TEMORA EX-SERVICES MEMORIAL CLUB LIMITED

ABN: 76 001 055 045

FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

<u>2020 Presidents report</u>

Dear members,

A warm welcome to the Presidents report for your Club for the year 2020.

As we all know the year has been a history making event which was very quick in taking control of our lives.

Again I would like to thank the regular members and the bowling people that continue to support our club week in and week out. Support from you people makes the Club stronger.

We have tried to give a little back to our members with $24,650 in badge draws won by individuals, $41,854 in Club vouchers, $20,841 to members for discounts on meals, $7,9444 spent on entertainment for members and $31,349 donated to many Temora community organisations on behalf of Club members.

In 2018 the board adopted a Stategic Plan which was to end in 2020. All items set in that plan have been achieved. A Risk Management Strategies document was also adopted to coincide with the Strategic Plan. These documents have been reviewed to extend to the year 2022.

The board has ensured that the Club is compliant with all new accountability requirements following ammendments to the Registered Clubs Regulation.

It is great to see a profit of $535,143 being recorded for the year despite the difficult times we encountered.

More pleasing is the bank balance of $1,215,000.00 plus the AMP investment of $84,937. I am also happy to advise that the bank balance figure has grown further and the Club has recorded a profit for the first three months of trading for 2021 which is a significant turnaround from the first three months compared to last year.

I am also happy to advise that a lump sum of $200,000 was paid off the Club's ANZ loan for the Kooreela Park Motel. This loan is now well ahead of its due repayments and once finalised will improve the monthly financial statements for your Club.

This Club will also then own a nice property portfolio consisting of the Club and its facilities,two modern motels and two large blocks of land directly behind the main Club. The Motels will be an asset to the Club as a continual source of income and should continue to grow in value if the current increase in property values are any indication.

The Club sold the old Grand Hotel site as well as 121 and 123 Crowley street blocks. Both these sites were run down (the Grand was actually reported as condemned) and all contained asbestos. Both residences at 121 and 123 Crowley street were in a sad state of disrepair and the only real solution was to sell or remove the houses. Quotations were received from three real estate agents however the price received from Goldenfields Water was higher.

The sale for one block at the Grand Hotel site is still not finalised however the Club holds a legal agreement with the builder covering the members equity. This remaining money will also boost the Clubs finance when received.

One item I must mention is that the Club received a rebate from an AMP portfolio held years ago. The sum of $455 was recovered which is not a significant amount however the principle of the matter was important to me. It took a lot of my own time in consultation with AMP staff who I must say were quite helpful.

During the Covid epidemic the Club ensured compliance with all legal requirements and restrictions. Although restricting functions and the way the club operated our actions did help prevent the spread of any disease. As the Covid restrictions start to ease there are two important issues the Club needs to concentrate on.

One is the service to members whom are our greatest asset. Members need to enjoy all the facilities engaged by their Club every time they attend the Club. After all, the members own the Club and all other assets associated.

The second is that self catering of functions is available. Any person wishing to hold a function at the Club can use their own Caterers. The facilities in the kitchens will be revamped to make catering easy for everyone. Obviously the Clubs caterers are still available as well.

Your Club provides employment for a number of staff some casual and some full time. All staff are paid according to their Award and enjoy quite comfortable conditions. Where possible the Club will continue to provide employment for locals.

Your Club also supports many business houses through the Golden Gift prizes and other raffles conducted throughout the year. Your Club buys locally where possible.

The current Board has been looking at improvements for the Frank Matthews room as well as new carpet in some areas of the Club. It is hoped some of the carpet might be used in the Frank Matthews room (if suitable). Other upgrades such as painting and repairing the two foyer entrances have been planned.

In closing members I can say that your Club is now in a pleasant financial position, as well as future income prospects from the two motels, the wind back of virus restrictions and getting back to self catering the Club has the potential to continue to be successful and continue to provide quality service and amenities to you the member as well as the Temora and district.

Kind regards

Kerry John Wallace

Secretary Managers Report

In what has been one of the most unpredictable years in my career in the Club industry, I am happy to inform the members that the Club has managed to make a profit of $535,143 for the 2020 financial year. There is obviously a lot of contributing factors that helped the Club throughout the year, such as government subsidies and profits from the sale of assets, which the Club will not be able to rely on in future years, but this is a terrific result, nonetheless.

