

2022

ANNUAL REPORT

BUILDING WORKERS CLUB LIMITED



YEAR ENDING 30 JUNE 2022
ABN 30 001 912 661

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



Kevin Nicholas
Director



Brad Bunting
Director

Notice of Annual General Meeting

The next Annual General Meeting of the Building Workers Club Limited ACN 001 912 661 will be held on

Sunday, 27th November 2022, commencing at 11.00am

in the Tradies Function Room at the Club's premises 247 Woodstock Avenue, Dharruk, 2770, NSW



Agenda

1. To confirm minutes of the Annual General Meeting held on 28th November 2021.
 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 2022.
 5. To receive the report of the returning officer on the election of directors.
 6. To deal with any other business of which due notice has been given to members.
- (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.

Questions by Members

Members are requested to advise the Chief Executive Officer in writing seven (7) working days prior to the date of the Annual General Meeting, of any questions relating to the Financial Report or any other matters which may require research. Although permitted, questions without notice at the Annual General Meeting 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 2022 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.

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:

- (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

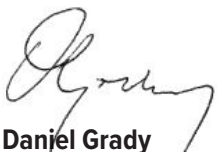
That the members hereby approve:

- (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:
 - (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.

By direction of the Board



Danjel Grady
Chief Executive Officer

President's Message



Dear Members

There is no doubt that we have all experienced some tremendous challenges over the preceding twelve months, as we contended with industry closures, restrictions limiting social gatherings and access to only the fully vaccinated in licensed venues. But with these challenges, come opportunity. Opportunity to continue growing a club and a community – both of whom have demonstrated resilience in the face of adversity and a willingness to support each other as we strive for a return to the comforts we all enjoyed prior to a pandemic-stricken two years.

And so my first thanks is offered to all members and staff who have been overwhelmingly supportive and understanding of the many changes and disruptions. It has been challenging to have to forcibly place distance between ourselves and those we wish to spend our time with, particularly at a time when the business was so excited about sharing our new facilities with members. I hope that many members share the immense pride of Board and Management in what has been delivered in spite of the disruptions and of the ability of our business to emerge relatively unscathed.

That is not to say there have not been sacrifices, and to the members we have lost and to those who have lost loved ones during the year, please accept sincere condolences on behalf of the Board, management and staff – I am sure they will be sorely missed. If but nothing else, Covid has highlighted the importance of friends and family, and of the need to ensure all of us make time for those people in life who are most important to us.

It would also be remiss of me not to acknowledge the service of some outgoing contributors. Gail Patrin departed the business at the turn of the year after more than a decade of service in multiple roles, including most recently as General Manager. I extend the gratitude of the Board and members for her commitment and contributions over that time.

Similarly, I'd like to recognize the service of former director Mark Cunningham and thank him for his contributions at Board level. In doing so, we take the opportunity to welcome Kevin Nicholas who was appointed to the Board at the start of the 22/23 financial year. To my fellow directors, I thank each of you for your selfless commitment to our Club and the many hours presiding over our strategic plans and corporate governance responsibilities.

It is testament to how much the club has grown that we were able to appoint a new Chief Executive Officer at the start of the year who brought such a strong track record of industry success. After more than two decades in executive roles leading large and successful club groups, the Board were delighted to have been able to attract a candidate

with proven record of commercial and cultural success and welcomed Daniel Grady to the CEO role in January. The Board look forward to working with Daniel and his management team as we strive to continue developing a business which is both a great place to visit and to work.

Staff will continue to underpin our broadening appeal, and I thank all of them for their endeavours over the past year. Hospitality can be a tough business in the current environment, and the efforts of the management team and staff in working all the hours and times that the rest of us get to play is duly appreciated by all Directors and members.

It has been encouraging to witness the improving numbers in our foot outlets as we all break the shackles of COVID-19 and return to once again enjoying the company of family and friends over a good meal. Equally, It has been pleasing to hear the feedback from so many staff and members who acknowledge the transformations delivered over the past three years. If there is a positive to be taken out of the lockdowns and restrictions, it is that much of our new club has retained its "new car smell" due to the reduced trade levels, but we're now in position to capitalise and provide the service and facilities all members deserve.

