

# **Walgett RSL Memorial Club Ltd**

ABN 81 001 065 667

## **Financial Statements**

For the Year Ended 30 June 2021

# Walgett RSL Memorial Club Ltd

ABN 81 001 065 667

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For the Year Ended 30 June 2021

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## Walgett RSL Memorial Club Ltd

ABN 81 001 065 667

### Directors' Report

30 June 2021

The directors present their report on Walgett RSL Memorial Club Ltd for the financial year ended 30 June 2021.

#### Information on directors

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

John Flack

Experience Board member of the Club for 2 years. Appointed May 2019.

Lisa Wallace

Experience Board member of the club for 10 years. Appointed March 2011.

Sandra-Suey Thorne

Experience Board member of the club for 3 years. Appointed November 2018.

Mellisa Timmins

Experience Board member of the Club for 9 months. Appointed 25th February 2021.

Raymond Pallister

Experience Board member of the club for 7 years. Appointed November 2014.

Tina Lawrence

Experience Board member of the Club for 2 years. Appointed November 2019.

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 Walgett RSL Memorial Club Ltd during the financial year was to provide hospitality in a Registered Club.

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:

- Provide services to members commensurate with industry needs and regulatory requirements;
- Represent the members interests to government and local bodies;
- Meet financial viability and accountability requirements; and
- Provide a workplace that is compliant with industry standards and the Fair Work Act.

## **Walgett RSL Memorial Club Ltd**

ABN 81 001 065 667

## **Directors' Report**

**30 June 2021**

### **Long term objectives**

The Company's long term objectives are to:

- Ensure a sustainable industry;
- Become financially secure; and
- Grow the Company in accordance with members needs and interest.

### **Strategy for achieving the objectives**

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

- Providing cashflow and funds to maintain and grow the business; and
- Securing a customer base to ensure the future of the business.

### **How principal activities assisted in achieving the objectives**

The principal activities assisted the Company in achieving its objectives by:

- The preparation of a business and strategic plan that identifies the future for the industry and regulatory requirements;
- The preparation of an annual budget for financial performance and the regular review of the company performance against the budget by management and directors;
- The review of the company compliance with occupational health and safety and compliance with employment law including the Fair Work Act;
- The preparation of a business and strategic plan to identify the opportunities and strengths of the company to provide a sustainable service to its members;
- The preparation of a marketing and promotional plan to communicate and promote the business; and
- The preparation of long term budgets that consider the members service and infrastructure needs, the delivery of service to members, employment costs and maintaining prudent levels of working capital and liquidity in investments of funds surplus to current operational needs.

### **Performance measures**

The following measures are used within the Company to monitor performance:

- Comparison of income and cashflow from one financial year to the next;
- Comparison of actual expenditure each financial year to budgeted amounts and reviews conducted where necessary; and
- The company has complied with all Occupational Health and Safety, Employment and Environmental reviews conducted by external regulatory bodies.

# Walgett RSL Memorial Club Ltd

ABN 81 001 065 667

## Directors' Report

30 June 2021

### Members' guarantee

Walgett RSL Memorial Club Ltd is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$ 5 for members that are corporations and \$ 5 for all other members, subject to the provisions of the company's constitution.

At 30 June 2021 the collective liability of members was \$ 4,335 (2020: \$ 5,425).

### Meetings of directors

During the financial year, 13 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
John Flack	13	10
Lisa Wallace	13	13
Sandra-Suey Thorne	13	10
Mellisa Timmins	5	5
Raymond Pallister	13	12
Tina Lawrence	13	13

### Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2021 has been received and can be found on page 4 of the financial report.

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

Director: 

Director: 

Dated 20 October 2021

Walgett


## **Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Walgett RSL Memorial Club Ltd**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021, 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.



