

The Mudgee Soldiers Club Limited

ABN: 99 001 044 677

Financial Statements

For the Year Ended 31 December 2024

The Mudgee Soldiers Club Limited

ABN: 99 001 044 677

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For the Year Ended 31 December 2024

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The Mudgee Soldiers Club Limited

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Directors' Report 31 December 2024

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

Directors

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

Names	Position
Scott Fittler	President
Emma Best	Vice President
Nathan Consadine	Junior Vice President
John Mills	Director
Joe Hurn	Director
Simon Byrnes	Director
Mark Dinsey	Director

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

Principal activities

The principal activity of The Mudgee Soldiers Club Limited during the financial year was the operation of a registered club in accordance with its objectives to benefit its members.

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

Short term objectives

The Company's short term objectives are to:

- Maintain and / or modernise the Club's premises;
- Provide the best possible hospitality service to members and the local community; and
- Ensure ongoing profitability of the Club to secure it's financial future.

Long term objectives

The Company's long term objectives are to:

- Always endeavour to satisfy or exceed member's expectations for all services and facilities provided;
- To maintain a dynamic and relevant presence in the community through the provision of hospitality, lifestyle and entertainment services to the community; and
- Invest funds generated by the Club's operations to develop the Club's assets, to enable the Club to continue to provide services to members and the local community that are concurrent with the needs of the members and the local community.

The Mudgee Soldiers Club Limited

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Directors' Report

31 December 2024

Strategy for achieving the objectives

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

- Ensure that Club's policies are appropriate;
- Ensure professional management;
- Ensure proficient and cost-effective operation of the Club; and

Members' guarantee

The Mudgee Soldiers Club Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the Club, 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 \$ 5 (2023: \$5), subject to the provisions of the Club's constitution.

At 31 December 2024 the collective liability of members was \$ 55,100 (2023: \$ 47,055).

Information on directors

Scott Fittler

Qualifications

Experience

Community Relations Manager, Yancoal

Board Member 2017 - 18

President 2018 - current

Ex-officio member of sub committees (Audit, Club Grants & Building)

John Mills

Qualifications

Experience

Sales Manager

Board Member 2020 - current

Vice President 2022 - May 2023

Community Engagement / Club Grants Committee Member

Building Committee

Emma Best

Qualifications

Experience

Paralegal / Licensed Conveyancer

Board Member 2019 - 2020

Vice president May 2023 - current

Junior Vice President July 2020 - May 2023

Community Engagement / Club Grants Committee Member

Joe Hurn

Qualifications

Experience

Professional Accountant

Board Member May 2022 - Current

Club Grants Committee Member

Audit, Finance & Business Risk

Simon Byrnes

Qualifications

Experience

Professional Accountant

Board Member November 2017 - current

Audit, Finance & Business Risk, Asset Renewal Committee Member

The Mudgee Soldiers Club Limited

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Directors' Report 31 December 2024

Information on directors (cont'd)

Nathan Consadine

Qualifications

Sales Manager/Building

Experience

Board Member Nov 2022 - June 2023
Junior Vice President June 2023 - current
Building Committee

Mark Dinsey

Qualifications

Service NSW - Service Centre Manager

Experience

Board Member June 2023 - current
Building Committee Member

Meetings of directors

During the financial year, 21 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Monthly Compliance Meetings		Special Meetings		Club Grants Meetings		Audit Committee Meetings		Remuneration Committee Meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Scott Fittler	11	9	5	5	-	-	-	-	-	-
John Mills	11	9	5	4	2	1	-	-	-	-
Emma Best	11	11	5	4	3	3	1	1	1	1
Joe Hurn	11	10	5	4	-	-	1	1	-	-
Simon Byrnes	11	10	5	4	1	1	1	-	1	1
Nathan Consadine	11	10	5	5	3	3	-	-	-	-
Mark Dinsey	11	9	5	4	-	-	1	-	1	1

Core and non-core property

In accordance with Section 41J of the Registered Clubs Act, the Club's Property Assets are classified as follows:

Core Property:

The Club's core property assets are defined as the Club's premises and associated car parks at the following address:

- 93-99 Mortimer Street Mudgee NSW.

