

# **Quirindi R.S.L. Sub Branch Club**

**ABN: 95 000 856 388**

## **Financial Statements**

**For the Year Ended 30 June 2022**

**Quirindi R.S.L. Sub Branch Club**

ABN: 95 000 856 388

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**For the Year Ended 30 June 2022**

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## **Directors' Report**

### **For the Year Ended 30 June 2022**

The directors present their report on Quirindi R.S.L. Sub Branch Club for the financial year ended 30 June 2022.

#### **General information**

##### **Information on directors**

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

|                  |   |
|------------------|---|
| Colin Stewart    | President                               |
| Qualifications   | Chartered Accountant                    |
| Experience       | Company Director                        |
| Luke Scanlon     | Vice President                          |
| Qualifications   | Real Estate Business Principal          |
| Experience       | Business Owner                          |
| Tim Hoswell      | Vice President                          |
| Qualifications   | Builder                                 |
| Experience       | Business owner                          |
| Gordan Brownhill | Vice President                          |
| Qualifications   | Partner of Merrilong Pastoral Company   |
| Experience       | Various Committee Positions             |
| Paul Maher       | Treasurer                               |
| Qualifications   | Spare Parts Interpreter                 |
| Experience       | Board Experience                        |
| Raymond McGuckin | Director                                |
| Qualifications   | Family Owned and Operated Business      |
| Experience       | Board Experience                        |
| Robert Bradley   | Director                                |
| Qualifications   | Retired                                 |
| Experience       | Previous Board Experience               |
| Eli Jameison     | Director - Appointed 13th December 2021 |
| Experience       | Board Experience                        |
| John Bridson     | Director - Resigned 13th December 2021  |
| Qualifications   | Company Director                        |
| Experience       | Business Owner/ Director                |

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

## **Directors' Report**

### **For the Year Ended 30 June 2022**

#### **Principal activities**

The principal activity of Quirindi R.S.L. Sub Branch Club during the financial year was the operation of a licensed 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:

- continue the poker machine replacement program; and
- ensure the Club's facilities support the long term objectives.

#### **Long term objectives**

The Company's long term objectives are to:

- develop a more diverse income stream to enable the Club to continue to provide benefits to its members; and
- ensure the board and management have the resources and capability to deliver goals and there is a common agreement on the benefits to the club of these objectives.

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

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

- Ensure the Board and Management have the resources and capability to deliver these goals and there is common agreement on the benefits to the Club of these objectives.

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

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

- providing the resources to enable the objectives to be realised.

#### **Performance measures**

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

- Member satisfaction
- Gross profit margins
- Profitability
- Staffing levels
- Inventory levels

## **Directors' Report**

### **For the Year Ended 30 June 2022**

#### **Members' guarantee**

Quirindi R.S.L. Sub Branch Club 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 R 20 for members, subject to the provisions of the company's constitution.

At 30 June 2022 the collective liability of members was \$35,760 (2021: \$ 34,720).

#### **Operating results**

The profit of the Company after providing for income tax amounted to \$ 363,212 (2021: \$ 834,889).

#### **Company secretary**

The following persons held the position of Company secretary during and at the end of the financial year:

Tina Allan Club Secretary Manager is company secretary from 20<sup>th</sup> June 2019 to the date of signing these financial statements.

#### **Meetings of directors**

During the financial year, 12 meetings of directors were held. Attendances by each director during the year were as follows:

|                  | <b>Directors' Meetings</b>       |                        |
|------------------|----------------------------------|------------------------|
|                  | <b>Number eligible to attend</b> | <b>Number attended</b> |
| Colin Stewart    | 12                               | 11                     |
| Luke Scanlon     | 12                               | 10                     |
| Tim Hoswell      | 12                               | 7                      |
| Gordan Brownhill | 12                               | 8                      |
| Paul Maher       | 12                               | 12                     |
| Raymond McGuckin | 12                               | 7                      |
| Robert Bradley   | 12                               | 12                     |
| Eli Jamieson     | 7                                | 3                      |
| John Bridson     | 4                                | 4                      |

**Quirindi R.S.L. Sub Branch Club**

ABN: 95 000 856 388

**Directors' Report**

**For the Year Ended 30 June 2022**

**Auditor's independence declaration**

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

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

Director: .....

