

# 2021

## ANNUAL REPORT

BUILDING WORKERS CLUB LIMITED

*The*  
TERRACE



YEAR ENDING 30 JUNE 2020  
ABN 30 001 912 661

*West  
Tradies*

# Our Directors



**Mario Barrios**  
President



**Ben Manna**  
Vice President



**Tony Bleasdale**  
Treasurer



**Rebel Hanlon**  
Director



**John Scott**  
Director



**Doreen O'Grady**  
Director



**Rod Jarman**  
Director



**Mark Cunningham**  
Director



**Brad Bunting**  
Director



# Notice of Annual General Meeting

The next Annual General Meeting of the Building Workers Club Limited will be held on

**Sunday, 28th November 2021, commencing at 11.00am**

in the Tradies Function Room at the Club's premises 247 Woodstock Avenue, Dharruk, New South Wales

## Agenda

1. To confirm minutes of the Annual General Meeting held on 29th November 2020.
2. To receive and consider the Chairman's Message.
3. To receive and consider the Honorary Treasurer's Message.
4. To receive and consider the Financial Report, Director's Report and Auditor's Report for the 12 months ending 30 June 2021.
5. To consider and if thought fit pass the two Ordinary Resolutions regarding directors' benefits as set out in this Notice.
6. To consider and if thought fit pass the Ordinary Resolution to remove the auditor from office as set out in this Notice.
7. Subject to the Ordinary Resolution at Item 6 being passed, to consider and if thought fit pass the Special Resolution to appoint the new auditor as set out in this Notice.
8. To consider and if thought fit, pass each of the four Special resolutions conferring Life membership as set out in this Notice.
9. To deal with any other business of which due notice has been given to members.

## Questions by Members

Members are requested to advise the General Manager in writing seven (7) working days prior to the date of the Annual General Meeting, of any questions relating to the Financial Report which require research. Questions without notice may not be able to be answered at the meeting.

## Copies of the Annual Report

Any member wishing to obtain a copy of the Annual Report containing (among other things) the Directors' Report, Financial Report and Auditor's Report for the financial year ended 30 June 2021 may make a written request to the Club (including by email) and the Annual Report will be sent to that member. Alternatively, the Annual Report can be viewed online at [www.westtradies.com.au](http://www.westtradies.com.au).

## Ordinary Resolutions

### First Ordinary Resolution

That:

- (a) The Members hereby approve and agree to expenditure by the Club in a sum not exceeding forty thousand dollars (\$40,000.00) until the next Annual General Meeting of the Club for the following activities:
  - (i) The reasonable costs of directors undertaking mandatory training in accordance with the Registered Clubs Act and the Clubs By-laws
  - (ii) The reasonable cost of a meal and beverage for each director immediately before or immediately after a Board or sub-committee meeting or any other meeting on Club business as approved by the Board on the day of that meeting, when that meeting corresponds with a normal meal time and the Club bistro is open.
  - (iii) Reasonable expenditure by the Club on an annual dinner to give thanks to directors of the Club and their spouses/partners.
  - (iv) The reasonable expenses incurred by directors either within the Club or elsewhere in relation to such other duties in relation to the business of the Club such duties having first been approved by the Board.
  - (v) The reasonable cost of an electronic device and/or internet access being made available to directors as may be necessary from time to time and approved by the Board to enable directors to participate in a meeting or carry out other duties as directors.
- (b) The members acknowledge that the benefits in paragraph (a) are not available for members generally but are only for those who are directors of the Club (and their spouses/partners in the circumstances in sub paragraph (iii)) and that notwithstanding paragraph (a) all out of pocket expenses incurred by a director in the course of carrying out his or her duties as a director

in relation to the Club must not be paid or reimbursed unless approved by a current resolution of the Board of the Club.

#### **Notes to Members on First Ordinary Resolution**

1. The First Ordinary Resolution is to have the members in general meeting approve expenditure by the Club on directors (and their spouses/partners in certain circumstances) for a maximum amount of forty thousand dollars (\$40,000.00) in respect of the matters set out in the First Ordinary Resolution.
2. To be passed the First Ordinary Resolution requires votes from a simple majority of those members who being eligible to do so vote in person on the First Ordinary Resolution at the meeting.

#### **Second Ordinary Resolution**

That the members hereby approve:

- (a) The payment of the following honorariums to directors of the Club for services as directors of the Club until the next Annual General Meeting in 2022:
  - (i) President - \$2,000.00.
  - (ii) Ordinary Directors - \$1,500.00 each.
- (b) The honorariums in paragraph (a) are to be paid quarterly installments in arrears.
- (c) If the President or a director only holds office for part of the term, the honorarium shall be paid on a pro-rata basis.
- (d) The payment of the following additional honorariums to directors of the Club until the next Annual General Meeting:
  - (i) for each director (including the President) who attends a Board meeting the sum of \$80.00;
  - (ii) for each director (including the President) who attends a sub committee meeting as approved by the Board the sum of \$40.00;
  - (iii) for each director (including the President) who is required to attend any other meeting or club business as first determined and approved by the Board the sum of \$80.00 for each meeting or other attendance.

#### **Notes to Members on Second Ordinary Resolution**

1. The Second Ordinary Resolution is to have the members approve honorariums for the directors of the Club for duties to be performed by them until the next Annual General Meeting.
2. To be passed the Second Ordinary Resolution requires votes from a simple majority of those members who

being eligible to do so vote in person on the Second Ordinary Resolution at the meeting.

#### **Ordinary Resolution to Remove Auditor**

That **DELOITTE TOUCHE TOHMATSU** be removed from office as the Auditor of Building Workers Club Limited ACN 001 912 661.

#### **Special Resolution to Appoint New Auditor**

That **AMW (Audit) Pty Limited ACN 125 425 274** be hereby appointed as auditor of Building Workers Club Limited ACN 001 912 661.