Non-core Property:

The Club's non-core property assets are defined as all other property assets held by the Club, including 91 Mortimer Street Mudgee NSW.

The Mudgee Soldiers Club Limited

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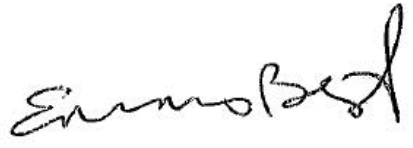
Directors' Report
31 December 2024

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 2024 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:


Director:


Dated 25 February 2025



PKF(NS) Audit & Assurance Limited Partnership

ABN 91 850 861 839

755 Hunter Street, Newcastle West NSW 2302

Level 8, 1 O'Connell Street, Sydney NSW 2000

Newcastle T: +61 2 4962 2688 F: +61 2 4962 3245

Sydney T: +61 2 8346 6000 F: +61 2 8346 6099

info@pkf.com.au

www.pkf.com.au

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Board of Directors of The Mudgee Soldiers Club Limited

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2024, 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.

A stylized, handwritten version of the letters 'PKF' in black ink.

PKF

A handwritten signature in black ink that reads 'David Hutchison'.

DAVID HUTCHISON
PARTNER

25 FEBRUARY 2025
NEWCASTLE, NSW

The Mudgee Soldiers Club Limited

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 December 2024

	Note	2024 \$	2023 \$
Revenue	4	12,070,906	10,873,556
Changes in inventories of finished goods and work in progress		(7,821)	285
Raw materials and consumables used		(1,915,176)	(1,872,895)
Employee benefits expense		(4,311,736)	(3,916,749)
Depreciation and amortisation expense		(1,198,967)	(820,732)
Insurance		(279,488)	(247,033)
Professional and consulting expense		(186,750)	(172,698)
Repairs and maintenance expense		(236,608)	(213,191)
Utilities expense		(347,824)	(301,872)
Advertising expense		(55,987)	(41,521)
Functions and entertainment expense		(162,401)	(84,472)
Poker machine taxes		(1,331,574)	(1,134,646)
Members promotion expense		(796,864)	(721,633)
Other operating expenses		(1,009,521)	(1,017,364)
Finance expenses		(258,005)	(91,102)
(Deficit)/surplus before income tax		(27,816)	237,933
Income tax benefit/(expense)	5	17,778	(8,083)
(Deficit)/surplus for the year		(10,038)	229,850
Other comprehensive income for the year, net of tax		-	-
Total comprehensive (loss)/income for the year		(10,038)	229,850

The accompanying notes form part of these financial statements.

The Mudgee Soldiers Club Limited

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Statement of Financial Position

As At 31 December 2024

	Note	2024 \$	2023 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	762,788	1,222,257
Trade and other receivables		30,696	47,600
Inventories		127,720	119,899
Other assets		125,047	98,925
TOTAL CURRENT ASSETS		1,046,251	1,488,681
NON-CURRENT ASSETS			
Property, plant and equipment	9	13,267,745	13,693,935
Investment properties	7	471,382	476,608
Deferred tax assets		36,103	19,623
TOTAL NON-CURRENT ASSETS		13,775,230	14,190,166
TOTAL ASSETS		14,821,481	15,678,847
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	790,686	963,614
Financial liabilities	11	429,794	378,607
Employee benefits	12	214,901	269,105
TOTAL CURRENT LIABILITIES		1,435,381	1,611,326
NON-CURRENT LIABILITIES			
Financial liabilities	11	2,969,901	3,646,509
Deferred tax liabilities		28,861	30,159
Employee benefits	12	48,396	41,873
TOTAL NON-CURRENT LIABILITIES		3,047,158	3,718,541
TOTAL LIABILITIES		4,482,539	5,329,867
NET ASSETS		10,338,942	10,348,980
EQUITY			
Reserves		206,970	206,970
Retained surplus		11,000,345	11,010,383
TOTAL EQUITY		11,207,315	11,217,353

The accompanying notes form part of these financial statements.

