

Walgett RSL Memorial Club Ltd

ABN 81 001 065 667

Financial Statements

For the Year Ended 30 June 2023

Walgett RSL Memorial Club Ltd

ABN 81 001 065 667

Contents

For the Year Ended 30 June 2023

	Page
Financial Statements	
Directors' Report	1
Auditor's Independence Declaration under Section 307C of the Corporations Act 2001	3
Statement of Profit or Loss and Other Comprehensive Income	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to the Financial Statements	8
Directors' Declaration	24
Independent Audit Report	25

Walgett RSL Memorial Club Ltd

ABN 81 001 065 667

Directors' Report 30 June 2023

The directors present their report on Walgett RSL Memorial Club Ltd for the financial year ended 30 June 2023.

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 4 years. Ceased September 2023.

Lisa Wallace

Experience Board member of the club for 12 years. Appointed March 2011.

Sandra-Suey Thorne

Experience Board member of the club for 5 years. Appointed November 2018.

Mellisa Timmins

Experience Board member of the Club for 2 years. Appointed February 2021.

Raymond Pallister

Experience Board member of the club for 9 years. Appointed November 2014.

Tina Lawrence

Experience Board member of the Club for 4 years. Appointed November 2019.

Christine Coorey

Experience Board member of the Club for 2 years. Appointed December 2021

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 were those of a RSL club.

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

Objectives

The Club's vision is to secure its long term future by providing welcoming hospitality facilities and experiences. As such, the short and long-term objective is to continue to trade successfully by delivering quality food, beverages, gaming and function facilities, whilst refurbishing the club building and meeting community needs.

- Refurbish the whole Club building
- Improve our financial sustainability
- Be the Club where all the community feels welcome
- Explore and put into action opportunities to improve our business operations
- Develop a Succession Plan for the Club.

Walgett RSL Memorial Club Ltd

ABN 81 001 065 667

Directors' Report

30 June 2023

Performance measures

The Club uses industry accepted KPIs and budget tracking to monitor performance in terms of service delivery to members, financial results and liquidity levels.

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 2023 the collective liability of members was \$ 4,530 (2022: \$ 4,225).

Meetings of directors

During the financial year, 12 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	12	7
Lisa Wallace	12	12
Sandra-Suey Thorne	12	10
Mellisa Timmins	12	11
Raymond Pallister	12	11
Tina Lawrence	12	12
Christine Coorey	12	9

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 2023 has been received and can be found on page 3 of the financial report.

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

Director: 

Director: 

Dated 21 September 2023

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 2023, 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
Partner - Audit and Assurance



Moore Australia Audit (QLD/NNSW)
Chartered Accountants

Brisbane

Dated 21 September 2023

Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2023

	Note	2023 \$	2022 \$
Sales revenue	5	2,483,678	1,945,719
Cost of sales		(760,017)	(525,415)
		1,723,661	1,420,304
Other revenue	5	156,911	144,098
Other income	5	259,153	245,351
Employee benefits expense		(599,828)	(559,942)
Depreciation and amortisation expense		(240,630)	(263,614)
Member Expenses		(91,463)	(31,292)
Cleaning		(15,549)	(7,926)
Utilities		(101,937)	(71,525)
Entertainment		(20,663)	(16,518)
Insurance		(103,558)	(95,223)
Repairs and Maintenance		(43,063)	(24,388)
Professional and Consultancy Fees		(146,489)	(134,527)
Raffles and Housie		(112,469)	(82,150)
Other expenses		(291,851)	(242,912)
Finance expenses		(15,895)	(18,479)
Profit before income tax		356,330	261,257
Income tax expense	7	(34,287)	(19,297)
Profit for the year		322,043	241,960
Other comprehensive income, net of income tax			
Total comprehensive income for the year		322,043	241,960

The accompanying notes form part of these financial statements.