#### **Notes to Members**

1. The Ordinary Resolution to remove the existing Auditor from office will only be considered and voted on if prior to the Annual General Meeting, the existing Auditor does not obtain the consent of the Australian Securities and Investments Commission (**ASIC**) to resign from office at the Annual General Meeting.
2. To be passed the Ordinary Resolution to remove the Auditor requires a simple majority (50% plus 1) of votes from those members who being eligible to do so vote in person at the meeting.
3. To be passed the Special Resolution to appoint the new Auditor requires votes from not less than a three-quarters majority (75%) of those members who being eligible to do so vote in person at the meeting.
4. The Special Resolution to appoint the new Auditor will only be considered and voted on if either the existing Auditor has with the consent of ASIC, resigned with effect from this Annual General Meeting but if not then the Ordinary Resolution to remove the existing Auditor is passed.
5. Attached to this notice is a copy of the nomination of **AMW (Audit) Pty Limited ACN 125 425 274** as the new auditor of the Club.
6. **AMW (Audit) Pty Limited ACN 125 425 274** has provided the Club with its written consent to be appointed as the auditor.
7. Under the Registered Clubs Act, proxy voting is prohibited and members who are employees of the Club are not eligible to vote at any meeting of the Club.
8. The reasons for the proposed change in auditor are that the proposed new auditor is not as expensive as the existing auditor. There are no disputes with the existing Auditor. :

### **First Special Resolution for Life Membership**

That **ANTHONY (TONY) BLEASDALE** be admitted as a Life member of the Building Workers Club Limited in recognition of his outstanding service to the Club.

### **Second Special Resolution for Life Membership**

That **JOSE (MARIO) BARRIOS** be admitted as a Life member of the Building Workers Club Limited in recognition of his outstanding service to the Club.

### **Third Special Resolution for Life Membership**

That **JOHN SCOTT** be admitted as a Life member of the Building Workers Club Limited in recognition of his outstanding service to the Club.

### **Fourth Special Resolution for Life Membership**

That **SALVATORE (SAMMY) MANNA** be admitted as a Life member of the Building Workers Club Limited in recognition of his outstanding service to the Club.

### **Notes to Members on Special Resolutions for Life Membership**

1. Under Rule 11 of the Club's Constitution, Life membership can be conferred on a member "*in consideration of outstanding service to the Club*".
2. A nomination for Life membership must be approved by the Board before it is submitted to a general meeting of members for decision and this has been done.
3. A resolution for Life membership must be passed by a three quarters majority of the members present and voting at the meeting which is why each resolution is proposed as a Special Resolution.
4. Under the Registered Clubs Act, proxy voting is prohibited and members who are employees of the Club are not eligible to vote at any meeting of the Club.
5. A profile of each of the four members proposed for Life membership will be given at the meeting.

### **By direction of the Board**



**Gail Patrin**  
General Manager



BUILDING WORKERS CLUB LIMITED ACN 001 912 661

## Nomination of AMW Audit as Auditors

in the Tradies Function Room at the Club's premises 247 Woodstock Avenue, Dharruk, New South Wales

The undersigned being a Director of Building Workers Club Limited nominate AMW Audit Pty Ltd t/as AMW Audit for appointment as auditor of the company at the forthcoming annual general meeting.

Yours faithfully

A handwritten signature in black ink, appearing to read "Jose Barrios", written in a cursive style.

**Jose (Mario) Barrios**  
President

# President's Message



## Dear Members

When I messaged you at the end of last financial year, we had just reopened after an unprecedented industry-wide ten-week closure from which we emerged on 1st June. I said at the time that it had been an extraordinary year with building works, the COVID-19 closures and the resilience of our members being at the fore of our ongoing works to reinvigorate your club.

Unfortunately, just as we completed our major renovations in June this year, we were forced into another state-wide closure, depriving most members of the opportunity to sample our fantastic new facilities. It is my passionate hope that by the time you read this, we are through the worst of the pandemic, and we may all begin to enjoy the company of friends and family once again. Certainly, the commitment of our staff and members to be at the forefront of vaccinations as a pathway to once again being able to enjoy normal social and working lives, has been testimony to their resilience and shared dedication to the welfare of the community.

And to that end, I trust that members share the excitement of Board, Management and Staff in finally being able to enjoy the fruits of our labour – and your patience – over the past two years! It has been gratifying to hear the comments of members who have already celebrated the long-awaited opening of the final stages of our master plan. Whilst we were challenged by the multiple disruptions of the past two years, the annual profit of \$578K was nonetheless a pleasing result in a year which claimed so many casualties within the hospitality industry.

If you haven't yet had the chance to try one of the authentic pizza or pasta specialties from our award-winning chef, Alfonso Santaniello's team lead by Chef Omar Mesk at Trattoria Italiana Restaurant and Terrace Bar – you're missing out. The menu isn't limited to Mediterranean cuisine, with a range of casual dining options sure to please most palates, alongside one of the largest Rhino children's play area you'll find at any club or hotel in Sydney's West. Whether it's a beer with mates after work, or a Sunday afternoon with the family, Trattoria will be the place to be this summer, with al fresco seating, two huge outdoor screens, live entertainment and a mouth-watering Gelato Bar for the young and young at heart.

Further works both front and back of house have your club primed for the future that awaits. More than \$4 million has been spent in the past year, upgrading plant and equipment, refurbishing the auditorium, dance floor and entertainment areas, alongside refurbishing of much of the club, outdoor terraces and new chairs throughout the auditorium.

As most of you will know, the club exists as a non-for-profit entity with every dollar raised being returned to the members via club facilities or broader community contributions. We take great pride – as should you – in knowing that your contribution to our successful operations allow us to invest continuously in our local area. During the 20/21 financial year, more than \$72K was given to support local sporting, social and community programs and we thank all members and club representatives who give so selflessly of their time to support our many associated sporting groups and charitable recipients.

To the members we have lost and to those of you who have lost loved ones over the past year, we pass on our deepest condolences. The pandemic has instilled a newfound appreciation of the importance of friends, family and community. It has been challenging to have to forcibly place distance between ourselves and those we wish to spend our time with, and even now many activities remain suspended due to heightened risk in the current climate. We pride ourselves on providing a safe, hygienic and welcoming environment for all, and appreciate the patience of members as we maintain our commitment to complying with public health orders and ensuring they can take comfort in the company of friends in clean and safe surrounds.