  
Colin Stewart

Director: .....

  
Paul Maher

Dated this 2<sup>nd</sup> day of November 2022



## **Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 To the Directors of Quirindi R.S.L. Sub Branch Club**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022, 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 handwritten signature in blue ink, which appears to read 'Margaret van Aanholt', is positioned above the printed name.

Margaret van Aanholt, Director

PKF NENW Audit & Assurance Pty Limited

Dated this 2<sup>nd</sup> day of November 2022

22-24 Bourke Street, Tamworth NSW

PKF NENW Audit & Assurance Pty Limited  
ABN 39 082 276 506  
Registered Auditor 306435  
Liability limited by a scheme approved  
approved under Professional  
Standards Legislation

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## Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2022

|  |      | 2022           | 2021           |
|--|------|----------------|----------------|
|  | Note | \$             | \$             |
| Revenue  | 4    | 3,329,303      | 3,749,696      |
| Other income                                   | 4    | 5,365          | 16,125         |
| Cost of goods sold                             |      | (457,488)      | (471,213)      |
| Employee benefits expense                      | 5    | (911,841)      | (1,018,623)    |
| Depreciation and amortisation expense          |      | (257,503)      | (270,549)      |
| Other expenses                                 |      | (1,341,581)    | (1,147,206)    |
| Finance costs                                  | 5    | (3,043)        | (23,341)       |
| <b>Profit before income tax</b>                |      | <b>363,212</b> | <b>834,889</b> |
| Income tax expense                             | 6    | -              | -              |
| <b>Profit for the year</b>                     |      | <b>363,212</b> | <b>834,889</b> |
| Other comprehensive income, net of income tax  |      | (644)          | (491)          |
| <b>Total comprehensive income for the year</b> |      | <b>362,568</b> | <b>834,398</b> |

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**Statement of Financial Position**  
**As At 30 June 2022**

|                                      | Note | 2022<br>\$       | 2021<br>\$       |
|--------------------------------------|------|------------------|------------------|
| <b>ASSETS</b>                        |      |                  |                  |
| <b>CURRENT ASSETS</b>                |      |                  |                  |
| Cash and cash equivalents            | 7    | 464,662          | 378,376          |
| Trade and other receivables          | 8    | 17,910           | 22,573           |
| Inventories                          | 9    | 81,651           | 73,483           |
| Other financial assets               | 10   | 81,888           | 82,524           |
| Prepayments                          | 11   | 56,863           | 48,540           |
| <b>TOTAL CURRENT ASSETS</b>          |      | <b>702,974</b>   | <b>605,496</b>   |
| <b>NON-CURRENT ASSETS</b>            |      |                  |                  |
| Trade and other receivables          | 8    | 5,000            | 5,000            |
| Property, plant and equipment        | 12   | 5,495,370        | 5,557,799        |
| Investment property                  | 13   | 24,728           | 25,364           |
| Intangible assets                    | 14   | 108,500          | 108,500          |
| <b>TOTAL NON-CURRENT ASSETS</b>      |      | <b>5,633,598</b> | <b>5,696,663</b> |
| <b>TOTAL ASSETS</b>                  |      | <b>6,336,572</b> | <b>6,302,159</b> |
| <b>LIABILITIES</b>                   |      |                  |                  |
| <b>CURRENT LIABILITIES</b>           |      |                  |                  |
| Trade and other payables             | 15   | 103,200          | 108,487          |
| Borrowings                           | 16   | -                | 302,385          |
| Short-term provisions                | 17   | 42,082           | 31,258           |
| Employee benefits                    | 18   | 83,300           | 117,968          |
| <b>TOTAL CURRENT LIABILITIES</b>     |      | <b>228,582</b>   | <b>560,098</b>   |
| <b>NON-CURRENT LIABILITIES</b>       |      |                  |                  |
| Employee benefits                    | 18   | 6,359            | 2,998            |
| <b>TOTAL NON-CURRENT LIABILITIES</b> |      | <b>6,359</b>     | <b>2,998</b>     |
| <b>TOTAL LIABILITIES</b>             |      | <b>234,941</b>   | <b>563,096</b>   |
| <b>NET ASSETS</b>                    |      | <b>6,101,631</b> | <b>5,739,063</b> |
| <b>EQUITY</b>                        |      |                  |                  |
| Investment revaluation reserve       |      | 3,510            | 4,154            |
| Retained earnings                    |      | 6,098,121        | 5,734,909        |
| <b>TOTAL EQUITY</b>                  |      | <b>6,101,631</b> | <b>5,739,063</b> |