Recent months have been like a second unveiling of The Terrace and Trattoria – destinations which opened just days before our second lockdown. The online reviews tell their own story and the food provided by Omar and his team is second to none, so please pay them a visit this summer and enjoy the food, the big screens, kids play area and superb fresh air environment.

None of which would be possible without the support of our loyal and ever-expanding membership base. I thank each of you for your support under the most testing of circumstances. Wests Tradies will always exist for and on behalf of our wonderful members – of which there are more than 14,000 as we go to print. As I've said in past years, the Board are driven by a desire to continue providing you with a club of which every member can be justifiably proud. We thank you for your loyalty, your patronage and for your enduring support of our community endeavours as we look forward to continuing the journey together.

Thank you,

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

Jose (Mario) Barrios
President

Treasurer's Message



Dear Members

Your Club's annual result of a (\$393,902) net loss after income tax was a disappointing, if not unexpected result given that lockdowns forced the closure of our business for more than 100 days, with severe restrictions curtailing much of our trade after eventually resuming trade. Even after reopening our doors, members first had to contend with social distancing requirements, which were compounded by the challenges of allowing entry only to those with double vaccinations, and finally with the advent of the COVID-19 variants at the turn of the year. All conspired to deprive members of the opportunity to frequent the club in the numbers and fashion they were accustomed to.

Notwithstanding our healthy cash reserves, in February after eight months of trade, year to date trading losses of over (\$564k) were a concern with visitation levels soft with many members understandably treading cautiously after nearly four months in lockdown and a fresh outbreak of the Omicron variant. The club's traditional focus on prudent expense management, coupled with a core commitment to maintain support for both community causes and for employees - even before JobKeeper support packages were announced - required a balancing act to ensure that the club's financial viability was not jeopardised. Many clubs have ceased operation since the pandemic began, so the risks of managing costs whilst doors were closed and revenues non-existent were very real.

But after two tumultuous years of not just challenges to business - but also to living our lives, I have great optimism that the worst is behind us and that all of us may start to look forward to a degree of normality returning to our daily lives.

Despite the financial pressures borne out of the pandemic recovery, we were able to offer our sub-clubs more financial support than at any time in the past, as they too have struggled with the impact of closures and restrictions to their operations. West Tradies are very conscious of the contributions of our many sporting and social organisations, and I trust this has been reflected by the additional support which the club offered in the last financial year to ensure they were able to meet running costs in the absence of many of their usual events and activities.

Equally, the Club are acutely aware of our social obligations and of privileged position of being able to support so many worthy organisations. It has been wonderful to witness community organisations such as the RFS Plumpton and SES Mt Druitt on site regularly throughout the past year. There have been an almost unprecedented number of natural disasters and weather events over the course of the past year, and the club have been honoured by our relationship

with such selfless organisations. The opportunity to provide complimentary meals as a small display of the gratitude and thanks is something only made possible by the support of members, and I thank the many members who have told me of how proud they are of this worthwhile commitment.

Our commitment to supporting those in need remains unwavering, and many other organisations were recipients of more than \$100,000 worth of financial support in the last ClubGRANTS year. Among the many deserving community and sporting recipients, were;

- \$20,000 Mt Druitt Town Rangers
- \$17,830 Mt Druitt Hospital
- \$8,000 Rosie's Place
- \$7,181 SES Mount Druitt
- \$6,000 Wheelchair Sports NSW
- \$5,035 Plumpton Rural Fire Services
- \$3,000 Heart Kids Ltd
- \$3,000 PEN Sydney
- \$2,000 Minchinbury Jets

None of this support would be possible without the patronage of our many loyal members and residents. As many of our 12,897 members know, West Tradies exists as a non-for-profit entity, with every dollar raised being returned to the members via club facilities or broader community investment. We take great pride – as should you – in knowing that your contributions and support allow us to invest continuously in our local area for the benefit of all members and their families.