Murray McDonald  
Director - Audit and Assurance



Moore Australia Audit (QLD/NNSW)  
Chartered Accountants

Brisbane

20 October 2021

**Statement of Profit or Loss and Other Comprehensive Income**  
**For the Year Ended 30 June 2021**

	Note	2021 \$	Restated 2020 \$
Sales and poker machine revenue	4	2,568,635	1,658,039
Cost of sales		<u>(629,850)</u>	<u>(403,083)</u>
<b>Gross profit</b>		<b>1,938,785</b>	1,254,956
Other revenue	4	168,414	143,766
Other income	4	391,143	302,952
Employee benefits expense		(614,224)	(543,626)
Depreciation and amortisation expense		(183,606)	(155,445)
Member expenses		(26,563)	(35,274)
Leasing charges		(5,433)	(5,433)
Cleaning		(8,076)	(8,020)
Utilities		(86,196)	(86,909)
Entertainment		(21,153)	(33,545)
Insurance		(89,159)	(65,358)
Repairs and maintenance		(31,987)	(16,648)
Professional and consultancy fees		(141,313)	(92,602)
Raffles and housie		(80,583)	(76,949)
Other expenses		(231,291)	(232,468)
Finance expenses		<u>(15,053)</u>	<u>(13,590)</u>
<b>Profit before income tax</b>		<b>963,705</b>	335,807
Income tax expense		<u>(22,624)</u>	<u>(15,103)</u>
<b>Profit for the year</b>		<b>941,081</b>	320,704
<b>Other comprehensive income, net of income tax</b>			
<b>Total comprehensive income for the year</b>		<b>941,081</b>	320,704

The accompanying notes form part of these financial statements.

## Statement of Financial Position

As At 30 June 2021

	Note	2021 \$	Restated 2020 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	6	1,685,005	722,753
Trade and other receivables	7	11,525	44,541
Inventories	8	16,600	14,928
Other assets	9	40,667	64,022
TOTAL CURRENT ASSETS		<u>1,753,797</u>	846,244
NON-CURRENT ASSETS			
ILG Shares	10	750	750
Property, plant and equipment	12	1,785,635	1,443,692
Deferred tax assets		16,473	16,471
Intangible assets	11	30,596	30,596
TOTAL NON-CURRENT ASSETS		<u>1,833,454</u>	1,491,509
TOTAL ASSETS		<u>3,587,251</u>	<u>2,337,753</u>
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	13	229,143	126,027
Borrowings	14	190,666	102,628
Current tax liabilities		22,626	-
Short-term provisions	15	53,234	35,693
Employee benefits	16	52,891	21,315
TOTAL CURRENT LIABILITIES		<u>548,560</u>	285,663
NON-CURRENT LIABILITIES			
Borrowings	14	273,229	204,343
Employee benefits	16	-	23,366
TOTAL NON-CURRENT LIABILITIES		<u>273,229</u>	227,709
TOTAL LIABILITIES		<u>821,789</u>	513,372
NET ASSETS		<u>2,765,462</u>	1,824,381
<b>EQUITY</b>			
Retained earnings		<u>2,765,462</u>	1,824,381
TOTAL EQUITY		<u>2,765,462</u>	1,824,381

The accompanying notes form part of these financial statements.



## Statement of Changes in Equity For the Year Ended 30 June 2021

2021

	Retained Earnings	Total
	\$	\$
<b>Balance at 1 July 2020 - Restated</b>	<b>1,824,381</b>	<b>1,824,381</b>
Profit attributable to members of the parent entity	<b>941,081</b>	<b>941,081</b>
<b>Balance at 30 June 2021</b>	<b>2,765,462</b>	<b>2,765,462</b>

2020

	Retained Earnings	Total
	\$	\$
<b>Balance at 1 July 2019 - Restated</b>	1,503,677	1,503,677
Profit attributable to members of the parent entity	320,704	320,704
<b>Restated Balance at 30 June 2020</b>	<b>1,824,381</b>	<b>1,824,381</b>

**Statement of Cash Flows**  
**For the Year Ended 30 June 2021**

	2021	Restated 2020
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	3,453,320	2,246,709
Payments to suppliers and employees	(2,258,885)	(1,756,015)
Interest received	171	234
Interest paid	3,354	1,478
Receipts from government	129,372	10,000
Net cash provided by/(used in) operating activities	19 <u>1,327,332</u>	<u>502,406</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from sale of plant and equipment	23,180	2,455
Purchase of property, plant and equipment	(525,642)	(164,072)
Net cash provided by/(used in) investing activities	<u>(502,462)</u>	<u>(161,617)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from borrowings	341,384	190,612
Repayment of borrowings	(204,002)	(243,044)
Net cash provided by/(used in) financing activities	<u>137,382</u>	<u>(52,432)</u>
Net increase/(decrease) in cash and cash equivalents held	962,252	288,357
Cash and cash equivalents at beginning of year	<u>722,753</u>	<u>434,396</u>
Cash and cash equivalents at end of financial year	6 <u><u>1,685,005</u></u>	<u><u>722,753</u></u>

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2021**

The financial report covers Walgett RSL Memorial Club Ltd as an individual entity. Walgett RSL Memorial Club Ltd is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Walgett RSL Memorial Club Ltd is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

#### **1 Basis of Preparation**

In the Directors' opinion, the Company is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. This special purpose financial report has been prepared to meet the reporting requirements of the *Corporations Act 2001*.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* and AASB 1054 *Australian Additional Disclosures*.