The Club started strong in 2020 with early indications showing that the measures put in by the Board of Directors to reduce unnecessary expenses was beginning to show good results for the first two months. Unfortunately, the Club was thrown into turmoil when on the 22nd of March, the government made the decision that all pubs and clubs would be forcibly shut for an undetermined amount of time. It ended up being for a period of 10 weeks before we were finally able to reopen on June 1st. During the shut-down period, the Clubs finances began to dwindle, with very little income coming in from the Motels and expenses still occurring, such as electricity, security, etc.

The Club was lucky enough to qualify for the first round of Jobkeeper subsidies which benefitted the Club staff and also helped to reduce the wage expenses at the Motels. However, this did not cover all expenses and it wasn't until the Club reopened that we were able to make the best use of the Jobkeeper subsidies and increase the financial position of the Club.

When the club finally opened, we were under heavy restrictions. We were not able to hold any events or promotions such as Bingo, Raffles or Entertainment. All functions the Club had booked in for the year, were all either cancelled or postponed until further notice. Patron numbers were low compared to normal and the only area of the Club that was performing well was the gaming. Even though we were only allowed to utilize every second machine for the first few months, we were still showing revenue from gaming that was either as good as previous years or better.

As restrictions were slowly eased, we were able to start re-introducing some of the weekly events such as bingo and raffles, albeit with heavy focus on social distancing still in force, and the Club was trading well despite the lack of functions and reduced bar revenue. Because of the good trading, the Club no longer qualified for Jobkeeper from the 1st of October. Even without receiving any further subsidies from the 1st of October, the club still posted a profit of approximately $100,000 for the final quarter in 2020.

The Motels revenue by November was back to almost the same levels as the same months in 2019 which was good to see, although the constant border closures throughout the year certainly had an effect on their income. I am happy to inform you that so far this year, the Motel revenue is exceeding all expectations. I would like to commend the Motel Managers and Relief Manager, Michael Dehlsen, Ben Gibson, Bianca Brabin and Dani Brabin, for all their work during what has been a difficult year.

The cashflow of the Club saw the cash and cash equivalent increase from $290,219 at the end of 2019 to $1,215,201 at the end of 2020. $457,500 of this was due to Jobkeeper subsidies and a further $100,000 was from tax offsets as further COVID-19 relief from the government. However, approximately $200,000 of the Jobkeeper subsidy went to wages that were only paid due to the Jobkeeper program and didn't actually offset wages incurred by the Clubs operations. On top of that, with the uncertainty of what lies ahead with regards to the pandemic, capital expenditure was kept at a minimum throughout the year. This has left the club in a very promising position for future upgrades and giving back to the Clubs members and the community.

The board are currently in the process of planning some works to the Frank Matthews Lounge to make the room more usable and include some outdoor seating. This will involve shortening the bowling green by about 1m and opening the side of the room out onto the bowling green. The plans for this will be up on the notice board soon.

I would like to thank all of the Staff that have had to endure the uncertainty of what the pandemic brought upon the industry throughout the year, and I would especially like to thank those that had to have their pay reduced during the forced shut down. Thank you to Craig Murdoch, who continues to improve the quality of the bowling green and thanks you to all the Bar Manager, Charmaine Doolan, and the Bar Supervisors, Christine Holden and Melissa Magee. I would also like to give a special mention to Noah Cain who was well loved by the members as our newest Supervisor who was great at his job, but unfortunately has since moved onto a new workplace. Also, thank you to all the cleaning staff at both Motels and the Club.

Lastly, I would like to thank my administration staff, Julie Heard and Louise Brace. They are very dedicated to their role and will endeavor to make the Club run as smoothly as possible and the amount of attention to detail they have towards any and all functions within the Club is a great asset to the business.

2021 is so far shaping up to be another profitable year for the Club and with the worst of the pandemic behind us, I look forward to seeing what we can achieve at the Club in the future.