Statement of Financial Position

As At 30 June 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	8	2,139,026	1,977,394
Trade and other receivables	9	37,315	16,303
Inventories	10	14,705	18,406
Other assets	11	42,674	38,097
TOTAL CURRENT ASSETS		2,233,720	2,050,200
NON-CURRENT ASSETS			
Property, plant and equipment	12	1,360,889	1,386,445
Investment property	13	278,519	287,044
Deferred tax assets	14	20,387	17,635
Intangible assets	15	30,596	30,596
TOTAL NON-CURRENT ASSETS		1,690,391	1,721,720
TOTAL ASSETS		3,924,111	3,771,920
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	16	139,026	175,288
Borrowings	17	196,406	222,077
Current tax liabilities	14	9,957	18,149
Short-term provisions	18	60,801	63,037
Employee benefits	19	90,216	77,176
TOTAL CURRENT LIABILITIES		496,406	555,727
NON-CURRENT LIABILITIES			
Borrowings	17	98,240	208,771
TOTAL NON-CURRENT LIABILITIES		98,240	208,771
TOTAL LIABILITIES		594,646	764,498
NET ASSETS		3,329,465	3,007,422
EQUITY			
Retained earnings		3,329,465	3,007,422
TOTAL EQUITY		3,329,465	3,007,422

The accompanying notes form part of these financial statements.

Walgett RSL Memorial Club Ltd

Statement of Changes in Equity

For the Year Ended 30 June 2023

2023

	Retained Earnings \$	Total \$
Balance at 1 July 2022	3,007,422	3,007,422
Profit attributable to members of the parent entity	322,043	322,043
Balance at 30 June 2023	3,329,465	3,329,465

2022

	Retained Earnings \$	Total \$
Balance at 1 July 2021	2,765,462	2,765,462
Profit attributable to members of the parent entity	241,960	241,960
Balance at 30 June 2022	3,007,422	3,007,422

The accompanying notes form part of these financial statements.

Walgett RSL Memorial Club Ltd

Statement of Cash Flows For the Year Ended 30 June 2023

	Note	2023 \$	2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		3,152,941	2,498,751
Payments to suppliers and employees		(2,588,051)	(2,037,294)
Interest received		-	257
Interest paid		(7,861)	(1,913)
Income tax paid		(50,714)	(24,937)
Receipt from government		-	41,966
Net cash provided by/(used in) operating activities		<u>506,315</u>	<u>476,830</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of property, plant & equipment		12,158	18,000
Payments for property, plant & equipment		(215,180)	(154,389)
Net cash provided by/(used in) investing activities		<u>(203,022)</u>	<u>(136,389)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from borrowings		180,679	149,829
Repayment of borrowings		(322,340)	(197,881)
Net cash provided by/(used in) financing activities		<u>(141,661)</u>	<u>(48,052)</u>
Net increase/(decrease) in cash and cash equivalents held		161,632	292,389
Cash and cash equivalents at beginning of year		1,977,394	1,685,005
Cash and cash equivalents at end of financial year	8	<u>2,139,026</u>	<u>1,977,394</u>

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2023

1 Introductions

The financial report covers Walgett RSL Memorial Club Ltd as an individual entity. Walgett RSL Memorial Club Ltd is a for-profit Company limited by shares, incorporated and domiciled in Australia.

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

The financial report was authorised for issue by the Directors on 21 September 2023.

Comparatives are consistent with prior years, unless otherwise stated.

2 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Corporations Act 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 selected non-current assets, 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.

3 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. 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.

Specific revenue streams

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

Notes to the Financial Statements

For the Year Ended 30 June 2023

3 Summary of Significant Accounting Policies

(a) Revenue and other income

Specific revenue streams

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 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.

Deferred tax is not provided for the following:

- The initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).
- Taxable temporary differences arising on the initial recognition of goodwill.
- Temporary differences related to investment in subsidiaries, associates and jointly controlled entities to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Notes to the Financial Statements

For the Year Ended 30 June 2023

3 Summary of Significant Accounting Policies

(b) Income tax

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, based 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.

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) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

(d) 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.

(e) 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.

(f) 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.

Land and buildings

Land and buildings are measured using the cost model.

Notes to the Financial Statements

For the Year Ended 30 June 2023

3 Summary of Significant Accounting Policies

(f) Property, plant and equipment

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 asset's useful life to the Company, commencing when the asset is ready for use.