#### **2 Summary of Significant Accounting Policies**

##### **(a) Revenue and other income**

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

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

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

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

## Notes to the Financial Statements

### For the Year Ended 30 June 2021

#### 2 Summary of Significant Accounting Policies

##### (a) Revenue and other income

###### Specific revenue streams

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

###### Sales of goods

Sales revenue, including bar, poker machine, and general sales is recognised on transfer of goods or services to the customer upon providing as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods. Payments are cash at point of sale, and there is no specific ongoing performance obligation connected to the revenue received.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of discounts, and rebates.

###### Interest income

Interest is recognised using the effective interest method.

###### Grant revenue

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the asset on a straight-line basis.

###### Other income

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

##### (b) Income Tax

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, base on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

## Notes to the Financial Statements

### For the Year Ended 30 June 2021

#### 2 Summary of Significant Accounting Policies

##### (b) Income Tax

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

##### Non-member income

Non-member income of the Club is only assessable for Tax, as member income is excluded under the principle of mutuality.

##### (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) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and is net of any rebates and discounts received. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

##### (e) 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.

Items of property, plant and equipment acquired for significantly less than fair value have been recorded at the acquisition date fair value.

##### Land and buildings

Land and buildings are measured using the cost model.

##### Plant and equipment

Plant and equipment are measured using the cost model.

##### Depreciation

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

## Notes to the Financial Statements

### For the Year Ended 30 June 2021

#### 2 Summary of Significant Accounting Policies

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

###### Depreciation

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

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

Fixed asset class	Depreciation rate
Plant and Equipment	13-20%
Furniture, Fixtures and Fittings	10-20%
Motor Vehicles	20%
Office Equipment	15-33%
Poker Machines and Equipment	33-50%

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 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

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

###### *Classification*

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

- amortised cost

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

## Notes to the Financial Statements

### For the Year Ended 30 June 2021

#### 2 Summary of Significant Accounting Policies

##### (f) Financial instruments

###### 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 and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

###### *Impairment of financial assets*

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- 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.

## Notes to the Financial Statements

### For the Year Ended 30 June 2021

#### 2 Summary of Significant Accounting Policies

##### (f) Financial instruments

###### Financial assets

###### *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.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

###### *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.

###### Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables and bank and other loans.

##### (g) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU 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.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.



## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 2 Summary of Significant Accounting Policies

#### (g) Impairment of non-financial assets

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

#### (h) 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.

#### (i) Employee benefits

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

Employee benefits 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. Cashflows are discounted using market yields on high quality corporate bond rates, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

#### 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.

#### (j) Intangible assets

##### Poker machine entitlements

Poker machine entitlements are considered to have an indefinite life and as a result entitlements acquired and capitalised since the legislation was enacted have not been amortised. Poker machine entitlements are tested for impairment annually or more frequently if events or changes in circumstances indicate they may be impaired, and are carried at cost less accumulated impairment losses.

### 3 Critical Accounting Estimates and Judgments

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

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

## Notes to the Financial Statements

### For the Year Ended 30 June 2021

#### 3 Critical Accounting Estimates and Judgments

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.

##### **Key estimates - impairment of intangible assets**

In accordance with AASB 138 Intangible Assets, the Company is required to estimate the recoverable amount of intangible assets 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

The Company's review includes the key assumptions related to sensitivity in the cash flow projections.

##### *Estimation of useful lives of assets*

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

##### **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 - employee benefits**

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

Employee benefits 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.