Benjamin Wells
Secretary Manager

TEMORA EX-SERVICES MEMORIAL CLUB LIMITED
ABN: 76 001 055 045

CONTENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

Financial Report	**Page**
Club Property Declaration	1
Directors' Report	2
Auditor's Independence Declaration	5
Statement of Profit or Loss and Other Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements	10
Directors' Declaration	24
Independent Auditor's Report	25

TEMORA EX-SERVICES MEMORIAL CLUB LIMITED

CLUB PROPERTY DECLARATION

FOR THE YEAR ENDED 31 DECEMBER 2020

Pursuant to Section 41J(2) of the *Registered Clubs Act 1976* the Directors declare that, for the financial year ended 31 December 2020, the classification of the freehold land is as follows:

Property Address	Current Usage	Classification
130-134 Baker Street, TEMORA NSW 2666	Clubhouse & facilities	Core
80 Loftus Street and 139 Baker Street, TEMORA NSW 2666	Motel	Non-core
132-134 Crowley Street, TEMORA NSW 2666	Motel	Non-core
125–127 Crowley Street, TEMORA NSW 2666	Land not used for facilities	Non-core

Section 41J(2) of the *Registered Clubs Act 1976* requires the annual report to specify the core property and non-core property of the Club as at the end of the financial year to which the report relates.

Core property is any real property owned or occupied by the Club that comprises:

a) the defined premises of the Club; or

b) any facility provided by the Club for use of its members and their guests; or

c) any other property declared by a resolution passed by a majority of the members present at a general meeting of Ordinary members of the Club to be core property of the Club.

Non-core property is any other property other than that referred to above as core property and any property which is declared by the members at a general meeting of ordinary members of the Club not to be core property.

The significance of the distinction between core property and non-core property is that the Club cannot dispose of any core property unless:

d) the property has been valued by a registered valuer within the meaning of the *Valuers Act 2003*; and

e) the disposal has been approved at a general meeting of the ordinary members of the Club at which the majority of the votes cast support the approval; and

f) any sale is by way of public auction or open tender conducted by an independent real estate agent or auctioneer.

These disposal provisions and what constitutes a disposal for the purposes of section 41J are to some extent modified by regulations made under the *Registered Clubs Act 1976* and by Section 41J itself. For example, the requirements above do not apply to core property that is being leased or licensed for a period not exceeding 10 years on terms that have been the subject of a valuation by a registered valuer.

TEMORA EX-SERVICES MEMORIAL CLUB LIMITED

ABN: 76 001 055 045

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The Directors present their report on Temora Ex-Services Memorial Club Limited (the Company) for the financial year ended 31 December 2020.

Directors

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

Name	Position	Appointed/ Resigned
Mr Kerry Wallace	President	Appointed: 28 May 2017
Mrs Margaret Tarbit	Director	Resigned: 27 March 2020
Mr Michael Floyd	Junior Vice President	Appointed: 28 May 2017
Mr Earl Kotzur	Senior Vice President	Appointed: 28 May 2017
Mr Bruce Stacey	Director	Vacated: 25 February 2021
Mr Jone Pavelic	Director	Appointed: 5 May 2019
Mrs Anne Widdows	Director	Appointed: 5 May 2019

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

Meeting Attendance

During the financial year, 13 meetings of Directors were held. Attendances by each Director during the year were as follows:

	Number attended	Number eligible to attend
Mr Kerry Wallace	13	13
Mrs Margaret Tarbit	1	3
Mr Michael Floyd	13	13
Mr Earl Kotzur	12	13
Mr Bruce Stacey	10	13
Mr Jone Pavelic	9	13
Mrs Anne Widdows	13	13

Principal activities

The principal activities of Temora Ex-Services Memorial Club Limited during the financial year were to provide facilities and amenities for its members.

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

Short term objectives

The Company's short term objectives are to:

- Provide and maintain hospitality services to its members;
- Support the local community; and
- Be a recognised leader in the provision of hospitality.

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

Long term objectives

The Company's long term objectives are to:

- Establish and maintain a strong relationship with the local community;
- Be sustainable and strive for continuous improvements so far as to offer the best possible outcomes for the Company's members and guest whilst continuing to operate on a not-for-profit basis; and
- Continue to operate on a not-for-profit basis, preserving any surpluses for the benefit of members.

Strategy for achieving the objectives

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

- To improve the club facilities;
- To attract and retain quality staff;
- Seek to provide a wide range of entertainment for the local community; and
- Establish and foster working partnerships with a range of community stakeholders.

Members guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company Limited by Guarantee. If the Company is wound up, the Constitution states that each member is required to contribute a maximum of $2 each towards meeting any outstanding obligations of the Company. At year end, the total amount that members of the Company are liable to contribute if the Company is wound up is $6,254 (2019: $6,640).