To my fellow directors, I publicly thank you for your vision and commitment to building something truly special at Wests Tradies. I would also like the opportunity to thank our General Manager, Gail Patrin and the rest of her hard-working Management team, for your ongoing dedication to our business. To all of our passionate staff who support and deploy our shared vision of creating a special place to both work and play every day, we thank you for your efforts to provide some of the warmest hospitality the area has to offer.

Finally, on behalf of my fellow directors, management and staff at Wests Tradies, I thank all members for your enduring support during the most trying of circumstances. Wests Tradies exists for and on behalf of 10,790 amazing members. We hope that we have provided you with a club of which you can be justifiably proud and equally, we thank you for your loyalty, your contribution to our venues and for your enduring support of our community endeavours. We truly look forward to welcoming each and every one of you back, so we can show you around the latest stunning additions to "Your Club".

A handwritten signature in black ink, appearing to read "Jose Barrios".

**Jose (Mario) Barrios**  
President

# Treasurer's Message



## Dear Members

So many words have been used to describe the impact of Covid-19 over 2020/2021 it's a challenge to keep up with them all. At time of writing so many Australians have been impacted and not only that, but Lives have also been lost to this virus. Countless of others have had their quality of life diminished in some way. Your Club has not escaped its (Covid) impact like all Clubs and Hotels have. As you well know we were closed by State Government and went into strict Lockdown for over 100 days until we recently reopened. You our members, were unable to visit the Club, our team was unable to work. We must now place these experiences behind us and focus on what matters most, you our loyal members are moving ahead with the Club the best we can.

Your Clubs profit for the year ending 30th June 2021 was \$578,102. We have progressed along with the Clubs renovation program. Within the twelve months Capital expenditure was \$4.1 million dollars. This has provided the Club with ongoing improvements which finally see's your Club as a very modern well-designed Club for catching up with family and friends.

- » Total Club Grants \$72,428.
- » Some of the recipients of Clubgrants were:-
  - \$11,000 Mt Druitt Town Rangers
  - \$2,500 SES
  - \$15,481 Rosies Place
  - \$18,000 PCYC Mount Druitt
  - \$4,500 Whalan & Community Action Group
  - \$2,300 Shalvey Community Centre
  - \$2,500 Maori Wardens
  - \$2,500 Parramatta Nepean Presbytery

We now have a new entertainment area with a great dance floor where our members and visitors can sit and enjoy live music whilst relaxing within the Club

We have given our Auditorium a face lift as well.

Our Airconditioning system down in the southern end of the

Club where Fusion and the Clubs function room is located was also replaced with a more economical system.

We have also extended our outdoor gaming area to accommodate more gaming machines.

The main delight of our latest list renovations is our brand-new outdoor area for families in our new Terrace area which includes a large playground. Our brand-new Italian eatery "Trattoria" Pizza, Pasta and authentic Italian cuisine where you can find the most sumptuous Pizzas around. We have also provided our members with two giant TV screens in this area for the enjoyment of watching live sports.

We have been very fortunate as a Club to have had the capital for these improvements as there are so many other hospitality venues where they have reported substantial losses and there forecast for the next Twelve months isn't going to be very kind to them financially. We were one of the "Lucky" ones who escaped this pain however we cannot be complacent in anyway shape or form as Covid has crippled so many institutions

In closing off, I wish to thank my fellow Directors for their, guidance, wisdom and most importantly their dedication throughout this most challenging year. Our Management Team, service team who all faced uncertainty with grace and resilience I offer you all my thanks.

To those who have lost loved ones, we offer you and your families our deepest sympathies. To those who are unwell, we offer you a speedy recovery.

A handwritten signature in black ink, appearing to read "Tony Bleasdale".

**Tony Bleasdale OAM**  
Honorary Treasurer



# General Manager's Message



## Dear Members

I'm pleased to present the Annual Report and Financial Statements for Wests Tradies for the year ended 30th June 2021.

It's natural that a challenge as unremitting as the pandemic should produce alternating hope and despair. Recognising how COVID-19 might impact the economy, businesses, industries, governments, society and our Club, the Board of Directors and Management took the decisive action to forge ahead during these difficult times.

We listened to you the Members, and the Board of Directors approved the upgrades to the Club to provide new facilities for the benefit of our Members and Guests. These upgrades to the Club were at a total Capital Expenditure of \$4,115,318 which included a beautiful new outdoor area, furniture and fittings, plant, machinery, and equipment. It also included an upgrade to our gaming area.

Our objective was to move forward and to boost member confidence, this helps overcome inertia and sends reassuring signals to concerned members. It reinforces our brand in these uncertain economic times and attracts increased numbers of 'brand switchers' who are looking for organisations that are investing in a stronger future.

The new outdoor area showcases "Trattoria Italiana" where Members and Guests will enjoy the authentic taste of Italian cuisine with homemade pasta and pizza made by our award-winning Chef Alfonso Santaniello and his team. The Terrace is where the whole family can enjoy our new alfresco dining experience with a new Terrace Bar, Large Screens, Gelato, and state of the art Kids Play Area, that is sure to please all ages.

In the financial year of 2020-21, there was no doubt the economic and social wellbeing of mankind was greatly affected by the COVID-19 pandemic, and it did not discriminate. The Board and Management were also aware of our Community needs and responded favourably to Club Grants recipients. The beneficiaries included Mt Druitt Town Rangers, SES, Rosies Place, PCYC, Whalan Action Group, Maori Wardens, and Uniting Church Parramatta.

Balancing health priorities with economic and fiscal policies was difficult and despite these struggles brought on by COVID-19, the Club recorded a net profit of \$578,102 and EBITDA of 21.81%.

The pandemic presented a unique opportunity for our businesses to adapt to ways of working in a relatively safe

space. Thank you to our members and guests who were patient, and understanding why things had to change, equally staff and suppliers were seemingly more flexible with the Government restrictions placed upon us all. Our business took this opportunity to diversify and explore new markets to enhance Members experience at West Tradies. We structured member promotions for our current and new members and as result the club's membership grew from 5,833 last year to 10,790.