The Mudgee Soldiers Club Limited

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Statement of Changes in Equity For the Year Ended 31 December 2024

	Retained Surplus	Capital Profits Reserve	Total
	\$	\$	\$
Balance at 1 January 2024	11,010,383	206,970	11,217,353
Deficit for the year	(10,038)	-	(10,038)
Balance at 31 December 2024	11,000,345	206,970	11,207,315
Balance at 1 January 2023	10,780,533	206,970	10,987,503
Surplus for the year	229,850	-	229,850
Balance at 31 December 2023	11,010,383	206,970	11,217,353

The accompanying notes form part of these financial statements.

The Mudgee Soldiers Club Limited

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Statement of Cash Flows For the Year Ended 31 December 2024

	2024	2023
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	13,294,660	11,959,940
Payments to suppliers and employees	(11,779,777)	(10,367,803)
Interest received	2,410	5,171
Interest paid	(258,005)	(91,102)
Net cash provided by operating activities	<u>1,259,288</u>	<u>1,506,206</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of plant and equipment	(770,856)	(5,022,280)
Proceeds on disposal of assets	-	20,964
Net cash used in investing activities	<u>(770,856)</u>	<u>(5,001,316)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net proceeds from borrowings	375,000	4,177,488
Repayment of borrowings	(1,099,400)	-
Payment of lease liabilities	(223,501)	(416,765)
Net cash (used in)/provided by financing activities	<u>(947,901)</u>	<u>3,760,723</u>
Net (decrease)/increase in cash and cash equivalents held	(459,469)	265,613
Cash and cash equivalents at beginning of year	<u>1,222,257</u>	<u>956,644</u>
Cash and cash equivalents at end of financial year	6 <u><u>762,788</u></u>	<u><u>1,222,257</u></u>

The accompanying notes form part of these financial statements.

The Mudgee Soldiers Club Limited

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Notes to the Financial Statements For the Year Ended 31 December 2024

The financial statements are for the The Mudgee Soldiers Club Limited as a not-for-profit entity.

1 Basis of Preparation

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

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

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

2 Summary of Material Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

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

Sale of goods

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time where the performance obligations have been met.

Provision of services

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

Gaming machine revenue is recognised on an accrual basis calculated as net of gaming machine collections and payout's, less any costs associated with future jackpot contributions.

Rental income

Investment property revenue is recognised on a straight-line basis over a period of the lease term so as to reflect a constant periodic rate of return on the net investment.

Interest revenue

Interest is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

(b) Income Tax

The Income Tax Assessment Act, 1997 (amended) provides that under the concept of mutuality clubs are only liable for income tax on income derived from non-members and from outside entities.

The Mudgee Soldiers Club Limited

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Notes to the Financial Statements For the Year Ended 31 December 2024

2 Summary of Material Accounting Policies (cont'd)

(b) Income Tax (cont'd)

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

(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 payable are stated inclusive of GST.

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.

(d) Property, plant and equipment

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

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis or reducing balance basis over the asset's useful life to the Club commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Land is not depreciated.

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

Class of Fixed Asset	Depreciation Rate
Building	2.5% - 10%
Plant and Equipment	15%
Furniture, Fixtures and Fittings	6.67% - 20%
Motor Vehicles	20%
Poker Machines	20%

(e) Intangibles

Poker Machine Entitlements

Poker machine entitlements have been determined to be intangible assets with an indefinite life and are carried at purchase price including related costs of acquisition less any impairment.