Operating results

The profit of the Company after providing for income tax amounted to $535,143 (2019: loss of $161,501).

Significant changes in state of affairs

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

Events after the reporting date

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

Future developments and results

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

Environmental issues

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia other than the *Smoke-Free Environment Act 2000*, *Smoke-Free Environment Amendment Regulation 2009*, and the *Smoke-Free Environment Regulation 2007* which bans and regulates smoking in enclosed public places as well as specified public places.

Indemnification

The Company has paid premiums to insure each of its Director's against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director of the Company, other than the conduct involving a willful breach of duty in relation to the Company.

TEMORA EX-SERVICES MEMORIAL CLUB LIMITED
ABN: 76 001 055 045

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 31 December 2020 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: .... Anne Widdows

Director: .... Michael Floyd

Dated 4 May 2021

TEMORA EX-SERVICES MEMORIAL CLUB LIMITED

ABN: 76 001 055 045

AUDITOR'S INDEPENDENCE DECLARATION

FOR THE YEAR ENDED 31 DECEMBER 2020

We declare that, to the best of our knowledge and belief, during the year ended 31 December 2020, there have been:

(i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

National Audits Group Pty Ltd
Authorised Audit Company

Stephen Prowse
Director

Dated 4 May 2021

Wagga Wagga

TEMORA EX-SERVICES MEMORIAL CLUB LIMITED

ABN: 76 001 055 045

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 $	2019 $
Revenue		3,024,061	3,933,843
Other income		586,817	29,521
	4	3,610,878	3,963,364
Less: Expenses			
Advertising & marketing		17,126	35,595
Cleaning and laundry expenses		57,769	52,869
Depreciation and amortisation		405,492	447,724
Donations		31,350	71,293
Employee wages and benefits		1,290,844	1,597,401
Entertainment and activities		153,297	203,071
Insurance		74,028	99,646
Interest paid		32,170	41,374
Other expenses		355,693	518,032
Stock purchases and related incidentals		315,880	594,892
Poker machine tax		169,766	229,232
Repairs and maintenance		70,307	92,234
Utilities		102,013	141,502
Profit/(loss) before income tax		535,143	(161,501)
Income tax expense	2(a)	-	-
Profit/(loss) for the year		535,143	(161,501)
Other comprehensive income		-	-
Total comprehensive income/(loss) for the year		535,143	(161,501)

The accompanying notes form part of these financial statements.

TEMORA EX-SERVICES MEMORIAL CLUB LIMITED
ABN: 76 001 055 045

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 $	2019 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	1,215,201	290,219
Trade and other receivables	6	23,101	13,150
Inventories	7	40,227	56,013
Other financial assets	8	84,937	80,696
Other assets	9	55,618	-
TOTAL CURRENT ASSETS		1,419,084	440,078
NON-CURRENT ASSETS			
Property, plant and equipment	10	5,364,770	5,984,951
Intangible assets	11	1,035,465	1,035,465
TOTAL NON-CURRENT ASSETS		6,400,235	7,020,416
TOTAL ASSETS		7,819,319	7,460,494
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	237,513	232,874
Employee benefits	13	281,217	234,475
Borrowings	14	605,793	829,604
TOTAL CURRENT LIABILITIES		1,124,523	1,296,953
NON-CURRENT LIABILITIES			
Employee benefits	13	16,359	20,247
TOTAL NON-CURRENT LIABILITIES		16,359	20,247
TOTAL LIABILITIES		1,140,882	1,317,200
NET ASSETS		6,678,437	6,143,294
EQUITY			
Retained earnings		6,678,437	6,143,294
TOTAL EQUITY		6,678,437	6,143,294

The accompanying notes form part of these financial statements.

TEMORA EX-SERVICES MEMORIAL CLUB LIMITED
ABN: 76 001 055 045

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	2019
	$	$
Retained earnings at the beginning of the year	6,143,294	6,304,795
Profit/(loss) for the year	535,143	(161,501)
Retained earnings at the end of the year	6,678,437	6,143,294

The accompanying notes form part of these financial statements.