Thank you,

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

Tony Bleasdale OAM
Honorary Treasurer

CEO's Message



Dear Members

It gives me enormous pride to deliver my inaugural Annual Report as Chief Executive Officer of West Tradies. As someone who grew up in the area, it has been gratifying to enter a business which has undergone such a vibrant transformation from the small enterprise I remembered from when I last worked in the area twenty years ago. The welcome from members has certainly helped to immerse me in the business in my relatively brief tenure so far, but if we've not yet had the opportunity to meet, please feel free to introduce yourself next time you see me around the club.

Upon starting with West Tradies, I have been privileged to arrive at a business which has spent much time and money reinvigorating member's facilities and product offering. As many of you have told me, the club's facilities are in much better condition than many other hospitality businesses who have not been able to reinvest so readily in member's amenities, and who will face challenges in coming years as the customer service industry pivots to adjust to evolving expectations and shifting regulations. We are well placed for that journey.

However, nothing that is worth having in life comes easy. The building blocks have been laid, but we have much to accomplish if we are to realise our shared vision of creating a special destination capable of delivering on the expectation of members and our many local stakeholders. Coming years will see the focus shift to further activating our site by ensuring that our external appeal and appearance are lifted to the same high standards as those inside the club. Designs are progressing on enhancing the Club's street appeal, parking and providing comfortable al fresco areas all year round. Similarly, our marketing and service offerings represent wonderful chances to enhance what we do and how we are perceived in the broader community. In conjunction with celebrating our many associations with worthwhile community recipients via ClubGRANTS and our non-for-profit status, further changes are afoot. It is worth noting that despite the challenging economic environment, West Tradies increased our community donations last year to over \$100,000 and we congratulate all members for helping facilitate such valuable community support.

Whilst no-one celebrates trading losses, the club's annual loss of (\$393,902) was realised against the backdrop of being deprived of some of the club's seasonally strongest trading periods for more than one hundred trading days. That ensuing losses were kept to this manageable level is testament to the prudent cost management which has been the club's hallmark. Despite registering only one cashflow-positive trading month the entire calendar year 2021, the financial year-end result reflected significant recovery as

post-pandemic numbers have rebounded.

Indeed, 2022 has brought improving visitation and trade levels – much of which will be more evident in our next financial year – and has served to highlight member's commitment to a business which remains committed to delivering the strongest value proposition. Having been prevented from visiting the club for so many months in recent times, the offer of a complimentary year's membership for all West Tradies members was one small opportunity to pass on our gratitude for your loyalty.

This value offering is something which has allowed us to recognise your ongoing support by doubling members discounts on most food and beverage offerings, eliminating additive pricing on mixed drinks, introducing a range of low cost house spirits and a \$10,000 members badge draw, reducing ATM and vending prices, as well as increasing bingo sessions and trading hours. In spite of rising supply costs, food and beverage prices have been frozen at pre-pandemic levels with some mixed drinks currently \$3 cheaper than they were a year ago. We will continue exploring supply chain efficiencies, offering catering specials and members promotions to meet the expectations of members and assist with rising cost of living pressures.

2023 should deliver further value for members, with the introduction of a Rewards program slated for early 2023. The program will provide greater discounts and benefits for our most faithful members, and bring a suite of promotions designed to both reward those who actively utilise the clubs services – and to spread the word further to ensure many more people become aware of the community offering which West Tradies provides. The brief is to ensure that we provide service offerings and reasons to see more of you, more often. So keep your eyes peeled for our TLC logo which you'll start seeing across a range of members offers where the Tradies Loose Crew will be busy "loosening prices", increasing jackpots and providing a little Tender Loving Care to recognise and reward member's loyalty.

Such offerings would not be possible without much assistance, commonly from those behind the scenes. To our sub-clubs and the volunteers who help deliver so many sporting, fundraising and social offerings, I extend the thanks of all staff and members for your never-ending commitment to providing so many hours and opportunities for members to meet and reconnect with like-minded friends. Much of your toiling may appear thankless, but your contributions are profound and appreciated even if we seldom get the chance to thank each of you enough for your service.