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
Buildings	10% - 15%
Plant and Equipment	3.25%- 50%
Motor Vehicles	16.67%
Improvements	2.5% - 25%
Low Value Asset Pool	37.5%

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.

(g) Investment property

Investment property is held at cost which includes expenditure that is directly attributable to the acquisition of the investment property. The investment properties are depreciated on a straight line basis over 40 years.

(h) 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 2023

3 Summary of Significant Accounting Policies

(h) Financial instruments

Financial assets

Amortised cost

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, foreign exchange gains or losses 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.

Trade receivables and contract assets

Impairment of trade receivables and contract assets 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.

Notes to the Financial Statements

For the Year Ended 30 June 2023

3 Summary of Significant Accounting Policies

(h) Financial instruments

Financial assets

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, bank and other loans and lease liabilities.

(i) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is 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.

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

(j) Intangible assets

Amortisation

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

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.

Notes to the Financial Statements

For the Year Ended 30 June 2023

3 Summary of Significant Accounting Policies

(k) 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.

(l) Employee benefits

Provision is made for the Company's liability for employee benefits, those 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.

(m) 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.

4 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.

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 - 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.

Notes to the Financial Statements

For the Year Ended 30 June 2023

4 Critical Accounting Estimates and Judgments

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Key judgments - taxes

Deferred tax assets

Determining income tax provisions involves judgment on the tax treatment of certain transactions. Deferred tax is recognised on tax losses not yet used and on temporary differences where it is probable that there will be taxable revenue against which these can be offset. Management has made judgments as to the probability of future taxable revenues being generated against which tax losses will be available for offset based on budgets, current and future expected economic conditions.

5 Other Revenue and Income

Revenue from continuing operations

	2023	2022
	\$	\$
Sales and poker machine revenue		
- Bar sales	435,657	299,407
- Bottle shop sales	53,329	49,369
- Poker machine revenue	1,994,691	1,596,127
- Bingo	1	816
	<u>2,483,678</u>	<u>1,945,719</u>
Revenue from other sources		
- Other revenue	156,911	144,098
Total Revenue	<u>2,640,589</u>	<u>2,089,817</u>
Other Income		
- Commissions	190,526	149,226
- Rental income	5,720	11,200
- Profit on sale of asset	3,527	15,079
- Member subscriptions	8,888	6,785
- Other income	31,599	20,838
- Interest received	18,893	257
- COVID-19 government grants	-	41,966
	<u>259,153</u>	<u>245,351</u>
Total Revenue and Other Income	<u>2,899,742</u>	<u>2,335,168</u>

Notes to the Financial Statements

For the Year Ended 30 June 2023

6 Result for the Year

The result for the year includes the following specific expenses:

	2023	2022
	\$	\$
Superannuation contributions	48,674	41,612

7 Income Tax Expense

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

Current tax expense

Local income tax - current period

37,039	19,297
--------	--------

Deferred tax expense

Origination and reversal of temporary differences

(2,752)	-
---------	---

34,287	19,297
--------	--------

(b) Reconciliation of income tax to accounting profit:

Prima facie tax payable on profit from ordinary activities before income tax at 25% (2022: 25%)

89,082	65,314
--------	--------

Less:

Tax effect of:

- non-deductible expenses

(111)	(6,510)
-------	---------

- apportionment adjustment for members' income & expenses

82,281	47,619
--------	--------

- timing differences during the year not brought to account

(30,127)	3,746
----------	-------

- timing differences brought to account at year end

2,752	1,162
-------	-------

Income tax expense

34,287	19,297
--------	--------

8 Cash and Cash Equivalents

Cash at bank and in hand

2,139,026	1,977,394
-----------	-----------

9 Trade and Other Receivables

CURRENT

Trade Receivables

37,315	16,303
--------	--------

10 Inventories

CURRENT

At cost:

Inventories

14,705	18,406
--------	--------

Write downs of inventories to net realisable value during the year were \$ NIL (2022: \$ NIL).