TEMORA EX-SERVICES MEMORIAL CLUB LIMITED
ABN: 76 001 055 045

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 $	2019 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		2,983,239	3,954,799
Payments to suppliers and employees		(2,574,794)	(3,676,960)
Interest received		329	122
Government subsidies received (COVID-19)		557,500	-
Finance costs		(32,170)	(41,374)
Net cash provided by operating activities		934,104	236,587
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from disposal of plant and equipment		327,200	1,196
Purchase of property, plant and equipment		(112,511)	(180,883)
Net cash provided by/(used in) investing activities		214,689	(179,687)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Repayment of borrowings		(223,811)	(150,986)
Net cash used in financing activities		(223,811)	(150,986)
Net increase/(decrease) in cash and cash equivalents held		924,982	(94,086)
Cash and cash equivalents at beginning of year		290,219	384,305
Cash and cash equivalents at end of financial year	5	1,215,201	290,219

The accompanying notes form part of these financial statements.

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

The functional and presentation currency of Temora Ex-Services Memorial Club Limited is Australian dollars ($AUD) and all amounts have been rounded to the nearest dollar.

The financial report was authorised for issue by the Directors on 4 May 2021.

1 BASIS OF PREPARATION

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements, *Corporations Act 2001* and *Corporations Regulations 2001*.

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

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Income Tax

The Company qualifies as a base rate entity and is eligible for the lower tax rate of 27.5%.

The mutuality principle has been applied to the calculation of the Company's income tax. The Company has estimated that the assessable portion of mutual income represented by results of trading attributable to non-members of the Company is 23.99% (2019: 19.91%).

Temora Ex-Services Memorial Club Limited does not recognise deferred tax assets as the Company has been in a tax loss position for a number of years and therefore determined the tax losses carried forward from prior periods to be unrecoverable.

(b) Revenue and other income

The Company recognises revenue on a basis that reflects the transfer of promised goods or services to consumers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

Revenue is recognised by applying a five-step model for each appropriate revenue stream as follows:

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

The Company's accounting policies for recognising reveue is outlined in further detail below.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(b) Revenue and other income

Income of Not-for-Profit Entities

Under AASB 1058 *Income of Not-for-Profit Entities*, the Company recognises revenue on a basis that reflects the fair value of goods, services, and assets (such as cash, inventories and property, plant and equipment), which have been provided or transferred to the Company for nil or nominal consideration, and is deemed to further the objectives of the Company.

Bar trading

Revenue derived through bar sales is recognised on transfer of goods to the patron as this is deemed to be the point in time when all the risks and rewards associated with the goods are transferred, there is no longer any ownership or effective control over the inventory and the Company's performance obligations have been met.

Gaming machine takings

Gaming machine takings is recognised as revenue on receipt of the funds as there are no enforceable performance obligations contained within a contract between the Club and the patron. Revenue from gaming machine takings is shown in the statement of profit or loss anf other comprehensive income net of payouts and gaming tax.

Accommodation income

Accommodation charges are made at the commencement of a guests stay and are recognised as revenue on a straight-line basis over the duration of the stay.

Receipts from the sale of goods, such as food and beverages, is recognised as income when the legal title or the passing of possession to the customer has occurred, as this is deemed the point in time the Company has fulfilled its performance obligation.

Functions income

Functions income including room hire and catering sales is recognised as income when the Company has fulfilled its performance obligation.

Membership subscriptions

Membership subscriptions represent the amounts received from the Company's members in accordance with the Rules of the Club. Membership subscriptions received in advance incur an obligation for the Club to honour the terms and conditions of the membership for the term of the membership.

This represents a constructive obligations to provide all benefits associated to provide all benefits associated with the membership to the members. Therefore, membership subscriptions received in advance are recognised on the statement of financial position as a contract liability and subsequently recognised as revenue in the year to which they relate, on a straight-line basis.

Commissions

Commissions are recognised as revenue on receipt of the funds as there are no enforceable performance obligations contained within a contract between the Company and the patron. The Commission income is earned on a percentage of the sales generated by the Company using third-party property.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(b) Revenue and other income

Golden gift income

Receipts from golden gift fundraising activities are recognised as revenue when the fundraising activity has been held and prizes have been distributed.

Government subsidies

The Company has been eligible to receive JobKeeper subsidies for the period between March to September 2020 and Cash Flow Boost from Commonwealth government, part of the COVID-19 economic relief.

The government subsidies received during the period were recognised as revenue upon receipt, in accordance with AASB 1058 *Income of Not-for-Profit Entities*. This was due to the nature of these grants and subsidies, having no performance obligations attached to them.

Interest income

Interest income 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.