## Notes to the Financial Statements

### For the Year Ended 30 June 2021

#### 4 Revenue and Other Income

	2021	2020
	\$	\$
Sales and poker machine revenue		
- Bar sales	392,576	289,042
- Bottle shop sales	68,483	44,785
- Poker machine revenue	2,107,576	1,324,212
<b>Total sales and poker machine revenue</b>	<b>2,568,635</b>	<b>1,658,039</b>
Other revenue		
- Other trading revenue	168,414	143,766
<b>Total other revenue</b>	<b>168,414</b>	<b>143,766</b>
<b>Total Revenue</b>	<b>2,737,049</b>	<b>1,801,805</b>
<b>Other income</b>		
- Commissions	197,114	142,938
- Member subscriptions	1,564	6,129
- Rental income	11,440	10,820
- Profit on sale of asset	23,087	(170)
- Interest received	171	234
- Other recoveries	6,667	1,086
- Other income	21,728	21,787
- COVID-19 income	129,372	120,128
<b>Total other income</b>	<b>391,143</b>	<b>302,952</b>

#### 5 Result for the Year

The result for the year includes the following specific expenses:

Superannuation contributions	44,593	37,682
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#### 6 Cash and Cash Equivalents

Cash at bank and in hand	1,685,005	722,753
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#### 7 Trade and other receivables

CURRENT		
Trade receivables	11,525	44,541

#### 8 Inventories

CURRENT		
Inventories, at cost	16,600	14,928

#### 9 Other Assets

CURRENT		
Prepayments	40,667	23,658
Other asset	-	40,364
<b>Total other assets</b>	<b>40,667</b>	<b>64,022</b>

**Notes to the Financial Statements**  
**For the Year Ended 30 June 2021**

**10 Other Financial Assets**

	2021	2020
	\$	\$
NON-CURRENT		
ILG Shares	750	750

**11 Intangible Assets**

Poker machine entitlements at Cost	<u>30,596</u>	<u>30,596</u>
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**12 Property, plant and equipment**

LAND AND BUILDINGS

Freehold land		
At cost	16,000	16,000
Total Land	<u>16,000</u>	<u>16,000</u>

Buildings

At cost	779,383	780,397
Accumulated depreciation	(468,995)	(459,379)
Total buildings	<u>310,388</u>	<u>321,018</u>
Total land and buildings	<u>326,388</u>	<u>337,018</u>

PLANT AND EQUIPMENT

Plant and equipment		
At cost	3,174,610	3,016,837
Accumulated depreciation	(2,397,781)	(2,553,179)
Total plant and equipment	<u>776,829</u>	<u>463,658</u>

Motor vehicles

At cost	64,015	-
Total motor vehicles	<u>64,015</u>	<u>-</u>

Improvements

At cost	1,556,230	1,555,756
Accumulated depreciation	(940,129)	(916,423)
Total improvements	<u>616,101</u>	<u>639,333</u>

Low value asset pool

At cost	50,854	50,854
Accumulated depreciation	(48,552)	(47,171)

Total low value asset pool	<u>2,302</u>	<u>3,683</u>
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Total plant and equipment	<u>1,459,247</u>	<u>1,106,674</u>
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<b>Total property, plant and equipment</b>	<u><u>1,785,635</u></u>	<u><u>1,443,692</u></u>
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**Notes to the Financial Statements**  
**For the Year Ended 30 June 2021**

**13 Trade and Other Payables**

	2021	2020
	\$	\$
CURRENT		
Trade payables	196,971	100,227
Accrued expenses	29,981	25,800
Other payables	2,191	-
<b>Total trade and other payables</b>	<b>229,143</b>	<b>126,027</b>

**14 Borrowings**

CURRENT		
Secured liabilities:		
Finance lease liabilities	122,202	29,550
Bank loans	42,000	42,000
Other financial liabilities	26,464	31,078
<b>Total current borrowings</b>	<b>190,666</b>	<b>102,628</b>
NON-CURRENT		
Secured liabilities:		
Finance lease liabilities	221,729	110,843
Bank loans	51,500	93,500
<b>Total non-current borrowings</b>	<b>273,229</b>	<b>204,343</b>
<b>Total borrowings</b>	<b>463,895</b>	<b>306,971</b>

**15 Short-term provisions**

CURRENT		
Provision for jackpot	44,000	20,000
Other provisions	9,234	15,693
	<b>53,234</b>	<b>35,693</b>

**16 Employee Benefits**

Current liabilities		
Long service leave	34,602	-
Annual leave	18,289	21,315
	<b>52,891</b>	<b>21,315</b>
Non-current liabilities		
Long service leave	-	23,366
	<b>-</b>	<b>23,366</b>

## Notes to the Financial Statements

### For the Year Ended 30 June 2021

#### 17 Auditors' Remuneration

	2021	2020
	\$	\$
Remuneration of the auditor of the Club, Moore Australia, for:		
- auditing the financial statements	22,400	21,800
- taxation and other services	6,175	6,025
<b>Total</b>	<b>28,575</b>	<b>27,825</b>