The accompanying notes form part of these financial statements.

**Statement of Changes in Equity**  
**For the Year Ended 30 June 2022**

**2022**

|  | Retained<br>Earnings | Investment<br>Revaluation<br>Reserve | Total            |
|--|----------------------|--------------------------------------|------------------|
|  | \$                   | \$                                   | \$               |
| <b>Balance at 1 July 2021</b>                | <b>5,734,909</b>     | <b>4,154</b>                         | <b>5,739,063</b> |
| Profit attributable to members of the entity | 363,212              | -                                    | 363,212          |
| Revaluation decrement                        | -                    | (644)                                | (644)            |
| <b>Balance at 30 June 2022</b>               | <b>6,098,121</b>     | <b>3,510</b>                         | <b>6,101,631</b> |

**2021**

|  | Retained<br>Earnings | Investment<br>Revaluation<br>Reserve | Total            |
|--|----------------------|--------------------------------------|------------------|
|  | \$                   | \$                                   | \$               |
| <b>Balance at 1 July 2020</b>                | <b>4,900,020</b>     | <b>4,645</b>                         | <b>4,904,665</b> |
| Profit attributable to members of the entity | 834,889              | -                                    | 834,889          |
| Revaluation decrement                        | -                    | (491)                                | (491)            |
| <b>Balance at 30 June 2021</b>               | <b>5,734,909</b>     | <b>4,154</b>                         | <b>5,739,063</b> |

# Statement of Cash Flows

## For the Year Ended 30 June 2022

|   | 2022        | 2021        |
|---|-------------|-------------|
| Note  | \$          | \$          |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>              |             |             |
| Receipts from customers                                   | 3,621,291   | 3,958,033   |
| Payments to suppliers and employees                       | (3,041,595) | (3,123,907) |
| Interest and dividends received                           | 753         | 25,053      |
| Finance costs   | (3,043)     | (23,339)    |
| COVID subsidies   | -           | 216,000     |
| Rent received   | -           | 13,909      |
| Net cash provided by/(used in) operating activities       | 577,406     | 1,065,749   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>              |             |             |
| Proceeds from sale of plant & equipment                   | 5,203       | 16,500      |
| Payment to acquire property, plant & equipment            | (194,575)   | (148,713)   |
| Proceeds (to)/ from long term deposits                    | 636         | (25)        |
| Net cash used by investing activities                     | (188,736)   | (132,238)   |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>              |             |             |
| Proceeds from borrowings                                  | -           | 565,000     |
| Repayment of borrowings                                   | (302,384)   | (1,605,786) |
| Net cash used by financing activities                     | (302,384)   | (1,040,786) |
| Net increase/(decrease) in cash and cash equivalents held | 86,286      | (107,275)   |
| Cash and cash equivalents at beginning of year            | 378,376     | 485,651     |
| Cash and cash equivalents at end of financial year        | 7 464,662   | 378,376     |

The accompanying notes form part of these financial statements.

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2022**

The financial report covers Quirindi R.S.L. Sub Branch Club as an individual entity. Quirindi R.S.L. Sub Branch Club is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Quirindi R.S.L. Sub Branch Club is Australian dollars and rounded to the nearest dollar.

#### **1 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 report covers Quirindi R.S.L. Sub Branch Club as an individual entity. Quirindi R.S.L. Sub Branch Club is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The principal activities of the Company for the year ended 30 June 2022 are set out in the attached directors' report.