Other income

Other income is recognised as revenue when the Club has fulfilled its performance obligations.

(c) Goods and services tax (GST)

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

Receivables and payables are stated inclusive of GST.

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

Cash flows in the statement of cash flows are included on an inclusive 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.

(d) Inventories

Inventories for bar stock are measured at the lower of cost and net realisable value. Cost of inventory is determined using the individual item basis which is inclusive of freight and delivery charges and is net of any rebates and discounts received.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written off in the statement of profit or loss and other comprehensive income when deemed to be damaged or obsolete.

(e) Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment. Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(e) Property, plant and equipment

Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Depreciation

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

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

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

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

(f) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets at fair value through profit or loss

The Company has a managed investment scheme (North Investment) which is designated as other financial assets at fair value through profit or loss.

Assets included within this category are carried in the statement of financial position at fair value with changes in fair value recognised in finance income or expenses in profit or loss.

Any gain or loss arising from this financial instruments is based on changes in fair value, which is determined by direct reference to active market transactions or using a valuation technique where no active market exists.

Financial liabilities

The Company's financial liabilities include borrowings, trade and other payables (including finance lease liabilities), which are measured at amortised cost using the effective interest rate method.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(f) Financial instruments

Financial assets

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Fair value through other comprehensive income

Equity instruments

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

Net gains or losses, including any interest or dividend income are recognised in profit or loss.

The Company's financial assets measured at FVTPL comprise AMP Professionally Managed Portfolio in the statement of financial position.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(f) Financial instruments

Financial assets

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for financial assets measured at amortised cost.

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is any evidence of an impairment indicator for non-financial assets. If any such indication exists then the asset's recoverable amount is estimated.

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Impairment of non-financial assets

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss. Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(g) Intangible Assets

Goodwill

Goodwill is carried at cost less accumulated impairment losses. Goodwill has been recognised for the acquisition of the Goldtera Motor Inn and the Koreela Park Motor Inn.

Goodwill is not amortised but is tested for impairment annually by the Directors. When determining whether there is any evidence of an impairment of the goodwill asset, the Directors consider the sales volume and profitability of the cash generating units, past and future projectionss, and perform an analysis of the industry outlook.

Gaming machine licenses

Under the *Gaming Machine Act 2001* (the Act), a tradeable asset titled gaming machine entitlement was created. Gaming Machine entitlements are able to be sold to other registered clubs within the state of New South Wales (NSW), provided certain statutory requirements are met. The Act came into effect on 2 April 2001.

The company owned forty-three (43) gaming machines prior to the commencement date of the Act on 2 April 2001. At year end, six (6) of forty-nine (49) gaming machine licences held were recognised and recorded at either cost or deemed cost and have an indefinite useful life. Gaming machine entitlements purchased prior to 2001 have not been recognised as assets of the Company at year end.

At the end of each reporting period the Company determines whether there is any evidence of impairment indicators by comparing the cost reported for each individual gaming machine entitlement with the market values for the area. In the event the cost reported exceeds the market values, the entitlements are immediately reduced to their recoverable amount by recognising an impairment through the statement of profit or loss and other comprehensive income.

(h) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand and cash at bank which are readily convertible to known amounts of cash and are subject to an insignificant risk of change in value.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(i) Leases

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

This involves an assessment of whether:

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

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

(j) Employee benefits

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

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements.

(k) Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

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

Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

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

The significant estimates and judgements made have been described below.

Key estimates - impairment of property, plant and equipment

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

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

Key estimates - impairment of goodwill

In accordance with AASB 136 *Impairment of Assets*, the Company is required to estimate the recoverable amount of goodwill at each reporting period.

Impairment testing is an area involving management judgement, requiring assessment as to whether the carrying value of assets can be supported by the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate and using a terminal value to incorporate expectations of growth thereafter.

In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of highly uncertain matters including management's expectations of:

• growth in EBITDA, calculated as adjusted operating profit before depreciation and amortisation;

• timing and quantum of future capital expenditure;

• long-term growth rates; and

• the selection of discount rates to reflect the risks involved.

Changing the assumptions selected by management, in particular the discount rate and growth rate assumptions used in the cash flow projections, could significantly affect the Company's impairment evaluation and hence results.