Notes to the Financial Statements

For the Year Ended 30 June 2023

11 Other Non-Financial Assets

	2023	2022
	\$	\$
CURRENT		
Prepayments	42,674	38,097

12 Property, Plant and Equipment

Buildings		
At cost	438,382	438,382
Accumulated depreciation	(412,163)	(410,113)
Total buildings	26,219	28,269
PLANT AND EQUIPMENT		
Capital works in progress		
At cost	45,595	11,700
Plant and equipment		
At cost	3,359,472	3,248,446
Accumulated depreciation	(2,701,596)	(2,555,430)
Total plant and equipment	657,876	693,016
Motor vehicles		
At cost	65,828	65,828
Accumulated depreciation	(15,909)	(5,923)
Total motor vehicles	49,919	59,905
Leasehold Improvements		
Improvements	1,568,490	1,556,230
Accumulated depreciation	(988,109)	(964,114)
Total leasehold improvements	580,381	592,116
Low value asset pool		
At cost	50,854	50,854
Accumulated depreciation	(49,955)	(49,415)
Total low value asset pool	899	1,439
Total plant and equipment	1,334,670	1,358,176
Total property, plant and equipment	1,360,889	1,386,445

Notes to the Financial Statements

For the Year Ended 30 June 2023

12 Property, Plant and Equipment

(a) Movements in carrying amounts

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

	Capital Works in Progress	Buildings	Plant and Equipment	Motor Vehicle	Improvements	Low Value Asset Pool	Total
	\$	\$	\$	\$	\$	\$	\$
Year ended 30 June 2023							
Balance at the beginning of year	11,700	28,269	693,016	59,905	592,116	1,439	1,386,445
Additions	33,895	-	169,026	-	12,260	-	215,181
Disposals	-	-	(8,631)	-	-	-	(8,631)
Depreciation expense	-	(2,050)	(195,535)	(9,986)	(23,995)	(540)	(232,106)
Balance at the end of the year	45,595	26,219	657,876	49,919	580,381	899	1,360,889

Notes to the Financial Statements

For the Year Ended 30 June 2023

13 Investment Properties

	2023	2022
	\$	\$
At cost value		
Owned Property		
Balance at beginning of the period	357,000	357,000
Depreciation	(78,481)	(69,956)
Balance at end of the period	278,519	287,044

Investment property is held at cost in accordance with AASB 140 Investment Property.

14 Tax Assets and Liabilities

Deferred Tax Assets

	Opening Balance	Charged to Income	Changes in Tax Rate	Closing Balance
	\$	\$	\$	\$
Deferred tax assets				
Property, plant and equipment				
- fixed assets	8,174	1,984	(391)	9,767
- land and building	-	334	(13)	321
Provisions	2,661	188	(110)	2,739
Provisions - employee benefits	3,829	(93)	(144)	3,592
Accruals	1,500	(423)	(41)	1,036
Other	309	(123)	(6)	180
Balance at 30 June 2022	16,473	1,867	(705)	17,635
Property, plant and equipment				
- fixed assets	9,767	805	-	10,572
- land and building	321	(18)	-	303
Provisions	2,739	240	-	2,979
Provisions - employee benefits	3,592	1,155	-	4,747
Accruals	1,036	651	-	1,687
Other	180	(81)	-	99
Balance at 30 June 2023	17,635	2,752	-	20,387

Notes to the Financial Statements

For the Year Ended 30 June 2023

15 Intangible Assets

	2023	2022
	\$	\$
Goodwill - Taxi Business		
Cost	152,780	152,780
Accumulated amortisation and impairment	(152,780)	(152,780)
Net carrying value	-	-
Poker Machine Entitlements At Cost		
Cost	30,596	30,596
Goodwill - Walgett Motel		
Cost	29,242	29,242
Accumulated amortisation and impairment	(29,242)	(29,242)
Net carrying value	-	-
Total Intangible assets	30,596	30,596

(a) Movements in carrying amounts of intangible assets

	Goodwill - Taxi Business	Poker Machine Entitlements At Cost	Goodwill - Walgett Motel	Total
	\$	\$	\$	\$
Year ended 30 June 2023				
Balance at the beginning of the year	-	30,596	-	30,596
Closing value at 30 June 2023	-	30,596	-	30,596

