Wellington Soldiers Memorial Club Limited

ABN: 92 000 977 891

Financial Statements

For the year ended 31 December 2024

RYAN & RANKMORE

CHARTERED ACCOUNTANTS™
AUSTRALIA + NEW ZEALAND

Wellington Soldiers Memorial Club Limited

Table of contents

For the year ended 31 December 2024

The directors present their report on Wellington Soldiers Memorial Club Limited for the financial year ended 31 December 2024.

Information on directors

The names of each person who has been a director during the year and to date of the report are:

Victor Howe	
Occupation	Retired
Experience	Appointed Director of the Club since 2008
Special responsibilities	Director

David King	
Occupation	Retired
Experience	Appointed Director of the Club since 2001
Special responsibilities	Treasurer

Robyn Edwards	
Occupation	Public Servant
Experience	Appointed Director of the Club since 2010
Special responsibilities	Chairperson

Barry Jeffery	
Occupation	Bus Driver
Experience	Appointed Director of the Club since 2019
Special responsibilities	Director

Terry Dray	
Occupation	Retired
Experience	Appointed Director of the Club since 2014
Special responsibilities	Director

Herbert Smith	
Occupation	Business owner
Experience	Appointed Director of the Club since 2015
Special responsibilities	Vice Chairperson

Stephen Jones	
Occupation	Electrician
Experience	Appointed Director of the Club since 2018
Special responsibilities	Director

Warren Hurst	
Occupation	Retired
Experience	Appointed Director of the Club since 2018
Special responsibilities	Director

Mark Griggs	
Occupation	Editor
Experience	Appointed Director of the Club since 2022
Special responsibilities	Director

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

Meetings of directors

During the financial year, 12 meetings of directors were held. Attendances by each director during the year were as follows:

	Number eligible to attend	**Number attended**
Victor Howe	12	8
David King	12	11
Robyn Edwards	12	12
Barry Jeffery	12	12
Terry Dray	12	10
Herbert Smith	12	12
Stephen Jones	12	11
Warren Hurst	12	12
Mark Giggs	12	11

Principal activities

The principal activity of Wellington Soldiers Memorial Club Limited during the financial year were the provision of social facilities for members and guests.

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

Member's guarantee

Wellington Soldiers Memorial Club Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to $2 for members, subject to the provisions of the company's constitution

At 31 December 2024 the collective liability of members was $6,216 (2023: $6,654).

Operating results

The profit/(loss) of the Company after providing for income tax amounted to $426,878 (2023: $407,375)

Review of operations

In reviewing the operations for the financial year, revenue increased from prior year including bar sales increasing $179,293 and poker machine takings increasing $219,265.

Additionally, depreciation expenses rose by $115,714, primarily attributed to investments made in additional rental properties in the preceding year.

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Company during the year.

Events after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Future developments and results

As a registered club, the Directors are committed to providing the members with the best possible experience and to delivering on our purpose of fostering community engagement and social connections. To achieve this, the Directors have a number of exciting initiatives planned for the coming year.

One of the key priorities is to enhance our facilities and services to better meet the needs and expectations of our members.

Wellington Golf Club is in the process of amalgamating with Wellington Soldiers Memorial Club. Discussions and planning are ongoing to facilitate a smooth transition, ensuring the best outcome for members and the long-term sustainability of both clubs. Further details will be provided as the amalgamation progresses.

In addition, to ensure ongoing financial viability, the Directors are considering the acquisition of land to construct additional rental properties.

Looking ahead, the Directors anticipate continued growth in membership and attendance, particularly as the Club continues to strengthen its relationships with the local community and to promote the club as a welcoming and inclusive destination. The Directors will also continue to monitor and manage any risks or challenges that may arise, including those related to changes in regulatory requirements or the operating environment.

The Directors are confident that our focus on delivering an outstanding member experience, combined with a strong financial position and committed team of employees and volunteers, will enable the Club to achieve its strategic goals and to continue to build on its reputation.

Environmental issues

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

Indemnification and insurance of officers and auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of Wellington Soldiers Memorial Club Limited.

Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 31 December 2024 has been received and can be found in the financial report.

Signed in accordance with a resolution of the board of directors.