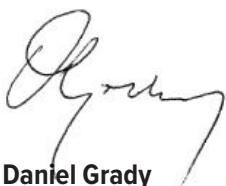
Throughout our recovery, I have leaned heavily on the support

of our Board of Directors, led by President Mario Barrios. I feel very fortunate to have inherited a Board whose commitment and integrity have been instrumental in that rebuilding process over recent years, the fruits of which are there for all to see. I'm excited by the prospects of West Tradies and look forward to delivering their visions for the benefit of our members, and I thank each of them for their selfless contributions to the many Board and Committee meetings to which they contribute so generously. The strategic plans they have formulated have served the club well and I am sure will continue to do so.

To our Management team of Cheryllee, Joanne, Louise, Monika, Nathan and the ever-growing and glowing Shanade – who we wish well, but are dreading losing (hopefully briefly!) for the upcoming arrival of her firstborn – a special thanks for the hours and passion you put into supporting our members, staff and shared goals. The same goes for our team of Supervisors, Admin, Chefs and the many staff who keep the wheels turning every day, ably assisted by our catering, security and cleaning contractors. Labour shortages continue to undermine the hospitality industry, but West Tradies has been less impacted than many fellow clubs, hotels and restaurants, due in part to the flexibility and resilience of so many committed staff over a period of almost unprecedented change. We look forward to sharing future successes with you.

On behalf of everyone associated with the West Tradies Board, Management and Staff, we would like to wish you and your families good health, good fortune and good times for whatever the future holds.

Thank you,



Daniel Grady
Chief Executive Officer

Director's Report

The directors present their report, together with the financial statements, on Building Workers Club Limited for the financial year ended 30 June 2022.

Directors

The names of the directors of the company in office at any time during, or since the end of, the year are:

Names	Appointed/Resigned
Mr Jose Barrios	
Mr Anthony Bleasdale	
Mr Benito Luciano Manna	
Mr Bradley Bunting	
Mr Mark Cunningham	appointment completed 18 February 2022
Mr Rebel Hanlon	
Mr Rod Jarman	
Mr Kevin Nicholas	appointed July 2022
Ms Doreen O'Grady	
Mr John Scott	

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 Building Workers Club Limited during the financial year was that of a community, sporting, social and recreation club for members of the neighbouring community.

Review of operations

The loss of the Company after providing for income tax amounted to \$ (393,902).

A review of the operations of the Company during the financial year and the results of those operations found that changes in market demand and competition which have seen a decrease in revenue of 19% to \$ 6,303,770. The decrease in revenue has contributed to a loss in the company mainly due to the Club being in hibernation during the July to Oct 2021 COVID-19 lockdown.

Short 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.

Director's Report

Long term objectives

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.

Strategy for achieving the objectives

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.

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 2021 figures were based on 360 days of trade against 262 days trade in 2022.

	Actual 2022	Benchmark 2022	Actual 2021	Benchmark 2021
Net Gaming Machine revenue (per machine per day)	\$123	\$130	\$142	\$130
Cost of goods sold (% to net bar sales)	47.26%	42%	45.23%	42%
Total wages (% to net sales)	31.98%	20%	25.66%	18%
EBITDA*(% to net sales)	16.56%	25%	21.81%	25%
PEMA ** (% to net sales)	5.2%	6%	5.86%	6%
Number of members	12,897	-	10,790	-
Number of visitors	23,941	-	3,885	-

Information on directors

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

Mr Jose Barrios	President
Experience	Director < 11 years
Special responsibilities	Ex-officio on all Committees
Mr Anthony Bleasdale	Treasurer
Experience	Director < 15 years
Special responsibilities	Finance Committee, Building Committee
Mr Benito Luciano Manna	Vice President
Experience	Director < 5 years
Special responsibilities	Judiciary Committee, Building Committee, Club Grants Committee, Sports (Sub Club) Committee

Director's Report

Information on directors

Mr Bradley Bunting	Director
Experience	Directors < 2 years Special
Special responsibilities	Sports (Sub Club) Committee
Mr Mark Cunningham	Director (appointment completed 18 February 2022)
Experience	Director < 6 years
Mr Rebel Hanlon	Director
Experience	Director < 13 years
Special responsibilities	Building Committee, Finance Committee
Mr Rod Jarman	Director
Experience	Director < 12 years
Mr Kevin Nicholas	Director (appointed July 2022)
Experience	Director < 1 year
Ms Doreen O'Grady	Director
Experience	Director < 16 years
Special responsibilities	Judiciary Committee, Accounts Committee, Club Grants Committee, Finance Committee
Mr John Scott	Director
Experience	Director < 16 years
Special responsibilities	Accounts Committee, Judiciary Committee, Club Grants Committee, Finance Committee

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

Company secretary

The following person held the position of Company secretary at the end of the financial year:

Daniel Grady has been the company secretary since 22 February 2022. Prior to this, Gail Patrin was the company secretary.