The functional and presentation currency of Quirindi R.S.L. Sub Branch Club is Australian dollars.

#### **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.

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.

All revenue is stated net of the amount of goods and services tax (GST).

##### **Sale of goods**

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

## Notes to the Financial Statements For the Year Ended 30 June 2022

### 2 Summary of Significant Accounting Policies

#### Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered.

#### Donations

Donations and bequests are recognised as revenue when received.

#### Interest revenue

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

#### 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.

#### Subscriptions

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

#### (b) Income Tax

Due to the principle of mutuality, the Club's liability for income tax relates only to net revenue from no-members and income from outside investments, less a proportion of expenditure attributable to both members and non-members.

#### (c) 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.

#### (d) Trade and other receivables

Other receivables are recognised at amortised cost, less any provision for impairment.

#### (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.

## Notes to the Financial Statements For the Year Ended 30 June 2022

### 2 Summary of Significant Accounting Policies

#### (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.

##### Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a combination of reducing balance basis & prime cost over the assets useful life to the Company, commencing when the asset is ready for use.

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

| <b>Fixed asset class</b>                  | <b>Depreciation rate</b> |
|---|--------------------------|
| Freehold Land & buildings - RSL (at cost) | 2.5% prime cost          |
| Improvements                              | 5% - 20% D.V.            |
| Poker Machines                            | 18% - 40% D.V.           |
| Plant & Equipment                         | 10% - 30% D.V.           |

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) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

#### (h) 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 the G100 discount rates specifically developed for the purpose of discounting employee benefits under AASB 119. Changes in the measurement of the liability are recognised in profit or loss.

## Notes to the Financial Statements For the Year Ended 30 June 2022

### 2 Summary of Significant Accounting Policies

#### (i) Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

#### (j) 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.

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

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

## Notes to the Financial Statements For the Year Ended 30 June 2022

### 3 Critical accounting judgements, estimates and assumptions

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

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

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

#### *Employee benefits provision*

As discussed in note 1(h), the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

## Notes to the Financial Statements For the Year Ended 30 June 2022

### 4 Revenue and Other Income

#### Revenue from continuing operations

|   | 2022             | 2021             |
|---|------------------|------------------|
|   | \$               | \$               |
| <b>Sales revenue</b>                    |                  |                  |
| Bar and catering sales                  | 789,628          | 799,956          |
| Poker machine takings                   | 1,508,342        | 1,821,016        |
| Member subscriptions                    | 45,893           | 49,874           |
| Golf club fees and charges              | 82,482           | 82,833           |
|   | <u>2,426,345</u> | <u>2,753,679</u> |
| <b>Finance income</b>                   |                  |                  |
| Interest revenue                        | 8                | 25               |
| Dividend income                         | 745              | 25,028           |
|   | <u>753</u>       | <u>25,053</u>    |
| <b>Other revenue</b>                    |                  |                  |
| Motel revenue                           | 551,522          | 596,255          |
| Jobkeeper subsidy                       | -                | 178,500          |
| Cash flow boost                         | -                | 37,500           |
| Rental revenue from investment property | -                | 13,909           |
| Commissions                             | 116,270          | 97,356           |
| GST rebate                              | 17,180           | 17,180           |
| Sundry income                           | 114,503          | 30,264           |
| Insurance Recoveries                    | 102,730          | -                |
|   | <u>902,205</u>   | <u>970,964</u>   |
| <b>Total Revenue</b>                    | <u>3,329,303</u> | <u>3,749,696</u> |

|                            | 2022  | 2021   |
|----------------------------|-------|--------|
|                            | \$    | \$     |
| <b>Other Income</b>        |       |        |
| Gain on disposal of assets | 5,365 | 16,125 |

## Notes to the Financial Statements

### For the Year Ended 30 June 2022

#### 5 Expenses

The following expenses are included in the operating result for the year:

|   | 2022         | 2021          |
|---|--------------|---------------|
|   | \$           | \$            |
| <b>Finance Costs</b>                    |              |               |
| - Interest on bank overdrafts and loans | 3,043        | 23,341        |
| <b>Total finance costs</b>              | <b>3,043</b> | <b>23,341</b> |