Robyn Edwards	Herbert Smith
Chairperson	Vice Chairperson

Dated: 09 April 2025

RYAN & RANKMORE
CHARTERED ACCOUNTANTS
ABN 45 783 960 623

PRINCIPALS
Kevin Rankmore *B.Bus, CA, ACIS, ASCA, DipFP*
Roger Estens *B.Fin Admin, CA, DipFP*

administrator@ryanrank.com
www.ryanrank.com

Auditor's independence declaration to the directors of Wellington Soldiers Memorial Club Limited

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2024, there have been:

- no contraventions of the auditor independence requirements as set out in section 307C of the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

Ryan and Rankmore

Chartered Accountants

Roger Estens

RCA 418022

113-115 Darling Street

DUBBO NSW 2830

Dated: 09 April 2025

Wellington Office
1 Swift Street
PO Box 40
Wellington NSW 2820
T 02 6845 2177
F 02 6845 3373
Chartered Accountants

Dubbo Office
113-115 Darling Street
PO Box 1014
Dubbo NSW 2830
T 02 6884 4474
F 02 6845 3373
Registered Company Auditors

Gilgandra Office
35 Miller Street
PO Box 109
Gilgandra NSW 2827
T 02 6847 2177
F 02 6847 2656
Business Advisors

Wellington Soldiers Memorial Club Limited

Statement of profit or loss and other comprehensive income

For the year ended 31 December 2024

	Note	2024 $	2023 $
Revenue	5	4,663,846	4,228,602
Cost of sales		(459,515)	(361,710)
Gross profit		4,204,331	3,866,892
Finance income	6	130,758	67,508
Other income	5	117,782	125,099
Administrative expenses		(83,281)	(55,581)
Depreciation and amortisation expenses	7	(596,763)	(481,049)
Director allowances, training and expenses		(61,636)	(51,828)
Entertainment and social events		(104,187)	(84,123)
Employee benefits	7	(1,128,597)	(1,045,481)
Finance expenses	6	(4,833)	(5,798)
Information technology		(54,852)	(38,634)
Insurance		(131,726)	(106,530)
Marketing expenses		(199,018)	(174,353)
Misappropriation of funds	7	-	(64,524)
Other expenses		(186,004)	(113,562)
Poker machine expenses	7	(637,583)	(632,967)
Rental property expenses		(33,808)	(57,576)
Repairs and maintenance		(204,274)	(228,953)
Sponsorship and donations		(88,991)	(81,252)
Travel and accommodation		(26,650)	-
TAB, keno, bingo and raffle expenses		(296,585)	(273,907)
Utilities		(156,306)	(126,050)
Profit (loss) before income taxes		457,777	437,331
Income tax	9	(30,899)	(29,956)
Profit (loss) for the year		426,878	407,375
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		426,878	407,375

The accompanying notes form part of these financial statements.

Statement of financial position

As at 31 December 2024

	Note	2024 $	2023 $
Assets			
Current assets			
Cash and cash equivalents	10	3,703,628	3,760,308
Trade and other receivables	11	102,327	59,540
Inventories	12	84,026	54,218
Financial assets	13	10	10
Other assets	14	227,327	163,099
Total		4,117,318	4,037,175
Non-current assets			
Property, plant and equipment	15	4,722,004	4,485,320
Intangible assets	16	69,205	69,205
Investment properties	17	1,115,327	859,096
Right-of-use assets	18	139,307	1,392
Total non-current assets		6,045,843	5,415,013
Total assets		10,163,161	9,452,188
Liabilities			
Current liabilities			
Trade and other payables	19	475,167	329,176
Current tax liabilities	20	3,289	22,489
Employee benefits	21	135,411	113,492
Lease liabilities	18	58,052	1,299
Other liabilities	22	5,663	5,720
Total current liabilities		677,582	472,176
Non-current liabilities			
Employee benefits	21	-	4,756
Lease liabilities	18	82,939	-
Other liabilities	22	7,662	7,156
Total non-current liabilities		90,601	11,912
Total liabilities		768,183	484,088
Net assets		9,394,978	8,968,100
Equity			
Retained earnings		9,394,978	8,968,100

The accompanying notes form part of these financial statements.