Members' guarantee

Building Workers 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 \$ 20 subject to the provisions of the company's constitution.

At 30 June 2022 the collective liability of members was \$ 257,940 (2021: \$ 215,800).

Director's Report

Meetings of directors

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, 57 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

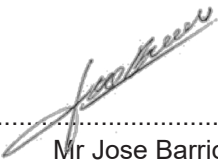
	Directors' Meetings		Other Committee meetings	Emoluments	Emoluments	Emoluments	
	Number eligible to attend	Number attended	Number attended	Board Meetings	Committee Meetings	Meals	Total paid
Mr Jose Barrios	13	12	6	-	-	\$491	\$491
Mr Anthony Bleasdale	13	11	-	-	-	\$247	\$247
Mr Benito Luciano Manna	13	11	1	-	-	\$181	\$181
Mr Bradley Bunting	13	10	-	-	-	\$82	\$82
Mr Mark Cunningham	10	7	-	\$2,060	-	\$ -	\$2,060
Mr Rebel Hanlon	13	9	-	-	-	\$85	\$85
Mr Rod Jarman	13	11	-	-	-	\$36	\$36
Mr Kevin Nicholas	-	-	-	-	-	\$ -	\$ -
Ms Doreen O'Grady	13	13	44	\$1,040	\$1,520	\$130	\$2,600
Mr John Scott	13	12	41	\$800	\$1,360	\$360	\$2,520

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

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2022 has been received and can be found on page 5 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Director:

 Mr Jose Barrios

Director:

 Mr Anthony Bleasdale

28 October 2022

The Directors
Building Workers Club Limited
247 Woodstock Avenue
DHARRUK NSW 2770

Dear Directors

Building Workers Club Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Building Workers Club Limited for the period ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b. No contraventions of any applicable code of professional conduct in relation to the audit.

Yours sincerely

AMW AUDIT
Chartered Accountants



ANDREW HUNT
Principal

Building Workers Club Limited

ABN 30 001 912 661

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2022

		2022	2021
	Note	\$	\$
Revenue	4	6,303,770	7,755,321
Other income	4	265,276	427,209
Bar stock purchases		(648,526)	(644,139)
Employee benefits expense		(2,366,613)	(2,461,638)
Depreciation and amortisation expense	5	(1,364,828)	(1,208,993)
Poker machine taxes and levies		(785,530)	(1,210,637)
Promotional expenses		(338,566)	(512,798)
Administrative expenses		(554,909)	(566,500)
Occupancy expenses		(594,856)	(750,642)
Other expenses	5	(210,727)	(249,081)
(Loss) Profit before income tax		(295,509)	578,102
Income tax expense	6	(98,393)	-
(Loss) Profit from continuing operations		(393,902)	578,102
(Loss) Profit for the year		(393,902)	578,102
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss			
Other comprehensive income		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		(393,902)	578,102