The result for the year includes the following specific expenses:

|   | 2022           | 2021             |
|---|----------------|------------------|
|   | \$             | \$               |
| <b>Employee benefits expense</b>          |                |                  |
| Wages and salaries                        | 802,812        | 886,207          |
| Superannuation contributions              | 77,997         | 82,721           |
| Payroll tax                               | -              | (5,114)          |
| Workers Compensation                      | 19,606         | 23,228           |
| Leave entitlements                        | 7,294          | 10,738           |
| Jobkeeper payments                        | -              | 19,779           |
| Other expenses                            | 4,132          | 1,064            |
| <b>Total Employee benefits expense</b>    | <b>911,841</b> | <b>1,018,623</b> |
| <b>Other expenses include:</b>            |                |                  |
| Electricity and water                     | 105,657        | 116,817          |
| Poker Machine Duty Tax                    | 178,218        | 234,550          |
| Members Discounts, Amenities & Promotions | 212,851        | 168,283          |
| Repairs and maintenance                   | 251,921        | 117,224          |
| Insurance                                 | 86,847         | 74,388           |
| Land rates                                | 42,941         | 37,572           |
| Advertising                               | 18,321         | 15,304           |
| Telephone expenses                        | 26,549         | 26,239           |
| Entertainment and catering                | 26,215         | 12,573           |
| Motel Best Western Fees                   | 41,664         | 41,695           |
| Motel Linen Service                       | 32,517         | 41,699           |

## Notes to the Financial Statements

For the Year Ended 30 June 2022

### 6 Income Tax Expense

(a) Reconciliation of income tax to accounting profit:

|   | 2022           | 2021      |
|---|----------------|-----------|
|   | \$             | \$        |
| Prima facie tax payable on profit from ordinary activities before income tax at 25% (2021: 26%) | 90,803         | 217,071   |
| <b>Add:</b>   |                |           |
| <b>Tax effect of:</b>   |                |           |
| - non-deductible expenses   | 64,375         | 70,342    |
|   | <b>155,178</b> | 287,413   |
| <b>Less:</b>  |                |           |
| <b>Tax effect of:</b>   |                |           |
| - deduction for decline in value of depreciating assets   | (40,962)       | (91,660)  |
| - exempt income   | -              | (8,450)   |
| - non-taxable member income arising from principle of mutuality                                 | (73,502)       | (187,303) |
| - Carried forward losses utilized   | (40,714)       | -         |
| <b>Income tax expense</b>   | <b>-</b>       | <b>-</b>  |

## Notes to the Financial Statements

### For the Year Ended 30 June 2022

#### 7 Cash and cash equivalents

|              | 2022           | 2021           |
|--------------|----------------|----------------|
|              | \$             | \$             |
| Cash on hand | 106,452        | 105,952        |
| Cash at bank | 358,210        | 272,424        |
|              | <u>464,662</u> | <u>378,376</u> |

#### 8 Trade and other receivables

|  | 2022          | 2021          |
|--|---------------|---------------|
|  | \$            | \$            |
| <b>CURRENT</b>                                   |               |               |
| Trade receivables                                | 9,881         | 22,573        |
|  | <u>9,881</u>  | <u>22,573</u> |
| GST receivable                                   | 3,271         | -             |
| Other receivables                                | 4,758         | -             |
| <b>Total current trade and other receivables</b> | <u>17,910</u> | <u>22,573</u> |

|  | 2022         | 2021         |
|--|--------------|--------------|
|  | \$           | \$           |
| <b>NON-CURRENT</b>                                   |              |              |
| Deposits   | 5,000        | 5,000        |
| <b>Total non-current trade and other receivables</b> | <u>5,000</u> | <u>5,000</u> |

#### 9 Inventories

|                     | 2022          | 2021          |
|---------------------|---------------|---------------|
|                     | \$            | \$            |
| <b>CURRENT</b>      |               |               |
| <b>At cost:</b>     |               |               |
| Stock on hand - bar | 52,663        | 55,902        |
| Non bar             | 28,988        | 17,581        |
|                     | <u>81,651</u> | <u>73,483</u> |