Statement of changes in equity

For the year ended 31 December 2024

2023	**Retained earnings $**	**Total $**
Opening balance	8,560,725	8,560,725
Profit for the year	407,375	407,375
Closing balance	8,968,100	8,968,100

2024	**Retained earnings $**	**Total $**
Opening balance	8,968,100	8,968,100
Profit for the year	426,878	426,878
Closing balance	9,394,978	9,394,978

The accompanying notes form part of these financial statements.

Statement of cash flows

For the year ended 31 December 2024

	Note	2024 $	2023 $
Cash flows from operating activities:			
Receipts from customers		4,739,290	4,384,474
Payments to suppliers and employees		(3,856,751)	(3,437,124)
Interest received		113,656	14,001
Interest paid		(4,834)	(5,798)
Income taxes paid		(50,099)	(21,914)
Net cash flows from/(used in) operating activities	27	941,262	933,639
Cash flows from investing activities:			
Proceeds from sale of plant and equipment		8,000	-
Purchase of property, plant and equipment		(667,227)	(658,389)
Purchase of investments		(322,935)	(22,749)
Net cash provided by/(used in) investing activities		(982,162)	(681,138)
Cash flows from financing activities:			
Repayment of lease liabilities		(15,780)	(5,184)
Net increase/(decrease) in cash and cash equivalents		(56,680)	247,317
Cash and cash equivalents at beginning of year		3,760,308	3,512,991
Cash and cash equivalents at end of financial year	10.c	3,703,628	3,760,308

The accompanying notes form part of these financial statements.

1. Introduction

The financial report covers Wellington Soldiers Memorial Club Limited as an individual entity. Wellington Soldiers Memorial Club Limited is a for-profit proprietary Company, incorporated and domiciled in Australia.

The functional and presentation currency of Wellington Soldiers Memorial Club Limited is Australian dollars.

The financial report was authorised for issue by the Directors on 09 April 2025.

Comparatives are consistent with prior years, unless otherwise stated.

2. Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Australian Accounting Standards - Simplified Disclosures and the Corporations Act 2001. The Company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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

The amounts presented in the financial report have been rounded to the nearest dollar.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

3. Summary of material accounting policies

a. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All borrowing costs are recognised as an expense in the period in which they are incurred.

3. Summary of material accounting policies (continued)

b. 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). 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 payable are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included with other 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.

c. Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date the Company commits itself to either the purchase or sale of the asset.

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified at "fair value through profit or loss" in which case transaction costs are expensed to profit or loss immediately.

Trade receivables are initially measured at the transaction price.

i. Financial assets

Financial assets are subsequently measured at:

- amortised cost; or
- fair value through other comprehensive income.

Financial assets comprising cash and cash equivalents, trade and other receivables and interest bearing deposits are subsequently measured at amortised cost as they meet the following conditions:

- the financial assets are managed solely to collect contractual cash flows; and
- the contractual terms within the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

Derecognition of financial assets

A financial asset is derecognised when the Company's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

3. Summary of material accounting policies (continued)

c. Financial instruments (continued)

i. Financial assets (continued)

All of the following criteria need to be satisfied for derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all the risks and rewards of ownership of the asset have been substantially transferred; and
- the Company no longer controls the asset.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a financial asset classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the financial asset reserve is not reclassified to profit or loss, but is transferred to retained earnings.

ii. Financial liabilities

Financial liabilities are subsequently measured at amortised costs using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or financial liability, that is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Impairment

The Company recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost.

3. Summary of material accounting policies (continued)

c. Financial instruments (continued)

ii. Financial liabilities (continued)

A loss allowance is not recognised for investments measured at fair value through other comprehensive income.

Recognition of expected credit losses in financial statements.

At each reporting date, the Company recognises the movement in the loss allowance as an impairment gain or loss in the statement of comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Financial assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at the end of the reporting period.

d. Impairment of assets

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for tangible and intangible assets. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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

e. Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 31 December 2024, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

New but not yet effective standards

At the date of authorisation of these financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the Australian Accounting Standards Board (AASB). None of these Standards or amendments to existing Standards have been adopted early by the Company.