Before the rise of the Delta variant that ushered in a fresh wave of Covid -19 cases, it was evident at the opening of our new facilities in May that the Board's decision to prioritise actions to enhance business value despite our economic predicament was strategic, as it built our resilience for tomorrow. A constant within successful company business models.

Now, as we head into the post-COVID-19 recovery, we are mobilising our staffing forces, stabilising our business and work together to provide our Members and Guests with new offerings and exceptional customer service while still finding opportunities to become stronger, including building resilience to navigate any future challenges.

It has been a challenging year for all, and I would like to thank and acknowledge the hard work and dedication of Mario Barrios and the Board of Directors who despite this year's challenges grew a surge of creativity, innovation, and adaptability to what has been a remarkable year. I would also like to thank the Management team and Staff for their efforts and support and to ensure that the Club remains COVIDsafe for the members and patrons to enjoy.

To the members, thank you for your feedback, loyalty and patronage to make this Club great and look forward with anticipation to see you again at West Tradies.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Gail Patrin".

**Gail Patrin**  
General Manager

# Director's Report

The directors of Building Workers Club Limited ("the company") or ("the club") submit herewith the annual report of the company for the financial year ended 30 June 2021. In order to comply with the provisions of the *Corporations Act 2001*, the directors report as follows:

## Directors

The names of the directors of the company during or since the end of the financial year are:

Mr Bradley Bunting (Appointed April 2021)  
Mr Jose Barrios  
Mr Anthony Bleasdale  
Mr Rebel Hanlon  
Mr Benito Luciano Manna  
Ms Doreen O'Grady  
Mr John Scott  
Mr Rod Jarman  
Mr Mark Cunningham

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

## Principal activities

The principal activity of the club during the financial year was that of a social and recreational club for trade unionists.

## Review of operations

During the financial year, profit from normal activities after providing for income tax amounted to \$578,102 (2020: loss of \$151,130).

The company's operations during the year performed as expected in the opinion of the directors.

## Strategy, objectives and performance

### Short-term and long-term objectives

The company's short term objectives are to:

- Maintain a surplus result from the underlying business;
- Provide a club that caters for the needs of our members and community
- Increase customer service standards.

The company's long term objectives are to:

- Be an active and relevant supporter of our community;
- Be financially sound; and
- Be recognised as the market leader in our industry sector in Outer Western Sydney.

## Strategies

To achieve these objectives, the company has adopted the following strategies:

- Institute a system of strong financial rigor, to set, implement and measure all business activities, ensuring a surplus return.
- Attract, train and retain, high quality personnel to deliver exemplary customer service.

# Director's Report

The company measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the directors to assess the financial sustainability of the company and whether the company's short-term and long-term objectives are being achieved. The 2020 figures were based on 294 days of trade against 359 days trade in 2021.

	Actual 2021	Benchmark 2021	Actual 2020	Benchmark 2020
Net Gaming Machine revenue (per machine per day)	\$142	\$130	\$75.78	\$130
Cost of goods sold (% to net bar sales)	45.23%	42%	44.67%	42%
Total wages (% to net sales)	25.66%	18%	30.08%	18%
EBITDA* (% to net sales)	21.81%	25%	14.48%	25%
PEMA ** (% to net sales)	5.86%	6%	4.25%	6%
Number of members	10,790	-	5,833	-
Number of visitors	3,885	-	17,318	-

\*(Earnings before interest, taxes, depreciation and amortisation)

\*\* (Promotions, entertainment, marketing and advertising)

## Information about the directors

**Mr Jose Barrios** President ("Chairman")  
 Experience Director < 10 years  
 Special responsibilities Ex-officio on all Committees

**Mr Benito Luciano Manna** Vice President  
 Experience Director < 4 years  
 Special responsibilities Judiciary Committee, Building Committee, Club Grants Committee, Sports (Sub Club) Committee

**Mr Anthony Bleasdale** Honorary Treasurer  
 Experience Director < 14 years  
 Special responsibilities Finance Committee, Building Committee

**Ms Doreen O'Grady** Director  
 Experience Director < 15 years  
 Special responsibilities Judiciary Committee, Accounts Committee, Club Grants Committee, Finance Committee

**Mr John Scott** Director  
 Experience Director < 15 years  
 Special responsibilities Accounts Committee, Judiciary Committee, Club Grants Committee, Finance Committee

**Mr Rebel Hanlon** Director  
 Experience Director < 12 years  
 Special responsibilities Building Committee, Finance Committee

# Director's Report

<b>Mr Rod Jarman</b>	Director
Experience	Director < 11 years
<b>Mr Mark Cunningham</b>	Director
Experience	Director < 5 years
<b>Mr Bradley Bunting</b>	Director
Experience	Director < 1 year
Special responsibilities	Sports (Sub Club)Committee

## Directors' meetings

The following table sets out the number of directors' meetings (including meetings of committees of directors) held during the financial year and the number of meetings attended by each director (while they were a director or committee member). During the financial year, 200 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' meetings		Other Committee meetings	Board Meetings	Committee Meetings	Meals	Total paid
	Number eligible to attend	Number attended	Number attended				
Mr Jose Barrios	14	14	11	-	-	\$433	\$433
Mr Anthony Bleasdale	14	13	-	-	-	\$145	\$145
Mr Rebel Hanlon	14	10	-	-	-	\$83	\$83
Mr Benito Luciano Manna	14	12	7	-	-	\$92	\$92
Ms Doreen O'Grady	14	14	46	\$1,120	\$1,160	\$130	\$2,410
Mr John Scott	14	13	38	\$1,040	\$1,000	\$181	\$2,221
Mr Rod Jarman	14	7	-	-	-	\$14	\$14
Mr Mark Cunningham	14	13	-	\$1,120	-	\$180	\$1,300
Mr Brad Bunting	2	1	-	-	-	-	-
				\$3,280	\$2,160	\$1,258	\$6,698

The table of meetings does not include meetings attended by the President in relation to the management of the club.