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 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	1,796,357	1,072,079
Trade and other receivables	8	50,546	29,279
Inventories	9	52,631	50,457
Other financial assets	10	600,000	600,000
Other assets	11	130,921	90,349
TOTAL CURRENT ASSETS		<u>2,630,455</u>	<u>1,842,164</u>
NON-CURRENT ASSETS			
Property, plant and equipment	12	18,973,858	19,401,607
Intangible assets	13	74,500	74,500
Deferred tax assets		68,556	36,005
TOTAL NON-CURRENT ASSETS		<u>19,116,914</u>	<u>19,512,112</u>
TOTAL ASSETS		<u>21,747,369</u>	<u>21,354,276</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	14	815,355	503,552
Other financial liabilities	15	142,320	-
Employee benefits	16	170,994	217,832
TOTAL CURRENT LIABILITIES		<u>1,128,669</u>	<u>721,384</u>
NON-CURRENT LIABILITIES			
Other financial liabilities	15	213,480	-
Employee benefits	16	61,007	38,110
Deferred tax liabilities		143,333	-
TOTAL NON-CURRENT LIABILITIES		<u>417,820</u>	<u>38,110</u>
TOTAL LIABILITIES		<u>1,546,489</u>	<u>759,494</u>
NET ASSETS		<u>20,200,880</u>	<u>20,594,782</u>
EQUITY			
Retained earnings		<u>20,200,880</u>	<u>20,594,782</u>
TOTAL EQUITY		<u>20,200,880</u>	<u>20,594,782</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 2022

2022

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2021	20,594,782	20,594,782
Loss for the year	(393,902)	(393,902)
Total comprehensive income for the year	-	-
Balance at 30 June 2022	<u>20,200,880</u>	<u>20,200,880</u>

2021

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

The accompanying notes form part of these financial statements

Building Workers Club Limited

ABN 30 001 912 661

Statement of Cash Flows

For the Year Ended 30 June 2022

	2022	2021
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from trading activities and subscriptions	7,167,739	8,546,162
Payments to suppliers, employees and poker machine payouts	(5,897,520)	(6,533,270)
Government assistance received	-	300,000
Interest received	5,605	27,280
Income tax refunded/paid (net)	12,389	-
Net cash provided by/(used in) operating activities	<u>1,288,213</u>	<u>2,340,172</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of plant and equipment	18,354	142,073
Payments for property, plant and equipment	(938,089)	(4,747,449)
Proceeds from investments	-	(200,000)
Net cash provided by/(used in) investing activities	<u>(919,735)</u>	<u>(4,805,376)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from borrowings	426,960	-
Repayment of borrowings	(71,160)	-
Net cash provided by/(used in) financing activities	<u>355,800</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents held	724,278	(2,465,204)
Cash and cash equivalents at beginning of year	1,072,079	3,537,283
Cash and cash equivalents at end of financial year	7 <u>1,796,357</u>	<u>1,072,079</u>

Building Workers Club Limited

ABN 30 001 912 661

Notes to the Financial Statements

For the Year Ended 30 June 2022

The financial report covers Building Workers Club Limited as an individual entity. Building Workers Club Limited is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The principal activities of the Company for the year ended 30 June 2022 was that of social and recreational club for trade unionists.

The functional and presentation currency of Building Workers Club Limited is Australian dollars.

The financial report was authorised for issue by the Directors on 28 October 2022.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001* as appropriate for not-for-profit oriented entities.

The financial statements have been prepared under the historical cost convention.

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2 Summary of Significant Accounting Policies

(a) Revenue recognition

Revenue from contracts with customers

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.

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.

Building Workers Club Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(a) Revenue recognition

Specific revenue streams

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

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 Jobsaver and Covid-19 Business Grant.

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.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

(b) Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Building Workers Club Limited

ABN 30 001 912 661

Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(b) Employee benefits

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

(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.

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

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.

Building Workers Club Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(e) Property, plant and equipment

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

Class of property, plant and equipment	Depreciation rate
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 assets 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

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Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(g) Impairment of non-financial 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) 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.

Building Workers Club Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(h) Financial instruments

Financial assets

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.

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

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.

Building Workers Club Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(i) 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.

(j) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other 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.

(k) New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following Accounting Standards and Interpretations are most relevant to the Company:

Conceptual Framework for Financial Reporting (Conceptual Framework)

The Company has adopted the revised Conceptual Framework from 1 July 2021. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the consolidated entity's financial statements.

AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities.

The company has adopted AASB 1060 from 1 July 2021. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs. As the Company previously applied the Reduced Disclosure Standards, there were no additional disclosures under the new Simplified Disclosures Standards.