3. Summary of material accounting policies (continued)

e. Adoption of new and revised accounting standards (continued)

The Directors anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Company's financial statements.

4. Critical accounting estimates and judgements

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

a. Key estimates - impairment of intangibles

Impairment of poker machine entitlements is recognised based on a value-in-use calculation and is measured at the present value of the estimated future cash flows available to the Company from the use of these entitlements. In determining the present value of the future cash flows, assumptions regarding growth rates and appropriate discount factors have been applied to the cash flows.

No other impairment has been recognised in respect of assets at reporting date.

b. Key estimates - employee benefits

For the purpose of measurement, AASB 119: Employee Benefits defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. As the Company expects that most employees will not use all their annual leave entitlements in the same year in which they are earned or during the 12-month period that follows, the directors believe that obligations for annual leave entitlements satisfy the definition of other long-term employee benefits and, therefore, are required to be measured at the present value of the expected future payments to be made to employees.

c. Key estimates - impairment of property, plant and equipment

The Company assesses impairment at the end of each reporting period by evaluating conditions specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

5. Revenue and other income

a. Accounting policy

i. Revenue recognition

The core principle of AASB 15 is that 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 Company 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

Generally, the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

ii. Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Company are:

Sale of goods

Revenue from the sale of goods comprises revenue earned from the provision of food, beverage and other goods and is recognised (net of rebates, returns, discounts and other allowances) at the point of sale or delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods.

Rental income

Revenue from rental receipts is recognised in the period the rental relates to and is recorded in accordance with the rental agreement.

Rendering of services

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

Membership income

Revenue from membership subscription purchases by the members are deferred as unearned income and are brought to account evenly over the course of the membership period.

Grant income

5. Revenue and other income (continued)

a. Accounting policy (continued)

ii. Specific revenue streams (continued)

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligations is satisfied.

The performance obligations are varied based on the agreement. Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control. Within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.

Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

Where contracts are either not enforceable or do not have sufficiently specific performance obligations the income is recoded in accordance with AASB 1058.

Amounts arising from the scope of AASB 1058 are recognised at the assets fair value when the asset is received. The Company considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

Once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received.

Interest

Interest revenue is recognised using the effective interest method.

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

5. Revenue and other income (continued)

b. Revenue from continuing operations

	2024 $	2023 $
Sale of goods		
Sales bar	954,853	775,583
Sales coffee lounge	13,967	13,944
Total sale of goods	968,820	789,527
Provision of services		
ATM commission	38,290	42,531
Bingo income	95,304	77,012
Commission on games	2,996	-
Community bus	5,283	1,925
Keno commissions	75,317	92,584
Net poker machine takings	3,253,900	3,034,635
Raffle income	167,201	153,595
Room hire	5,927	-
TAB commissions	38,889	28,930
Wellington boot income	327	-
Wellington Diggers Golf income	2,685	-
Total provision of services	3,686,119	3,431,212
Member subscriptions	8,907	7,863
	4,663,846	4,228,602

c. Other income

	2024 $	2023 $
Rental income	111,187	115,416
Other income	6,595	9,683
	117,782	125,099

6. Finance income and expenses

Finance income	**2024 $**	**2023 $**
Interest income	130,758	67,508

Finance expenses	**2024 $**	**2023 $**
Interest expense	4,833	5,798

7. Result for the year

The result for the year includes the following specific expenses:

Depreciation and amortisation expense	**Note**	**2024 $**	**2023 $**
Buildings	15.b	127,105	126,026
Plant and equipment	15.b	385,397	285,755
Right-of-use assets	18.b	17,557	5,184
Investment properties	17.c	66,704	64,084
		596,763	481,049

Employee benefits expenses	**2024 $**	**2023 $**
Salary and wage expenses	988,710	923,486
Superannuation contributions	105,808	100,749
Other employee benefit expenses	34,079	21,246
	1,128,597	1,045,481

Poker machine expenses	**2024 $**	**2023 $**
Community development and support	20,383	-
Maxgaming	38,300	37,126
Poker machine tax	526,326	543,239
Poker machine licences and reports	36,059	23,702
Repairs and maintenance	16,515	28,900
	637,583	632,967

7. Result for the year (continued)

In the 2023 financial year, the Club reported the theft of an estimated $64,524 in cash. The Directors took this matter very seriously and conducted an investigation in collaboration with the police and the Club's insurance provider.