## Changes in state of affairs

There was no significant change in the state of affairs of the company during the financial year.

## Subsequent events

Subsequent to the end of the financial year there continues to be considerable economic impacts in Australia and globally arising from the outbreak of the COVID-19 virus and Government actions to reduce the spread of the virus. As the severity and duration of the economic impact of COVID-19 is unknown at the date of signing the financial report the company is unable to determine what financial effects the outbreak of the virus may continue to have on the company in the coming financial period. No future financial effects arising from the economic impacts of the virus have been included in the financial results for the year ended 30 June 2021.

# Director's Report

## Subsequent events (continued)

There has not been any other matter or circumstance occurring subsequent to the end of the financial year that has 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.

## Environmental regulations

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.

## Proceedings on behalf of company

No person has applied for leave of court 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.

The company was not a party to any such proceedings during the year.

## Indemnification and insurance of officers and auditors

The company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the company or of any related body corporate against a liability incurred as such an officer or auditor.

## Members' guarantee

In accordance with the company's constitution, each member is liable to contribute \$20 in the event that the company is wound up.

The total amount that members of the company are liable to contribute if the company is wound up is \$215,800 (2020: \$116,660).

## Auditor's independence declaration

The auditor's independence declaration is included after this report.

This directors' report is signed in accordance with a resolution of directors made pursuant to s.298(2) of the *Corporations Act 2001*.

On behalf of the Directors

Chairman: .....  
Mr Jose Barrios

Treasurer: .....  
Mr Anthony Bleasdale

Dated this 15 day of October 2021

15 October 2021

The Board of Directors  
Building Workers Club Limited  
247 Woodstock Avenue  
Dharruk NSW 2770

Dear Board Members

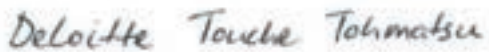
### Auditor's Independence Declaration to Building Workers Club Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Building Workers Club Limited.

As lead audit partner for the audit of the financial report of Building Workers Club Limited for the financial year ended 30 June 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



Rajnil Kumar  
Partner  
Chartered Accountants

# Building Workers Club Limited

ABN 30 001 912 661

## Directors' declaration

The directors declare that:

- a. 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; and
- b. in the directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with Accounting Standards and giving a true and fair view of the financial position and performance of the company.

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

On behalf of the Directors

Chairman:.....

Mr Jose Barros

Treasurer:.....

Mr Anthony Bleasdale

Dated: October 2021

# Building Workers Club Limited

ABN 30 001 912 661

## Statement of profit or loss and other comprehensive income for the year ended 30 June 2021

		<b>2021</b>	<b>2020</b>
	<b>Note</b>	<b>\$</b>	<b>\$</b>
Revenue	3	7,666,823	5,114,771
Other income	3	427,208	443,593
Bar stock purchases		(566,208)	(400,690)
Employee benefits expense	4	(2,451,457)	(2,021,058)
Depreciation expense	4	(1,208,994)	(1,074,905)
Promotional expenses		(421,602)	(281,682)
Occupancy expenses		(738,919)	(659,802)
Administrative expenses		(325,309)	(310,172)
Poker machine taxes and levies		(1,210,637)	(764,467)
Other expenses	4	(592,803)	(386,961)
<b>Surplus/ (loss) before tax</b>		<u>578,102</u>	<u>(341,373)</u>
Income tax benefit/(expense)	5	-	190,243
<b>Surplus/ (loss) for the year</b>		578,102	(151,130)
Other comprehensive income for the year		-	-
<b>Total comprehensive income/ loss for the year</b>		<u><u>578,102</u></u>	<u><u>(151,130)</u></u>

The accompanying notes form part of these financial statements



# Building Workers Club Limited

ABN 30 001 912 661

## Statement of financial position as at 30 June 2021

	Note	2021 \$	2020 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	1,072,079	3,537,283
Trade and other receivables	7	29,279	141,936
Inventories	8	50,457	32,544
Financial assets	9	600,000	400,000
Current tax assets	14	-	8,429
Other assets	10	90,349	85,085
Total current assets		<u>1,842,164</u>	<u>4,205,277</u>
<b>Non-current assets</b>			
Property, plant and equipment	11	19,401,608	16,537,430
Intangible asset	12	74,500	74,500
Deferred tax asset	14	36,005	23,615
Total non-current assets		<u>19,512,113</u>	<u>16,635,545</u>
Total assets		<u>21,354,277</u>	<u>20,840,822</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	13	503,553	608,406
Provisions	15	217,832	197,325
Total current liabilities		<u>721,385</u>	<u>805,731</u>
<b>Non-current liabilities</b>			
Provisions	15	38,110	18,411
Total non-current liabilities		<u>38,110</u>	<u>18,411</u>
Total liabilities		<u>759,495</u>	<u>824,142</u>
Net assets		<u>20,594,782</u>	<u>20,016,680</u>
<b>Equity</b>			
Retained earnings		<u>20,594,782</u>	<u>20,016,680</u>
Total equity		<u>20,594,782</u>	<u>20,016,680</u>

The accompanying notes form part of these financial statements

# Building Workers Club Limited

ABN 30 001 912 661

## Statement of changes in equity for the year ended 30 June 2021

2021

	Retained earnings \$	Total \$
<b>Balance at 1 July 2020</b>	20,016,680	20,016,680
Profit/(Loss) for the year	578,102	578,102
Total comprehensive income for the year	578,102	578,102
<b>Balance at 30 June 2021</b>	<u>20,594,782</u>	<u>20,594,782</u>

2020

	Retained earnings \$	Total \$
<b>Balance at 1 July 2019</b>	20,167,810	20,167,810
Loss for the year	(151,130)	(151,130)
Total comprehensive income for the year	(151,130)	(151,130)
<b>Balance at 30 June 2020</b>	<u>20,016,680</u>	<u>20,016,680</u>