The Mudgee Soldiers Club Limited

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Notes to the Financial Statements For the Year Ended 31 December 2024

2 Summary of Material Accounting Policies (cont'd)

(f) Cash and cash equivalents

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

(g) Leases

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

(h) Going concern

At year end, the Clubs current liabilities exceeded its current assets by \$389,130. Notwithstanding the net current liability position, the financial report has been prepared on the going concern basis. The Club's Directors are of the opinion that the Club has sufficient forecasted operating cash flows to meet its liabilities as they become due.

3 Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Club.

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

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.

Impairment testing for 2024 has resulted in no impairment write-downs being recognised in relation to its intangible assets or property, plant and equipment.

Key estimates - Estimation of useful lives

The Club determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and definite 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.

The Mudgee Soldiers Club Limited

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Notes to the Financial Statements For the Year Ended 31 December 2024

4 Revenue and Other Income

	2024	2023
	\$	\$
Revenue recognised at a point in time:		
- Bar and takeaway sales	2,462,620	2,221,013
- Dining room and coffee lounge sales	2,005,823	2,006,403
- Fees and subscriptions	49,468	43,076
- Entertainment income	394,048	287,961
- Poker machine revenue	6,749,349	5,950,509
- Interest received	2,410	5,171
- Rental revenue	2,550	-
- Green fees	26,446	18,785
- Commissions received	229,175	218,500
- Other revenue	149,017	122,138
	<u>12,070,906</u>	<u>10,873,556</u>

5 Income Tax Expense

(a) Reconciliation of income tax to accounting profit

Prima facie tax payable on profit from ordinary activities before income tax at 25.0% (2023: 25.0%)	(6,954)	59,483
Tax effect of:		
- net income and expenditure items relating to member activity	(132,115)	(159,592)
- losses not brought to account	121,291	108,192
Income tax (benefit)/expense	<u>(17,778)</u>	<u>8,083</u>

(b) Unrecognised deferred tax assets and liabilities

Deferred tax assets and liabilities in relation to the carried forward tax losses and timing differences not recognised as amounts are not expected to be realised. This is due to the Club adopting the Accumulated Credits Payout Formula Method to calculate its taxable income from Net Poker Machine contribution after allowance for overheads.

Revenue losses	859,051	738,587
Capital losses	68,332	67,505
	<u>927,383</u>	<u>806,092</u>

The Mudgee Soldiers Club Limited

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Notes to the Financial Statements For the Year Ended 31 December 2024

6 Cash and Cash Equivalents

	2024	2023
	\$	\$
Cash on hand	538,249	584,678
Bank balances	224,539	637,579
	<u>762,788</u>	<u>1,222,257</u>

7 Investment Properties

At cost	518,010	518,010
Accumulated depreciation	(46,628)	(41,402)
	<u>471,382</u>	<u>476,608</u>

8 Intangible Assets

Poker Machine licenses		
Cost	<u>868,373</u>	<u>868,373</u>

Under the Gaming Machines Act 2002, a tradable asset titled a gaming machine entitlement was created. Gaming machine entitlements are able to be sold to other clubs within the state of New South Wales provided certain statutory requirements are met.

The Act came into effect on 2 April 2002. The Club records any gaming machine entitlement it purchases as an intangible asset, at cost. The Club has 110 gaming machine entitlements including 37 purchased entitlements.