As of the 2024 financial year, these funds have not been recovered, and it remains unlikely that they will be. The Directors have implemented measures to strengthen internal controls and prevent similar incidents in the future.

Due to the ongoing nature of the investigation, the Directors are unable to provide further details at this time.

8. Auditor's remuneration

	2024 $	2023 $
Remuneration of the auditor Ryan & Rankmore for:		
Auditing the financial statements	19,800	12,750
Preparation of the financial statements	2,600	3,000
Accounting support and assistance	150	5,100
Services relating to the investigation of fraudulent activities	20,500	-
Quarterly review of financial statements	12,400	-
Preparation of quarterly financial statements	2,700	-
	58,150	20,850

9. Income tax expense

a. Accounting policy

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

The calculation of current and deferred tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method. The carrying amounts of deferred tax are reviewed at the end of each reporting period and adjusted if needed.

Deferred tax assets are recognised to the extent it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

9. Income tax expense (continued)

a. Accounting policy (continued)

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantially enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

b. The major components of tax expense/(income) comprise:

	2024 $	2023 $
Income tax expense	30,899	29,956

c. Reconciliation of income tax to accounting profit:

	2024 $	2023 $
Profit for the year	457,777	437,333
Prima facie tax payable on profit from ordinary activities before income tax at 25% (2023: 25%)	114,444	87,833
Less tax effect of:		
Non-taxable member income arising from principle of mutuality	80,756	54,541
Members only income and expenses	2,789	3,336
	83,545	57,877
Income tax expense	30,899	29,956
Weighted average effective tax rate (%)	7	7

10. Cash and cash equivalents

a. Accounting policy

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and subject to an insignificant risk of change in value.

b. Cash and cash equivalent details

	2024 $	2023 $
Cash at bank	777,292	1,414,392
Cash on hand	413,300	345,916
Short-term deposits	2,513,036	2,000,000
Total Cash and cash equivalents	3,703,628	3,760,308

c. Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

	2024 $	2023 $
Cash and cash equivalents	3,703,628	3,760,308

11. Trade and other receivables

Current	2024 $	2023 $
Sundry debtors	102,327	59,540

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components when they are recognised at fair value and subsequently measured at amortised cost using the effective interest method.

12. Inventories

a. Accounting policy

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.

b. Inventory details

Current	2024 $	2023 $
At cost		
Bar	5,000	2,383
Liquor	79,026	51,835
	84,026	54,218

Write-downs of inventories to net realisable value during the year were $NIL (2023: $NIL).

13. Financial assets

Current	2024 $	2023 $
Shares in Macquarie Credit Union	10	10

14. Other assets

Current	2024 $	2023 $
Accrued income	81,310	64,208
Prepayments	114,868	69,096
Gift vouchers	14,149	12,795
EBET deposit	10,000	10,000
TAB deposit	7,000	7,000
	227,327	163,099

15. Property, plant and equipment

a. Accounting policy

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

In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised in the statement of comprehensive income. A formal assessment of recoverable amount is made when impairment indicators are present.

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

i. Land and buildings

Land and buildings are measured using the cost model.

ii. Plant and equipment

Plant and equipment are measured using the cost model.

iii. Depreciation

Buildings are depreciated on a straight-line basis over the asset's useful life to the Company, commencing when the asset is ready for use.

Plant and equipment is depreciated on a reducing balance basis over the assets useful life to the Company, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

The estimated useful lives used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Buildings	2.5% - 25%
Plant and equipment	5% - 40%

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.