# Building Workers Club Limited

ABN 30 001 912 661

## Statement of cash flows for the year ended 30 June 2021

	2021	2020
Note	\$	\$
<b>Cash flows from operating activities</b>		
Receipts from trading activities and subscriptions	8,546,162	5,562,875
Payments to suppliers, employees and poker machine payouts	(6,533,270)	(5,123,938)
Government assistance received	300,000	266,000
Interest received	27,280	83,207
Income tax refunded/paid (net)	-	84,090
Net cash generated by operating activities	<u>2,340,172</u>	<u>872,234</u>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(4,747,449)	(5,010,142)
Proceeds from sale of property, plant and equipment	142,073	114,191
Proceeds from investments	(200,000)	6,600,000
Net cash used in investing activities	<u>(4,805,376)</u>	<u>1,704,049</u>
Net increase/(decrease) in cash and cash equivalents	(2,465,204)	2,576,283
Cash and cash equivalents at the beginning of the year	<u>3,537,283</u>	<u>961,000</u>
<b>Cash and cash equivalents at the end of the year</b>	<u>6</u> <u>1,072,079</u>	<u>3,537,283</u>

# Building Workers Club Limited

ABN 30 001 912 661

## Notes to the financial statements for the year ended 30 June 2021

### 1. General information

Building Workers Club Limited (“the company” or “the club”) is a public company incorporated in Australia. The address of its registered office and principal place of business is as follows:

Building Workers Club Limited  
247 Woodstock Avenue  
Dharruk NSW 2770

The principal activity of the club during the financial year was that of a social and recreational club for trade unionists.

### 2. Significant accounting policies

#### Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standards - Reduced Disclosure Requirements and comply with other requirements of the law.

For the purposes of preparing the financial statements, the company is a not-for-profit entity.

The financial statements were authorised for issue by the directors on the date of the declaration signed by the directors.

#### Basis of preparation

The financial statements have been prepared on the basis of historical cost as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

#### (a) Revenue recognition

The company applies the following 5-step model for revenue recognition related to contracts with customers:

- i. Identify the contract(s) with customer
- ii. Identify the performance obligation in the contract
- iii. Determine the transaction price
- iv. Allocate the transaction price to the performance obligation in the contract
- v. Recognise revenue when or as the entity satisfied in performance obligations.

The company recognises sales revenue related to the transfer of promised goods or services when a performance obligation is satisfied and when control of the goods or services passes to the customer. The amount of revenue recognised reflects the consideration to which the company is or expects to be entitled in exchange for those goods or services.

# Building Workers Club Limited

ABN 30 001 912 661

## Notes to the financial statements for the year ended 30 June 2021

### 2. Significant accounting policies (cont'd)

#### (a) Revenue recognition (cont'd)

The company recognises revenue predominantly from the following services:

##### Poker machine revenue

Poker machine revenue is the net difference between gaming wins and losses and is recognised at a point in time upon the outcome of the game.

##### Food and beverages revenue

Food and beverage revenue is recognised at a point in time as the goods are provided.

##### Other revenue

Other revenue is mainly comprised of the events held by the Club. Revenue from events is recognised once the event has occurred.

##### Government grants

The Club has received government grants during the year in form of Jobkeeper support and cash flow boost.

When the Club receives government grants, it performs an assessment to determine if the contract is 'enforceable' and contains 'sufficiently specific' performance obligations.

In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied.

In all other cases, the transaction is accounted for under AASB 1058 where the company recognises income at the immediate point in time in profit or loss for the excess of the initial carrying amount of the asset over any related amounts recognised.

#### (b) Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required, and they are capable of being measured reliably.

Liabilities recognised in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement, plus related on-costs.

Liabilities recognised in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the company in respect of services provided by employees up to reporting date, plus related on-costs

#### (c) Taxation

The *Income Tax Assessment Act 1936*, as amended, provides that clubs are only assessed for income tax on the proportion of income derived from non-members under the principle of mutuality. Due to the special basis for calculation of taxable income of clubs, it is not appropriate to compare tax payable with the net income disclosed in statement of profit or loss and other comprehensive income.

The amount shown in the financial statements as provision for income tax reflects the estimated balance of income tax payable in respect of the taxable income for the year.

# Building Workers Club Limited

ABN 30 001 912 661

## Notes to the financial statements for the year ended 30 June 2021

### 2. Significant accounting policies (cont'd)

#### (c) Taxation (cont'd)

Deferred tax asset are not brought to account in relation to timing differences, where benefits arise due to the different accounting periods in which items of revenue and expense are recognised for accounting and income tax purposes, as the amount of any subsequent benefit cannot be reasonably determined. The amount of deferred tax asset applicable is dependent upon the ratio of non-member income to total income in the year in which the entitlements are paid.

#### (d) Inventories

Inventories are measured at the lower of cost and net realisable value. Net realisable value represents the estimated selling price for inventories.

#### (e) Property, plant and equipment

Buildings held for use or for administrative purposes, are stated at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses (if any).

Freehold land is not depreciated. Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their estimated useful lives, using either the straight-line or diminishing value method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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

<b>Class of property, plant and equipment</b>	<b>Depreciation rate</b>
Buildings	2.5%
Furniture, fixtures and fittings	7.5 - 40%
Poker machines	14 - 40%
Plant, machinery and equipment	9 - 40%

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

#### (f) Intangibles

##### Intangible asset acquired separately

Rights of occupancy have been granted under licence agreements with The Federation of Community Sporting and Workers Club Inc. Licence fees are repayable on termination and recorded at cost and have an indefinite useful life.

Intangible asset with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. The carrying values are reviewed annually for impairment, to determine whether it exceeds recoverable value.

# Building Workers Club Limited

ABN 30 001 912 661

## Notes to the financial statements for the year ended 30 June 2021

### 2. Significant accounting policies (cont'd)

#### (g) Impairment of tangible and intangible assets

At the end of each reporting period, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When 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. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### (h) Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risk specific to the liability.

Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

# Building Workers Club Limited

ABN 30 001 912 661

## Notes to the financial statements for the year ended 30 June 2021

### 2. Significant accounting policies (cont'd)

#### (i) Financial instruments

Financial assets and financial liabilities are recognised in the company's statement of financial position when the company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

#### Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at amortised cost.

#### Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The company's financial assets at amortised cost includes trade receivables.

#### Amortised cost and effective interest method

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

#### Impairment of financial assets

The company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

#### Financial liabilities

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as loans and borrowings or payables, as appropriate.

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

The company's financial liabilities include trade and other payables.



# Building Workers Club Limited

ABN 30 001 912 661

Notes to the financial statements  
for the year ended 30 June 2021

## 2. Significant accounting policies (cont'd)

### (i) Financial instruments (cont'd)

#### Financial liabilities (cont'd)

##### Subsequent measurement

The measurement of financial liabilities depends on their classification.

##### Derecognition of financial liabilities

The company derecognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

### (j) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

### (k) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- i. where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- ii. for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

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

# Building Workers Club Limited

ABN 30 001 912 661

Notes to the financial statements  
for the year ended 30 June 2021

## 2. Significant accounting policies (cont'd)

### (l) Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### Useful lives of property, plant and equipment

As described at Note 2(e) above, the company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period.

### (m) Comparative amounts

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

### (n) AASB 16 Leases

Applying AASB 16, for all leases, the company:

- Recognises right-of-use assets and lease liabilities in the statement of financial position, initially measured at the present value of the future lease payments
- Recognises depreciation of right-of-use assets and interest on lease liabilities in profit or loss
- Separates the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within financing activities) in the statement of cash flows.

The application of this standard does not have any material impact on the disclosures, or the amounts recognised in the club's financial statements in the

### (o) Application of new and revised Accounting Standards

#### New and amended Accounting Standards that are effective for current year

In the current year, the company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current annual reporting period.

The application of these amendments does not have any material impact on the disclosures, or the amounts recognised in the club's financial statements.

# Building Workers Club Limited

ABN 30 001 912 661

## Notes to the financial statements for the year ended 30 June 2021

### 3. Revenue

The following is an analysis of the company's revenue for the year from continuing operations:

	2021	2020
	\$	\$
<b>Revenue</b>		
Poker machine revenue	5,787,815	3,810,130
Food and beverages revenue	1,167,310	881,325
Other revenue	711,698	423,316
	<u>7,666,823</u>	<u>5,114,771</u>
<b>Other income</b>		
Government assistance	300,000	266,000
Interest income	27,280	83,207
Gain on disposal of property, plant and equipment	99,928	94,386
	<u>427,208</u>	<u>443,593</u>

### 4. Loss/Surplus for the year

Loss/Surplus for the year has been arrived at after charging:

#### (a) Depreciation expense

- buildings	417,407	336,165
- fixtures and fittings	76,255	64,182
- poker machines	514,630	462,379
- plant, machinery and equipment	187,971	199,413
- motor vehicles	12,731	12,766
Total depreciation expense	<u>1,208,994</u>	<u>1,074,905</u>

#### (b) Employee benefits

- post-employment benefits	183,274	139,298
- other employee benefits	2,268,183	1,881,760
Total employee benefits expense	<u>2,451,457</u>	<u>2,021,058</u>

#### (c) Other expenses

- subscription	182,660	107,254
- utilities	107,154	94,503
- poker machine and tab operating fees	92,907	90,007
- other expenses	210,082	95,197
Total other expenses	<u>592,803</u>	<u>386,961</u>

# Building Workers Club Limited

ABN 30 001 912 661

## Notes to the financial statements for the year ended 30 June 2021

	2021 \$	2020 \$
<b>5. Income tax credit/expense</b>		
Current tax benefit/expense, including adjustments relating to prior period	12,390	(162,506)
Deferred tax benefit/expense	(12,390)	(27,737)
	<u>-</u>	<u>(190,243)</u>

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

Prima facie tax (credit)/payable on loss/profit from ordinary activities before income tax at 25% (2020: 27.5%)	144,526	(93,878)
Tax effect of:		
- non-taxable member income arising from principle of mutuality	(1,488,393)	(974,685)
- non-deductible expenses arising from principle of mutuality and other items	1,016,674	1,040,830
- adjustments in relation to non-allowable items and unrecognised tax benefit	327,193	(162,510)
Income tax attributable to entity	<u>-</u>	<u>(190,243)</u>

## 6. Cash and cash equivalents

Cash on hand	1,547	230,500
Cash at bank	1,070,532	496,828
Short-term bank deposits	-	2,809,955
	<u>1,072,079</u>	<u>3,537,283</u>

## 7. Trade and other receivables

Trade and other receivables	<u>29,279</u>	<u>141,936</u>
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There are no credit terms attached to the trade receivables.

Trade and other receivables are non-interest bearing and are generally on 30-day trading terms. The Club recognises impairment losses using the expected credit loss (ECL) model. The company has applied the simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables. The calculation of impairment losses under this approach impacts the allowance for doubtful debts, now termed the credit loss allowance.

## 8. Inventories

At net realisable value:

Showcase	-	81
Liquor and bar sundries	50,457	32,463
	<u>50,457</u>	<u>32,544</u>

# Building Workers Club Limited

ABN 30 001 912 661

## Notes to the financial statements for the year ended 30 June 2021

	2021	2020
	\$	\$
<b>9. Financial assets</b>		
<b>Current</b>		
Financial assets measured at amortised cost:		
Term deposit (i)	600,000	400,000
(i) The company holds term deposits that carry interest at fixed rates.		
<b>10. Other assets</b>		
Prepayments	90,349	85,085
<b>11. Property, plant and equipment</b>		
<b>Land and buildings</b>		
Land		
At cost	1,873,633	1,873,633
Buildings		
At cost	18,680,243	15,508,379
Accumulated depreciation	(4,113,751)	(3,696,344)
	14,566,492	11,812,035
<b>Total Land and buildings</b>	16,440,123	13,685,668
<b>Plant and equipment</b>		
Poker machines		
At cost	5,823,296	6,067,910
Accumulated depreciation	(4,054,114)	(4,119,763)
	1,769,182	1,948,147
Plant, machinery and equipment		
At cost	4,669,755	4,161,083
Accumulated depreciation	(3,792,849)	(3,606,245)
	876,906	554,838
Furniture, fixtures and fittings		
At cost	1,125,436	1,069,831
Accumulated depreciation	(828,214)	(751,960)
	297,222	317,871