Key estimates - provisions

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

Key estimates - inventory

Each item of inventory is reviewed on an annual basis to determine whether it is being carried at higher than its net realisable value. During, the year, management have written down inventory based on best estimate of the net realisable value, although until the time that inventory is sold this is an estimate.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

		2020 $	2019 $
4	**REVENUE AND OTHER INCOME**		
	Revenue from contracts with customers		
	Accommodation income	569,563	665,329
	Commissions	62,279	76,128
	Functions income	15,540	101,362
	Gaming machine takings	1,493,573	1,678,738
	Golden gift income	74,202	107,321
	Members subscriptions	18,920	20,907
	Profit on sale of non-current assets	179,817	18,443
	Bar trading	610,167	1,265,615
		3,024,061	3,933,843
	Revenue recognised upon receipt		
	COVID-19 government subsidies	557,500	-
	Other income	28,988	29,399
		586,488	29,399
	Revenue recognised using effective interest method		
	Interest income	329	122
		3,610,878	3,963,364
5	**CASH AND CASH EQUIVALENTS**		
	CURRENT		
	Cash on hand	75,600	75,800
	Cash at bank	1,139,601	214,419
		1,215,201	290,219
6	**TRADE AND OTHER RECEIVABLES**		
	CURRENT		
	Trade receivables	3,089	5,655
	Other receivables	20,012	7,495
		23,101	13,150

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances. The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

		2020 $	2019 $
7	**INVENTORIES**		
	CURRENT		
	Stock on hand - at cost	40,227	56,013

		2020	2019
		$	$
8	**OTHER FINANCIAL ASSETS**		
	CURRENT		
	AMP Managed Portfolio	84,937	80,696
9	**OTHER ASSETS**		
	CURRENT		
	Prepayments	55,618	-
10	**PROPERTY, PLANT AND EQUIPMENT**		
	NON-CURRENT		
	Freehold land		
	At cost	676,931	953,000
	Buildings		
	At cost	6,051,344	6,051,344
	Accumulated depreciation	(2,047,844)	(1,875,938)
		4,003,500	4,175,406
	Plant and equipment		
	At cost	3,369,022	3,307,642
	Accumulated depreciation	(2,684,683)	(2,451,097)
		684,339	856,545
		5,364,770	5,984,951

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	Total
	$	$	$	$
Year ended 31 December 2020				
Balance at the beginning of year	953,000	4,175,406	856,545	5,984,951
Additions	51,131	-	61,380	112,511
Disposals	(327,200)	-	-	(327,200)
Depreciation	-	(171,906)	(233,586)	(405,492)
Balance at the end of the year	676,931	4,003,500	684,339	5,364,770

	2020	2019
	$	$

11 INTANGIBLE ASSETS

	2020 $	2019 $
NON-CURRENT		
Goodwill - Goldtera Motor Inn	320,000	320,000
Goodwill - Koreela Park Motor Inn	490,000	490,000
Gaming machine licenses	225,465	225,465
	1,035,465	1,035,465

12 TRADE AND OTHER PAYABLES

	2020 $	2019 $
CURRENT		
Trade payables	229,590	220,585
Other payables	7,923	12,289
	237,513	232,874

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

13 EMPLOYEE BENEFITS

	2020 $	2019 $
CURRENT		
Annual leave	187,616	147,320
Long service leave	93,601	87,155
	281,217	234,475
NON-CURRENT		
Long service leave	16,359	20,247

14 BORROWINGS

	2020 $	2019 $
CURRENT		
Aristocrat lease liability	-	10,340
Bank loan - ANZ	567,846	819,264
Insurance loan	37,947	-
	605,793	829,604

Bank loan - ANZ

The bank loan provided by the Australia and New Zealand Banking Group Limited (ANZ) was restructured on 19 June 2018. The term of the loan expires on 28 June 2025. Principal and interest payments of $13,961 are required in arrears on a monthly basis. The bank loan has been classified as a current liability of the Company. This is due to the Company not having an unconditional right to defer payment of the remaining loan balance in full, for a period greater than twelve (12) months.

14 BORROWINGS

Bank loan - ANZ

For cashflow purposes, the Company's current and non-current repayment obligations are $164,490 and $403,356 respectively.

The bank loan is secured by a registered first mortgage over the following freehold properties owned by the Company:

- 132-134 Crowley Street, Temora 'Koreela Park Motor Inn';
- 80 Loftus Street, Temora 'Goldtera Motor Inn';
- 125-127 Crowley Street, Temora.