The Mudgee Soldiers Club Limited

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Notes to the Financial Statements For the Year Ended 31 December 2024

9 Property, plant and equipment

	2024	2023
	\$	\$
Freehold land		
At cost	<u>529,034</u>	529,034
Buildings		
At cost	14,691,039	14,594,237
Accumulated depreciation	<u>(5,623,987)</u>	(5,212,516)
Total buildings	<u>9,067,052</u>	9,381,721
Plant and equipment		
At cost	5,618,513	5,523,443
Accumulated depreciation	<u>(4,111,659)</u>	(3,873,269)
Total plant and equipment	<u>1,506,854</u>	1,650,174
Furniture, fixtures and fittings		
At cost	1,918,909	1,893,485
Accumulated depreciation	<u>(1,021,084)</u>	(872,728)
Total furniture, fixtures and fittings	<u>897,825</u>	1,020,757
Motor vehicles		
At cost	69,525	69,525
Accumulated depreciation	<u>(48,948)</u>	(43,804)
Total motor vehicles	<u>20,577</u>	25,721
Poker Machines		
At cost	3,639,983	3,811,872
Accumulated depreciation	<u>(2,393,580)</u>	(2,725,344)
Total poker machines	<u>1,246,403</u>	1,086,528
	<u><u>13,267,745</u></u>	<u>13,693,935</u>

The Mudgee Soldiers Club Limited

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Notes to the Financial Statements For the Year Ended 31 December 2024

9 Property, plant and equipment (cont'd)

(a) Movements in Carrying Amounts

	Land	Buildings	Plant and Equipment	Furniture, Fixtures and Fittings	Motor Vehicles	Poker Machines	Total
	\$	\$	\$	\$	\$	\$	\$
Opening Balance	529,034	9,381,721	1,650,174	1,020,757	25,721	1,086,528	13,693,935
Additions	-	96,803	100,366	27,207	-	546,480	770,856
Disposals	-	(1)	(2,403)	(72)	-	(828)	(3,304)
Transfers	-	-	-	-	-	-	-
Depreciation	-	(411,471)	(241,283)	(150,067)	(5,144)	(385,777)	(1,193,742)
	<u>529,034</u>	<u>9,067,052</u>	<u>1,506,854</u>	<u>897,825</u>	<u>20,577</u>	<u>1,246,403</u>	<u>13,267,745</u>

10 Trade and Other Payables

	2024	2023
	\$	\$
CURRENT		
Trade payables	327,547	415,812
GST payable	52,709	98,679
Sundry payables and accrued expenses	401,864	433,684
Deferred subscription revenue	8,566	10,239
Other payables	-	5,200
	<u>790,686</u>	<u>963,614</u>

The Mudgee Soldiers Club Limited

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Notes to the Financial Statements For the Year Ended 31 December 2024

11 Financial liabilities

	2024	2023
	\$	\$
CURRENT		
Lease liability - secured	202,001	179,482
Bank loans	227,793	199,125
	<u>429,794</u>	<u>378,607</u>
NON-CURRENT		
Lease liability - secured	272,225	195,765
Bank loans	2,697,676	3,450,744
	<u>2,969,901</u>	<u>3,646,509</u>
Total borrowings	<u>3,399,695</u>	<u>4,025,116</u>

(a) Lease liability

Leased liabilities are secured by the underlying leased assets.

(b) Bank Loans

The bank facility is secured by a first mortgage over the Company's land and buildings. The bank loans are principal and interest payment loans, repayable in monthly instalments due to mature in June 2028. At balance date, the Company is ahead of the required repayment schedule. The variable interest rate is 6.45% (2023: 5.70%). Detailed below:

Bank loan

Credit facility limit	2,925,469	3,649,869
Amount utilised	<u>(2,925,469)</u>	<u>(3,649,869)</u>
Used at reporting date	<u>-</u>	<u>-</u>

12 Employee benefits

CURRENT		
Provision for long service leave	59,345	67,535
Provision for annual leave	155,556	201,570
	<u>214,901</u>	<u>269,105</u>

13 Reserves

Capital profits reserve

The asset revaluation reserve is used to record profits from the sale of pre capital gains tax (CGT) assets.

The Mudgee Soldiers Club Limited

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Notes to the Financial Statements For the Year Ended 31 December 2024

14 Financial Risk Management

The main risks the Club are exposed to is through its financial instruments are credit risk, liquidity risk and interest rate risk.