# Building Workers Club Limited

ABN 30 001 912 661

## Notes to the financial statements for the year ended 30 June 2021

	<b>2021</b>	<b>20120</b>
	\$	\$
<b>11. Property, plant and equipment (cont'd)</b>		
Motor vehicles		
At cost	63,655	63,655
Accumulated depreciation	<u>(45,480)</u>	<u>(32,749)</u>
	<u>18,175</u>	<u>30,906</u>
<b>Total plant and equipment</b>	<u>2,961,485</u>	<u>2,851,762</u>
<b>Total property, plant and equipment</b>	<u><u>19,401,608</u></u>	<u><u>16,537,430</u></u>

# Building Workers Club Limited

ABN 30 001 912 661

Notes to the financial statements  
for the year ended 30 June 2021

## 11. Property, plant and equipment (cont'd)

### Movements in carrying amounts

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

	Land	Buildings	Poker machines	Plant, machinery and equipment	Furniture, fixtures and fittings	Motor vehicle	Work in progress	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2020	1,873,633	11,812,035	1,948,147	554,838	317,871	30,906	-	16,537,430
Additions	-	3,171,864	377,239	510,609	55,606	-	-	4,115,318
Disposals	-	-	(41,575)	(570)	-	-	-	(42,145)
Depreciation expense	-	(417,407)	(514,629)	(187,971)	(76,255)	(12,731)	-	(1,208,993)
<b>Balance at 30 June 2021</b>	<b>1,873,633</b>	<b>14,566,492</b>	<b>1,769,182</b>	<b>876,906</b>	<b>297,222</b>	<b>18,175</b>	<b>-</b>	<b>19,401,608</b>
Balance at 1 July 2019	1,873,633	6,366,313	1,400,434	601,428	182,185	43,672	2,786,464	13,254,129
Additions	-	-	1,029,897	152,823	199,868	-	2,995,423	4,378,011
Transfers	-	5,781,887	-	-	-	-	(5,781,887)	-
Disposals	-	-	(19,805)	-	-	-	-	(19,805)
Depreciation expense	-	(336,165)	(462,379)	(199,413)	(64,182)	(12,766)	-	(1,074,905)
<b>Balance at 30 June 2020</b>	<b>1,873,633</b>	<b>11,812,035</b>	<b>1,948,147</b>	<b>554,838</b>	<b>317,871</b>	<b>30,906</b>	<b>-</b>	<b>16,537,430</b>

# Building Workers Club Limited

ABN 30 001 912 661

## Notes to the financial statements for the year ended 30 June 2021

### 12. Intangible asset

	2021	2020
	\$	\$
Rights of occupancy, at cost	74,500	74,500
Accumulated amortisation and impairment	-	-
Net carrying amount	<u>74,500</u>	<u>74,500</u>

Rights of occupancy have been granted under license agreements with The Federation of Community Sporting and Workers Clubs Inc. License agreements are recorded at cost. The license agreements state that the fees are repayable on termination and have an indefinite useful life. The carrying values are reviewed annually for impairment, to determine whether it exceeds recoverable value.

### 13. Trade and other payables

Trade payables	205,561	106,435
Sundry payables and accrued expenses	297,992	501,971
	<u>503,553</u>	<u>608,406</u>

No interest is charged on the trade payables. The company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

### 14. Tax asset/liability

Current tax asset/(liability)	-	8,429
Deferred tax asset/(liability)	36,005	23,615

### 15. Provisions

Employee benefits	<u>255,942</u>	<u>215,736</u>
Current	217,832	197,325
Non-current	38,110	18,411
	<u>255,942</u>	<u>215,736</u>

The provision for employee benefits represents annual leave and vested long service leave entitlements accrued.

### 16. Key management personnel compensation

The totals of remuneration paid to the key management personnel of the company during the year are as follows:

	2021	2020
	\$	\$
Key management personnel compensation	<u>201,343</u>	<u>181,821</u>



# Building Workers Club Limited

ABN 30 001 912 661

## Notes to the financial statements for the year ended 30 June 2021

### 17. Related party transactions

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

The total payments made to directors during the year for allowances of travel, meal and for attendances of board meetings and committee meetings are as follows:

	2021	2020
	\$	\$
Resolution 1	5,440	4,640
Resolution 2	1,258	1,301
Total	<u>6,698</u>	<u>5,941</u>

### 18. Contingent liabilities and contingent assets

In the opinion of the directors, the company did not have any contingent assets or liabilities at 30 June 2021 (30 June 2020: nil).

### 19. Capital commitments

There were no capital commitments for the renovation of the Club premises as at 30 June 2021 (2020: nil).

### 20. Events occurring after the reporting date

Subsequent to the end of the financial year there continues to be considerable economic impacts in Australia and globally arising from the outbreak of the COVID-19 virus and Government actions to reduce the spread of the virus. As the severity and duration of the economic impact of COVID-19 is unknown at the date of signing the financial report the company is unable to determine what financial effects the outbreak of the virus may continue to have on the company in the coming financial period. No future financial effects arising from the economic impacts of the virus have been included in the financial results for the year ended 30 June 2021.

There were no other matters or circumstances that 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.

## Independent Auditor's Report to the Members of Building Workers Club Limited

### *Opinion*

We have audited the financial report of Building Workers Club Limited (the "Company"), which comprises the statement of financial position as at 30 June 2021, 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, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

### *Basis for Opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standard)* (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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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 comprises the information included in the Company's annual report for the year ended 30 June 2021 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 we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### *Responsibilities of the Directors for the Financial Report*

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

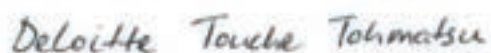
## *Auditor's Responsibilities for the Audit of the Financial Report*

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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



DELOITTE TOUCHE TOHMATSU



Rajnil Kumar  
Partner  
Chartered Accountants  
Parramatta, 19 October 2021





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