When an asset is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

15. Property, plant and equipment (continued)

b. Property, plant and equipment details

Summary	**2024** $	**2023** $
Freehold land		
At cost	174,266	174,266
Total land	174,266	174,266
Buildings		
At cost	4,941,769	4,906,474
Accumulated depreciation	(1,703,060)	(1,575,955)
Total buildings	3,238,709	3,330,519
Capital works in progress	92,569	-
Plant and equipment		
At cost	2,864,251	2,508,609
Accumulated depreciation	(1,647,791)	(1,528,074)
Total plant and equipment	1,216,460	980,535
	4,722,004	4,485,320

c. Movements in carrying amount

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

2024	**Land** $	**Buildings** $	**Capital works in progress** $	**Plant and equipment** $	**Total** $
Opening balance	174,266	3,330,519	-	980,535	4,485,320
Additions	-	35,295	92,569	637,040	764,904
Disposals	-	-	-	(15,718)	(15,718)
Depreciation	-	(127,105)	-	(385,397)	(512,502)
Closing balance	174,266	3,238,709	92,569	1,216,460	4,722,004

d. Club core and non-core property

The Registered Clubs Act 1976 section 41E requires the financial statements of a registered club to specify the core property and non-core property of the Club as at the end of the financial year to which the financial statements relates.

15. Property, plant and equipment (continued)

d. Club core and non-core property (continued)

Core property of a registered Club means any real property owned or occupied by the Club that comprises:

- the premises of the Club, or
- any facility provided by the Club for the use of its members and their guests, or
- any other property declared, by a resolution passed by a majority of the members present at a general meeting of the ordinary members of the club, to be core property of the Club.

Non-core property of a registered Club means any real property owned or occupied by the club that is not core property, or, property that has been declared, by a resolution passed by a majority of the members present at a general meeting of the ordinary members of the club, to be non-core property of the Club.

At 31 December 2024 the balance of core property is $3,412,975 and the balance of non-core property is $1,115,327.

16. Intangible assets

a. Accounting policy

Poker machine entitlements represent entitlements purchased.

Recognition and measurement:

Poker machine entitlements are not amortised as they are deemed to have an indefinite useful life. They have an indefinite useful life as they do not expire and under current government legislation there is no plan to remove such entitlements. As a result, poker machine entitlements are tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and are carried at cost less accumulated impairment losses.

Impairment tests for poker machine entitlements:

At the end of the reporting period the company assessed the recoverable amount of poker machine entitlement based on the value in use methodology. The Company used the pre-tax cash flows generated from the poker machines net revenues generated and calculated the present values of these future cash flows at an appropriate discount rate to arrive at the total value of these entitlements. The value thus arrived, was in excess of the carrying value and accordingly no impairment losses were recognised.

16. Intangible assets (continued)

b. Intangible asset details

Summary	2024 $	2023 $
Poker machine licenses at cost	69,205	69,205

c. Movements in carrying amounts of intangible assets

Movement in the carrying amounts for each class of intangible assets between the beginning and the end of the current financial year:

2024	Poker machine licenses $	Total $
Opening balance	69,205	69,205
Closing balance	69,205	69,205

17. Investment properties

a. Accounting policy

Investment property is held at cost which includes expenditure that is directly attributable to the acquisition of the investment property. The investment properties are depreciated on a straight line basis over 20 years.

b. Investment property details

	2024 $	2023 $
Club residence	148,799	142,715
Maxwell Street	807,836	807,837
Simpson Street	312,354	-
Swift Street	338,791	338,791
Accumulated depreciation	(492,453)	(430,247)
	1,115,327	859,096

17. Investment properties (continued)

c. Movements in carrying amounts of investment properties

Movement in the carrying amounts for each class of investment properties between the beginning and the end of the current financial year:

2024	Investment properties $	Total $
Opening balance	859,096	859,096
Acquisitions	322,935	322,935
Depreciation	(66,704)	(66,704)
Closing balance	1,115,327	1,115,327

18. Leases

a. Accounting policy

At inception of a contract, the Company assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Company has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

i. Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

18. Leases (continued)

a. Accounting policy (continued)

i. Lessee accounting (continued)

The right-of-use asset is measured using the cost model, depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Company's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Company's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Exceptions to lease accounting

The Company has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

18. Leases (continued)

b. Company as a lessee

The Company has a lease over IT equipment.

i. Terms and conditions of leases

The Club has a lease over a photocopier which started March 2023 and will end March 2028. The lease is $518 per month ex GST.