#### 18 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2021 (30 June 2020:None).

#### 19 Cash Flow Information

##### Reconciliation of result for the year to cashflows from operating activities

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

Profit for the year	941,081	320,704
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	183,606	155,445
- net gain on disposal of property, plant and equipment	(23,087)	170
- interest capitalised to borrowings	19,542	17,033
- net (gain)/loss on disposal of investments	-	10
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	87,603	(45,944)
- (increase)/decrease in other assets	(17,009)	4,716
- (increase)/decrease in inventories	(1,672)	(4,578)
- (increase)/decrease in deferred tax asset	(2)	15,103
- increase/(decrease) in trade and other payables	88,893	(3,055)
- increase/(decrease) in current tax liability	22,626	-
- increase/(decrease) in provisions	25,751	42,802
Cashflows from operations	<b>1,327,332</b>	<b>502,406</b>

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 20 Retrospective restatement

An error occurred in prior years resulting in the depreciation of the Improvements in Property, plant and equipment being too high.

The aggregate effect of the error on the annual financial statements for the year ended 30 June 2021 is as follows:

	Previously stated	30 June 2020 Adjustments	Restated	Previously stated	1 July 2019 Adjustments	Restated
	\$	\$	\$	\$	\$	\$
<b>Statement of Profit or Loss and Other Comprehensive Income</b>						
Depreciation and amortisation expense	(177,457)	22,012	(155,445)	(175,927)	22,012	(153,915)
Profit before income tax	313,795	22,012	335,807	291,880	22,012	313,892
Profit for the year	298,692	22,012	320,704	301,893	22,012	323,905
<b>Statement of Financial Position</b>						
Property, plant and equipment	1,330,157	113,535	1,443,692	1,346,167	91,523	1,437,690
Total non-current assets	1,377,974	113,535	1,491,509	1,409,097	91,523	1,500,620
Total assets	2,224,218	113,535	2,337,753	1,946,402	91,523	2,037,925
Net assets	1,710,846	113,535	1,824,381	1,412,154	91,523	1,503,677
Retained earnings	1,710,846	113,535	1,824,381	1,412,154	91,523	1,503,677
Total equity	1,710,846	113,535	1,824,381	1,412,154	91,523	1,503,677

### 21 COVID-19 Impact

As at balance date the Coronavirus (COVID-19) pandemic continues to impact communities and businesses. The members of the Board together with management have evaluated the impact of the outbreak of Coronavirus since the end of the financial year on the entity in regards to economic volatility and other associated events. The Board have concluded though that, due to the rapid and ongoing changes, a reasonable estimate of the full extent of the impact cannot be made at this time.

Except for the above, 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.

### 22 Statutory Information

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

Walgett RSL Memorial Club Ltd  
71 Fox Street  
WALGETT NSW 2832

**Walgett RSL Memorial Club Ltd**

ABN 81 001 065 667


**Directors' Declaration**

The directors have determined that the Company is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies described in Note 2 of the financial statements.

In the opinion of the directors of the Company:

1. The financial statements and notes, as set out on pages 5, are in accordance with the *Corporations Act 2001* including:
  - (a) complying with Australian Accounting Standards as stated in Note 1; and
  - (b) giving a true and fair view of the financial position as at 30 June 2021 and of the performance for the year ended on that date of is in accordance with the accounting policy described in Note 2 of the financial statements; and
2. 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  .....

Dated 20 October 2021



# Independent Audit Report to the members of Walgett RSL Memorial Club Ltd

## Report on the Audit of the Financial Report

### Opinion

We have audited the accompanying financial report, being a special purpose financial report of Walgett RSL Memorial Club Ltd (the Company), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- (i) giving a true and fair view of the Company's financial position as at 30 June 2021 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1 and the *Corporations Regulations 2001*.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

### Other Information

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

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

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

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

## Independent Audit Report to the members of Walgett RSL Memorial Club Ltd

### 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 and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters 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.

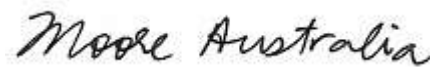
### Auditor's Responsibilities for the Audit of the Financial Report

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 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [https://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of the auditor's report.



Murray McDonald  
Director - Audit and Assurance



Moore Australia Audit (QLD/NNSW)  
Chartered Accountants

Brisbane  
20 October 2021