Building Workers Club Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2022

3 Critical Accounting Estimates and Judgments

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

The significant estimates and judgements made have been described below.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Employee benefits provision

As discussed in note 2(b), the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Building Workers Club Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2022

4 Revenue and Other Income

	2022	2021
	\$	\$
Revenue recognised on receipt (not enforceable or no sufficiently specific performance obligations - AASB 1058)		
- Poker machine revenue	4,408,946	5,787,815
- Food and beverages revenue	914,716	1,164,575
- Other revenue	980,108	802,931
Total Revenue	6,303,770	7,755,321
Other Income		
- interest received	5,605	27,280
- grants	241,772	300,000
- net gain on disposal of plant and equipment	17,899	99,929
	265,276	427,209
Total Revenue and Other Income	6,569,046	8,182,530

5 Result for the Year

The result for the year includes the following specific expenses:

Depreciation expense

- buildings	470,612	417,407
- plant, machinery and equipment	254,360	187,971
- poker machines	547,078	514,629
- motor vehicles	12,731	12,731
- furniture and fittings	80,047	76,255
Total depreciation expense	1,364,828	1,208,993
Net loss on disposal of property, plant and equipment	555	32,484

6 Income Tax Expense

(a) The major components of tax expense (income) comprise:

Current tax benefit/expense, including adjustments relating to prior period	(12,390)	12,390
Deferred tax benefit/expense	110,783	(12,390)
Total income tax expense	98,393	-

Building Workers Club Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2022

6 Income Tax Expense

6 Income Tax Expense

(b) Reconciliation of income tax to accounting profit:

	2022	2021
	\$	\$
Prima facie tax (credit) payable on profit from ordinary activities before income tax at 25% (2021: 25%)	(73,877)	144,525
Add:		
Tax effect of:		
- non-taxable member income arising from principle of mutuality	(961,922)	(1,488,393)
- non-deductible expenses arising from principle of mutuality and other items	731,144	1,016,674
- adjustments in relation to non-allowable items and unrecognised tax benefit	403,048	327,194
Income tax expense	<u>98,393</u>	<u>-</u>

7 Cash and Cash Equivalents

Cash on hand	300,532	1,547
Cash at bank	1,495,825	1,070,532
Cash at bank and in hand	<u>1,796,357</u>	<u>1,072,079</u>

8 Trade and Other Receivables

CURRENT		
Other receivables	<u>50,546</u>	<u>29,279</u>

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.

9 Inventories

CURRENT		
At net realisable value:		
Liquor and bar sundries	<u>52,631</u>	<u>50,457</u>

Building Workers Club Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2022

10 Financial assets

	2022	2021
	\$	\$
CURRENT		
Financial assets measured at amortised cost:		
Term deposit (i)	<u>600,000</u>	<u>600,000</u>

(i) The company holds term deposits that carry interest at fixed rates.

11 Other assets

	2022	2021
CURRENT		
Prepayments	130,421	89,849
Security deposit	<u>500</u>	<u>500</u>
	<u>130,921</u>	<u>90,349</u>

Building Workers Club Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2022

12 Property, plant and equipment

	2022	2021
	\$	\$
Land and buildings		
Freehold land		
At cost	<u>1,873,631</u>	<u>1,873,631</u>
Buildings		
At cost	18,953,853	18,780,691
Accumulated depreciation	<u>(4,796,528)</u>	<u>(4,214,199)</u>
Total buildings	<u>14,157,325</u>	<u>14,566,492</u>
Total land and buildings	<u>16,030,956</u>	<u>16,440,123</u>
Plant and equipment		
Plant, machinery and equipment		
At cost	4,748,500	4,669,784
Accumulated depreciation	<u>(4,047,238)</u>	<u>(3,792,878)</u>
	<u>701,262</u>	<u>876,906</u>
Furniture, fixtures and fittings		
At cost	1,109,872	1,125,436
Accumulated depreciation	<u>(872,104)</u>	<u>(828,215)</u>
	<u>237,768</u>	<u>297,221</u>
Motor vehicles		
At cost	63,655	63,655
Accumulated depreciation	<u>(58,210)</u>	<u>(45,480)</u>
	<u>5,445</u>	<u>18,175</u>
Poker machines		
At cost	6,510,334	5,823,296
Accumulated depreciation	<u>(4,511,907)</u>	<u>(4,054,114)</u>
	<u>1,998,427</u>	<u>1,769,182</u>
Total plant and equipment	<u>2,942,902</u>	<u>2,961,484</u>
Total property, plant and equipment	<u>18,973,858</u>	<u>19,401,607</u>