The Club has a lease over a Aristocrat System 7000 which started October 2024 and will end September 2026. The lease is $4,319.64 per month ex GST.

ii. Right-of-use assets

	2024	**2023**
	$	**$**
Right of Use Assets	395,820	262,170
Less: Accum Depn - Right of Use	(256,513)	(260,778)
	139,307	1,392

iii. Movements in carrying amounts of right-of-use assets

Movement in the carrying amounts for each class of right-of-use asset between the beginning and the end of the current financial year:

2024	**Plant and equipment**	**Total**
	$	**$**
Opening balance	1,392	1,392
Additions	155,472	155,472
Depreciation charge	(17,557)	(17,557)
Closing balance	139,307	139,307

18. Leases (continued)

b. Company as a lessee (continued)

iv. Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	2024 $	2023 $
< 1 year	58,052	1,299
1 - 5 years	104,180	-
Total undiscounted lease liabilities	162,232	1,299
Lease liabilities included in the statement of financial position	140,991	1,299

19. Trade and other payables

Current	2024 $	2023 $
Trade payables	130,888	16,939
Accrued expenses	129,058	96,905
GST payable	81,004	67,164
Credit cards	11,310	6,904
Other payroll payable	11,740	6,931
PAYG withholding	17,428	66,897
Provision for gaming tax	45,582	38,740
Restaurant takings payable	26,304	-
Superannuation payable	13,698	10,988
Wages payable	-	13,848
Western cancer centre	8,155	3,860
	475,167	329,176

Trade and other payables are carried at amortised cost and represent the liabilities for goods and services received by the Company during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

20. Tax assets and liabilities

a. Tax assets and liabilities details

Current tax liabilities	2024 $	2023 $
Income tax payable	3,289	22,489

21. Employee benefits

a. Accounting policy

Provision is made for the Company'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 payable later than one year 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 not satisfy vesting requirements.

b. Employee benefit details

Current	2024 $	2023 $
Provision for annual leave and long service leave	135,411	113,492

Non-current	2024 $	2023 $
Provision for long service leave	-	4,756

22. Other liabilities

Current	2024 $	2023 $
Member subscriptions received in advance	5,663	5,720

Non-current	2024 $	2023 $
Member subscriptions received in advance	7,662	7,156

23. Retrospective adjustment

It was discovered that $86,000 held in a cash redemption terminal for poker machines was not recorded in the accounting records as at 31 December 2023. As a result, cash and cash equivalents on the balance sheet were understated by $86,000 and expenses related to misappropriation of funds were overstated by $86,000 as of 31 December 2024. Appropriate adjustments were made to the comparative in the financial statements.

24. Members' guarantee

The Company is registered with the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of $2 each towards meeting any outstanding obligations of the Company. At 31 December 2024 the number of members was 3,387 (2023: 3,327).

25. Related parties

a. The Company's main related parties are as follows:

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of that Company.

The remuneration paid to key management personnel of the Company is $172,354 (2023: $186,161).

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

b. Transactions with related parties

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

There have been no transactions with related parties during the financial year.

26. Contingencies

Contingent liabilities

Wellington Soldiers Memorial Club Limited had a $17,000 (2023: $17,000) secured performance guarantee for the autopay, Keno, TAB and business card facilities. This guarantee is not provided for in the financial statements.

27. Cash flow information

Reconciliation of net income to net cash provided by operating activities:

	2024 $	2023 $
Profit for the year	426,878	407,375
Add / (less) non-cash items:		
(Profit) / loss on sale of assets	18,031	11,361
Depreciation and amortisation	596,763	481,049
Changes in assets and liabilities:		
(increase) / decrease in receivables	(42,785)	28,920
(increase) / decrease in inventories	(29,808)	(24,582)
(increase) / decrease in other assets	(64,228)	(55,009)
increase / (decrease) in payables	37,999	180,616
increase / (decrease) in tax provision	(19,200)	8,042
increase / (decrease) in employee benefits	17,163	(105,986)
increase / (decrease) in other liabilities	449	1,853
Cash flows from operations	941,262	933,639

28. Events occurring after the reporting date

The financial report was authorised for issue on 09 April 2025 by the board of directors.