16 Trade and Other Payables

CURRENT		
Trade payables	46,530	47,920
GST payable	29,757	43,088
Accrued expenses	34,333	23,719
Other payables	28,406	60,561
	139,026	175,288

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

Notes to the Financial Statements

For the Year Ended 30 June 2023

17 Borrowings

	2023 \$	2022 \$
CURRENT		
Secured liabilities:		
Finance lease liabilities	162,289	157,745
Bank loans	9,500	42,000
Interest-free loans from beneficiaries	24,617	22,332
Total current borrowings	196,406	222,077
NON-CURRENT		
Secured liabilities:		
Bond issues	-	9,500
Finance lease liabilities	98,240	199,271
Total non-current borrowings	98,240	208,771
Total borrowings	294,646	430,848

Summary of borrowings

The Company has numerous chattel mortgages for a range of assets including air conditioning, carpet, Ford Ranger, Aristocrat POS system and gaming machines. These mortgages cover periods of 3 - 6 years and interest is charged at rates between 4.78% and 6.76% per annum.

The bank loan refers to a business loan that expires on 30 November 2023, bearing interest at a default rate of 7.78% per annum. The registered mortgage over the property situated at 14 Fox Street, Walgett is held as security for this loan.

Defaults and breaches

During the current and prior year, there were no defaults or breaches on any of the loans.

18 Provisions

CURRENT		
Provision for jackpot	48,159	48,000
Other provisions	12,642	15,037
	60,801	63,037

Other provisions

Other provisions are kept for the future payments of member draws and Cardplay.

Notes to the Financial Statements

For the Year Ended 30 June 2023

19 Employee Benefits

	2023	2022
	\$	\$
Current liabilities		
Long service leave	44,816	38,251
Provision for Annual Leave	45,400	38,925
	<u>90,216</u>	<u>77,176</u>

20 Key Management Personnel Disclosures

The remuneration paid to key management personnel of the Company is \$ 177,273 (2022: \$ 164,955).

21 Auditors' Remuneration

Remuneration of the auditor Moore Australia Audit (QLD/NNSW), for:

- auditing the financial statements	27,960	24,100
- taxation and other services	9,313	7,390
Total	<u>37,273</u>	<u>31,490</u>

22 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2023 (30 June 2022: None).

23 Related Parties

(a) The Company's main related parties are as follows:

Key management personnel - refer to Note 20.

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.

(b) Transactions with related parties

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

The following transactions occurred with related parties:

An employee of Walgett RSL Memorial Club Ltd is specified as a related person to Lisa Wallace, Director. Remuneration received was in accordance with the Award, and full details are held and are available to members in the Company's Part 4A Accountability Register. This was the same during 2022.

Lisa Wallace received an honorarium for her services to the board for the year as of 30 June 2022. Full details are held and are available to members in the Company's Part 4A Accountability Register. No such honorarium was received for the year ended 30 June 2023.

Notes to the Financial Statements

For the Year Ended 30 June 2023

24 Events Occurring After the Reporting Date

The financial report was authorised for issue on 21 September 2023 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 Company, the results of those operations, or the state of affairs of the Company in future financial years.

25 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

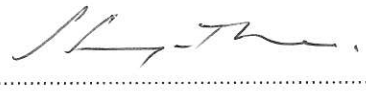
Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 4 to 23, are in accordance with the *Corporations Act 2001* including:
 - a. complying with Australian Accounting Standards - Simplified Disclosure Standard; and
 - b. giving a true and fair view of the financial position as at 30 June 2023 and of the performance for the year ended on that date of the Company.
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 21 September 2023

Walgett

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 financial report of Walgett RSL Memorial Club Ltd (the Company), which comprises the statement of financial position as at 30 June 2023, 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 2023 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Simplified Disclosures 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 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 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.

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 - Simplified Disclosures and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the 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. This description forms part of our auditor's report.



Murray McDonald
Partner - Audit and Assurance



Moore Australia Audit (QLD/NNSW)
Chartered Accountants

Brisbane

Dated 21 September 2023