Building Workers Club Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2022

12 Property, plant and equipment

(a) 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 financial year:

	Land \$	Buildings \$	Plant and Equipment \$	Furniture, Fixtures and Fittings \$	Poker machines \$	Motor Vehicle \$	Total \$
Year ended 30 June 2022							
Balance at 1 July 2021	1,873,631	14,566,492	876,906	297,221	1,769,182	18,175	19,401,607
Additions	-	61,445	78,716	20,594	777,334	-	938,089
Disposals - written down value	-	-	-	-	(1,010)	-	(1,010)
Depreciation expense	-	(470,612)	(254,360)	(80,047)	(547,078)	(12,731)	(1,364,828)
Balance at 30 June 2022	1,873,631	14,157,325	701,262	237,768	1,998,428	5,444	18,973,858

13 Intangible Assets

	2022 \$	2021 \$
Right 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.

14 Trade and Other Payables

CURRENT

Trade payables	208,807	205,561
Sundry payable and accrued expenses	606,545	297,992
	<u>815,352</u>	<u>503,553</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.

Building Workers Club Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2022

15 Financial Liabilities

	2022	2021
	\$	\$
CURRENT		
Financial liabilities	<u>142,320</u>	<u>-</u>
NON-CURRENT		
Financial liabilities	<u>213,480</u>	<u>-</u>

16 Employee Benefits

Current liabilities		
Employee benefits	<u>170,994</u>	<u>217,832</u>
Non-current liabilities		
Long service leave	<u>61,007</u>	<u>38,110</u>

17 Key Management Personnel Compensation

The remuneration paid to key management personnel of the company is \$ 316,530 (2021: \$ 201,343).

18 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2022 (30 June 2021:None).

19 Related Party transactions

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.

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

	2022	2021
	\$	\$
Resolution 1	6,780	5,440
Resolution 2	<u>1,612</u>	<u>1,258</u>
	<u>8,392</u>	<u>6,698</u>

20 Events after the end of the Reporting Period

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially positive for the company up to 30 June 2022, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

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.

Building Workers Club Limited

ABN 30 001 912 661

Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 6 to 24, are in accordance with the Corporations Act 2001 and:
 - a. comply with Australian Accounting Standards - Simplified Disclosures Standard; and
 - b. give a true and fair view of the financial position as at 30 June 2022 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.



Director

Mr Jose Barrios



Director

Mr Anthony Bleasdale

Dated 28 October 2022

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 2022, the statement of comprehensive income, statement of changes in equity and cash flow statement 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 Building Workers Club Limited is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the company's financial position as at 30 June 2022 and of its performance for the period then ended; and
- complying with Australian Accounting Standards – Simplified Disclosures Standard to the extent described in Note 1, 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 2022 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 and for such internal control as the directors determine is necessary to enable the preparation of a 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 Company's ability to continue as a going concern, disclosing, as applicable, matters relating 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 have 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 judgment 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.



Andrew Hunt
Principal

Parramatta

Dated: 28 October 2022

Now with more Live Entertainment,
Major Raffles & offers
for our Members!

WHAT'S ON WEEKLY

TUES **BINGO**
FROM 10.30AM

WED **MEAT
RAFFLE**
FROM 6PM

THURS

BINGO
FROM 10.30AM

**GOLF CLUB
MEAT RAFFLE**
FROM 6PM

**HAPPIER
HOUR**
FROM 3.30PM

**MEMBERS
BADGE
DRAW**
FROM 7PM

FRI

BINGO
FROM 10.30AM

**LIVE
MUSIC**
7PM - 11PM

SAT

**DARTS & FISHO'S
MEAT RAFFLE**
FROM 3PM

**LIVE
MUSIC**
7PM - 11PM

SUN

**MEMBERS
BADGE
DRAW**
FROM 3PM

LIVE ACOUSTICS
1PM - 4PM

MEAT RAFFLE
FROM 3.30PM