The Club's financial instruments consist mainly of deposits with banks, accounts receivable and payable, bank loans, bank overdrafts and lease liabilities.

The totals for each of the categories of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	2024	2023
	\$	\$
Financial assets		
Held at amortised cost		
Cash and cash equivalents	762,788	1,222,257
Trade and other receivables	30,696	47,600
	<u>30,696</u>	<u>47,600</u>
Financial liabilities		
Financial liabilities measured at amortised cost		
Trade and other payables	790,686	963,614
Bank loans	2,925,469	3,649,869
Leases	474,226	375,247
	<u>474,226</u>	<u>375,247</u>

15 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 \$ 5 (2023: \$ 5) each towards meeting any outstanding obligations of the Company. At 31 December 2024 the number of members was 11,020 (2023: 9,632).

16 Key Management Personnel Disclosures

The remuneration paid to key management personnel of the Company is \$ 210,048 (2023: \$ 222,849).

17 Auditors' Remuneration

Remuneration of the auditor PKF, for:

- auditing the financial statements	27,550	26,250
- tax compliance services	6,350	5,250
	<u>33,900</u>	<u>31,500</u>

18 Contingencies

The Company has \$nil (2023: \$nil) of bank guarantees outstanding. The limit on the bank guarantee facility is \$215,605 (2023: \$215,605).

The Mudgee Soldiers Club Limited

ABN: 99 001 044 677

Notes to the Financial Statements For the Year Ended 31 December 2024

19 Related Parties

From time to time, directors may purchase goods from the club. These purchases are on the same terms and conditions as those entered into by other employees or customers and are trivial or domestic in nature. No director has entered into a material contract with the club since the end of the previous financial year and there were no material contracts involving directors' interests existing at year end.

20 Events after the end of the Reporting Period

The financial report was authorised for issue on 25 February 2025 by the Board of Directors.

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

21 Statutory Information

The registered office and principal place of business of the company is:
The Mudgee Soldiers Club Limited
99 Mortimer Street
MUDGEE NSW 2850

The Mudgee Soldiers Club Limited

ABN: 99 001 044 677

Consolidated Entity Disclosure Statement

The Mudgee Soldiers Club Limited has no controlled entities and, therefore, is not required by the Australian Accounting Standards to prepare consolidated financial statements. As a result, section 295(3A)(a) of the *Corporations Act 2001* does not apply to the entity.

Basis of Preparation

This Consolidated Entity Disclosure Statement (CEDs) has been prepared in accordance with the *Corporations Act 2001*.

The Mudgee Soldiers Club Limited

ABN: 99 001 044 677

Directors' Declaration

In the directors' opinion:

1. the financial statements and notes, as set out on pages 7 to 19, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Australian Accounting Standards; and
 - (b) give a true and fair view of the financial position as at 31 December 2024 and of the performance for the year ended on that date of the entity.
2. there are reasonable grounds to believe that the entity 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



Dated 25 February 2025

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE MUDGEESOLDIERS CLUB LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of The Mudgee Soldiers Club Limited (the Company), which comprises the statement of financial position as at 31 December 2024, the statement of profit or loss and comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and to the notes to the financial statements including material accounting policy information, the consolidated entity disclosure statement, and the directors' declaration.

In our opinion, the 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 2024 and of its performance for the year ended on that date; and
- ii) Complying with Australian Accounting Standards 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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 Standards) (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.

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 31 December 2024 but does not include the financial report and our auditor's report thereon.

Other Information (cont'd)

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

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

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

Directors' Responsibilities for the Financial Report

The directors of the Company are responsible for the preparation of

- a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of

- i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error and
- ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the sustainability of the Group 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 Group 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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individual or in 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 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.

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and other 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.

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, actions taken to eliminate threats or safeguards applied.



PKF



DAVID HUTCHISON
PARTNER

25 FEBRUARY 2025
NEWCASTLE, NSW