Club Limited over all present and after-acquired property - Held;
- c. Specific Security Agreement given by Riverstone-Schofields Memorial Club Limited over all the property described therein - Held.

14. Other liabilities

Contract liabilities - subscriptions in advance
 GST rebate in advance

	2021	2020
	\$	\$
	27,144	35,124
	17,180	17,180
	44,324	52,304

15. Related parties

The entity's related parties include its key management personnel and related entities as described below. Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

16. Commitments

The entity has no material unrecognised contractual commitments as at 31 December 2021 (2020: None).

17. Contingent liabilities

There are no contingent liabilities that have been incurred by the entity as at reporting date.

18. Subsequent events

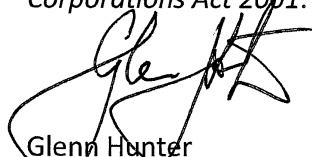
No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation of these accounts.

Riverstone-Schofields Memorial Club Limited
Directors' Declaration
For the Financial Year Ended 31 December 2021

The Directors of the Company declare that in the Directors' opinion:

- a) the financial statements and notes are in accordance with the *Corporations Act 2001*, including:
 - i) giving a true and fair view of the Company's financial position as at 31 December 2021 and of its performance for the year ended on that date; and
 - ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001*; and
- b) there are reasonable grounds to believe that the Company is able to pay all of its debts, as and when they become due and payable.

Signed in accordance with a resolution of the Directors made pursuant to section 295(5)(a) of the *Corporations Act 2001*.



Glenn Hunter
Director

12 April 2022



Mark Paul Whitby
Director

12 April 2022

Riverstone-Schofields Memorial Club Limited
Independent Auditor's Report to the Members of Riverstone-Schofields Memorial Club Limited
For the Financial Year Ended 31 December 2021

Opinion

We have audited the financial report of Riverstone-Schofields Memorial Club Limited (the Company), which comprises the statement of financial position as at 31 December 2021, the statement of profit or loss and other 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 Directors' declaration.

In our opinion, the financial report of Riverstone-Schofields Memorial Club Limited has been prepared 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 2021 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements 20d 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 ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Directors of the Company are responsible for the other information. The other information is the Directors' report accompanying the financial report.

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.

Riverstone-Schofields Memorial Club Limited
Independent Auditor's Report to the Members of Riverstone-Schofields Memorial Club Limited
For the Financial Year Ended 31 December 2021

Responsibilities of the Directors for the Financial Report

The Directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001*, and for such internal control as the responsible entities determine 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 Directors of the Company are responsible for assessing the registered 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 of the Company either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Directors of the Company are responsible for overseeing the Company's financial reporting process.

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 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.

A further description of our responsibilities for audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.



SDJA



Simon Joyce

Director

12 April 2022

Sydney, New South Wales

2021 - VALE

KEVIN ANNAND

BRUNO BAUMGARTNER

JANIS EISENHUTH

GEOFFREY GAVIN

PAMELA HENVILLE

ONA HOBBS

RAY HOWARD

MURRAY KELLAM

LESLIE KING

MARJORIE KING

MAUREEN KING

BRUCE KNIGHT

GERDA KORDYLAS

HERBERT LUEKER

BEVERLEY MCKENZIE-SMITH

TODD PARRY

GUY PINTARIC

JEFFREY SKINNER

IVAN TOLE

LAURIE VELLA

DAVID WHITELOW

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