Wellington Golf Club is in the process of amalgamating with Wellington Soldiers Memorial Club. Discussions and planning are ongoing to facilitate a smooth transition, ensuring the best outcome for members and the long-term sustainability of both clubs. Further details will be provided as the amalgamation progresses.

The Club has submitted an offer to purchase a property located at 91 Gobolion Street, Wellington, for $155,000. The purchase is expected to settle on 2 April 2025. This transaction, if completed, is expected to support the Club's future operational and strategic objectives.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

29. Statutory information

The registered office and principal place of business of the Company is:

Wellington Soldiers Memorial Club Limited
75 Arthur Street
Wellington NSW Australia
2820

In the directors opinion:

1. The financial statements and notes for the year ended 31 December 2024 are in accordance with the *Corporations Act 2001* and:
   - comply with Australian Accounting Standards - Simplified Disclosures; and
   - give a true and fair view of the financial position as at 31 December 2024 and of the performance for the year ended on that date of the Company.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

R Edwards

Robyn Edwards
Chairperson

H.J. Smith

Herbert Smith
Vice Chairperson

Dated: 09 April 2025

RYAN &
RANKMORE
CHARTERED ACCOUNTANTS
ABN 45 783 960 623

PRINCIPALS
Kevin Rankmore *B.Bus, CA, ACIS, ASCA, DipFP*
Roger Estens *B.Fin Admin, CA, DipFP*

administrator@ryanrank.com
www.ryanrank.com

Independent audit report to the members of Wellington Soldiers Memorial Club Limited

Report on the Audit of the Financial Report

Qualified Opinion

We have audited the accompanying financial report, being a simplified disclosure financial report of Wellington Soldiers Memorial Club Limited (the Company), which comprises the statement of financial position as at 31 December 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes to the financial statements and the directors declaration.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

1. giving a true and fair view of the Company's financial position as at 31 December 2024 and of its financial performance for the year ended; and
2. complying with Australian Accounting Standards - Simplified Disclosures and the *Corporations Act 2001*.

Basis for Qualified Opinion

The audit report for the prior year contained an adverse opinion due to the discovery of fraudulent activity that resulted in the theft of a substantial amount of cash. We were unable to obtain sufficient appropriate audit evidence to determine the full nature and extent of the fraud or to assess whether there were additional material misstatements in the financial statements. As a result, we were unable to obtain assurance over the accuracy and completeness of the opening balances for the current year.

Since opening balances impact financial performance and cash flows, we were unable to determine whether adjustments might have been necessary for the current year’s financial statements. Accordingly, our audit opinion for the current year is qualified in respect of the potential misstatement of the opening balances.

PRINCIPALS
Kevin Rankmore *B.Bus, CA, ACIS, ASCA, DipFP*
Roger Estens *B.Fin Admin, CA, DipFP*

administrator@ryanrank.com
www.ryanrank.com

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 Entity in accordance with the auditor independence requirements of 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.

Other Information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is included in the directors' report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of 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 - Simplified Disclosures and the *Corporations Act 2001*, and for such internal control as the directors determine is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

RYAN & RANKMORE
CHARTERED ACCOUNTANTS
ABN 45 783 960 623

PRINCIPALS
Kevin Rankmore *B.Bus, CA, ACIS, ASCA, DipFP*
Roger Estens *B.Fin Admin, CA, DipFP*

administrator@ryanrank.com
www.ryanrank.com

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

This description forms part of our auditor's report.

Ryan and Rankmore

Chartered Accountants

Roger Estens

RCA 418022

113-115 Darling Street

Dubbo NSW 2830

Dated: 09 April 2025

Wellington Office
1 Swift Street
PO Box 40
Wellington NSW 2820
T 02 6845 2177
F 02 6845 3373
Chartered Accountants

Dubbo Office
113-115 Darling Street
PO Box 1014
Dubbo NSW 2830
T 02 6884 4474
F 02 6845 3373
Registered Company Auditors

Gilgandra Office
35 Miller Street
PO Box 109
Gilgandra NSW 2827
T 02 6847 2177
F 02 6847 2656
Business Advisors

CHARTERED ACCOUNTANTS
AUSTRALIA + NEW ZEALAND