The ANZ Bank may request copies of audited Financial Statements of the Club and these must be provided within 30 days of such a request.

The bank may revalue 125-127 Crowley Street at the Company's cost, at least once every 36 months.

The bank may revalue 132-134 Crowley Street and 80 Loftus Street at the Company's cost, at least once every 24 months.

The valuer and the valuation report prepared by that valuer must be acceptable to the ANZ Bank.

The ANZ Bank reserves the right to revalue at any time any of the properties held as security for this loan at its cost.

15 KEY MANAGEMENT PERSONNEL REMUNERATION

The total remuneration paid to key management personnel of the Company during the year was $103,505 (2019: $112,215). Total remuneration consists of wages and salaries paid to key management as well as honorariums and allowances paid to the Directors during the year.

For details of other transactions with key management personnel, refer to Note 16: Related Parties.

16 RELATED PARTIES

Entities the Company exercises control over

The Temora Ex-Services Memorial Club Limited was deemed to have the power and authority to exercise control over its subsidiary Clubs. The subsidiary Clubs operating during the year were as follows:

- Temora Ex-Services Memorial Club Limited: Women's Bowling Club;
- Temora Ex-Services Memorial Club Limited: Anglers Club; and
- Temora Ex-Services Memorial Club Limited: Men's Bowling Club.

The Directors have assessed the financial position of each subsidiary as at 31 December 2020 and their financial performance for the year ended on that date to determine whether the exclusion of the subsidiaries would materially misstate the Company's financial report.

In the Directors opinion, the abovementioned subsidiaries were deemed to be material to the Company's overall operations and therefore have been included in the financial report.

16 RELATED PARTIES

Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director (whether executive or otherwise) of that entity are considered key management personnel. Key management personnel of the Company are as follows:

- Mr Kerry Wallace (President)
- Mr Earl Kotzur (Senior Vice President)
- Mr Michael Floyd (Junior Vice President)
- Mr Bruce Stacey (Director)
- Mrs Margaret Tarbit (Director)
- Mrs Anne Widdows (Director)
- Mr Jone Pavelic (Director)
- Mr Benjamin Wells (Secretary Manager)

For details of remuneration disclosures relating to key management personnel, refer to Note 15: Key Management Personnel Remuneration.

Other transactions with KMP and their related entities are shown on the following page.

Other related parties

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

Transactions with related parties

No transactions occurred between key management personnel during the year. Transactions with other related parties were on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

17 CONTINGENCIES

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2020 (31 December 2019: None).

18 EVENTS OCCURRING AFTER THE REPORTING DATE

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

19 COMPANY DETAILS

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

Temora Ex-Services Memorial Club Limited

130 Baker Street

TEMORA NSW 2666

TEMORA EX-SERVICES MEMORIAL CLUB LIMITED

ABN: 76 001 055 045

DIRECTORS' DECLARATION

FOR THE YEAR ENDED 31 DECEMBER 2020

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 6, are in accordance with the *Corporations Act 2001* and:

    a) comply with Australian Accounting Standards - Reduced Disclosure Requirements and *Corporations Regulations 2001*; and

    b) give a true and fair view of the Company's financial position as at 31 December 2020 and performance for the year then ended.

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	Director .... Michael J. Floyd.
Anne Widdows	Michael Floyd

Dated 4 May 2021

TEMORA EX-SERVICES MEMORIAL CLUB LIMITED

ABN: 76 001 055 045

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Temora Ex-Services Memorial Club Limited (the Company), which comprises the statement of financial position as at 31 December 2020, 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 31 December 2020 and of its financial performance for the year then ended; and

(ii) complying with the 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* (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 within the Club's annual report for the year ended 31 December 2020, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially consistent with the financial report or our knowledge obtained in the audit or otherwise other information, we are required to report the fact. We have nothing to report in this regard.

TEMORA EX-SERVICES MEMORIAL CLUB LIMITED
ABN: 76 001 055 045

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

Responsibilities of 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, *Corporations Act 2001*, *Corporations Regulation 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors 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 independent auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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.

TEMORA EX-SERVICES MEMORIAL CLUB LIMITED
ABN: 76 001 055 045

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

Auditor's Responsibilities for the Audit of the Financial Report (continued)

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. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

National Audits Group Pty Ltd
Authorised Audit Company

Stephen Prowse
Director

Dated 4 May 2021

Wagga Wagga