## Notes to the Financial Statements

For the Year Ended 30 June 2022

### 10 Other financial assets

|  | 2022          | 2021          |
|--|---------------|---------------|
|  | \$            | \$            |
| <b>CURRENT</b>   |               |               |
| <b>Equity instruments at fair value through Other Comprehensive Income</b> |               |               |
| Shares in listed entities at fair value                                    | 3,510         | 4,154         |
| <b>Deposits at call</b>  |               |               |
| Term deposits and online saver accounts                                    | 78,378        | 78,370        |
| <b>Total financial assets</b>  | <b>81,888</b> | <b>82,524</b> |

### 11 Other non-financial assets

|                          | 2022          | 2021          |
|--------------------------|---------------|---------------|
|                          | \$            | \$            |
| <b>CURRENT</b>           |               |               |
| Prepayments              | 56,863        | 48,540        |
| <b>Total Prepayments</b> | <b>56,863</b> | <b>48,540</b> |

**Notes to the Financial Statements**  
**For the Year Ended 30 June 2022**

**12 Property, plant and equipment**

|  | <b>2022</b>        | <b>2021</b> |
|--|--------------------|-------------|
|  | <b>\$</b>          | <b>\$</b>   |
| <b>LAND AND BUILDINGS</b>                  |                    |             |
| At cost                                    | <b>6,079,013</b>   | 6,079,013   |
| Accumulated depreciation                   | <b>(1,876,083)</b> | (1,752,989) |
| Total land and buildings                   | <b>4,202,930</b>   | 4,326,024   |
| <b>PLANT AND EQUIPMENT</b>                 |                    |             |
| <b>Capital works in progress</b>           |                    |             |
| At cost                                    | <b>463,571</b>     | 432,212     |
| Total capital works in progress            | <b>463,571</b>     | 432,212     |
| <b>Plant and Equipment - RSL Club</b>      |                    |             |
| At cost                                    | <b>2,904,559</b>   | 2,770,673   |
| Accumulated depreciation                   | <b>(2,218,788)</b> | (2,106,351) |
| Total plant and equipment - RSL Club       | <b>685,771</b>     | 664,322     |
| <b>Plant and Equipment - Golf Club</b>     |                    |             |
| At cost                                    | <b>175,370</b>     | 164,552     |
| Accumulated depreciation                   | <b>(103,538)</b>   | (98,074)    |
| Total Plant and Equipment - Golf Club      | <b>71,832</b>      | 66,478      |
| <b>Plant and Equipment - Motel</b>         |                    |             |
| At cost                                    | <b>255,600</b>     | 242,189     |
| Accumulated depreciation                   | <b>(184,334)</b>   | (173,425)   |
| Total plant and equipment - Motel          | <b>71,266</b>      | 68,764      |
| <b>Total property, plant and equipment</b> | <b>5,495,370</b>   | 5,557,800   |

## Notes to the Financial Statements For the Year Ended 30 June 2022

### 12 Property, plant and equipment

#### (a) Movements in Carrying Amounts

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

|                                       | Capital<br>Works in<br>Progress | Land &<br>buildings | Plant &<br>Equipment -<br>RSL Club | Plant and<br>Equipment -<br>Golf Club | Plant and<br>Equipment<br>- Motel | Total            |
|---------------------------------------|---------------------------------|---------------------|------------------------------------|---------------------------------------|-----------------------------------|------------------|
|                                       | \$                              | \$                  | \$                                 | \$                                    | \$                                | \$               |
| <b>Year ended 30 June 2022</b>        |                                 |                     |                                    |                                       |                                   |                  |
| Balance at beginning of year          | 432,212                         | 4,326,024           | 664,321                            | 66,478                                | 68,764                            | 5,557,799        |
| Additions                             | 31,359                          | -                   | 138,987                            | 10,818                                | 13,411                            | 194,575          |
| Disposals - WDV                       | -                               | -                   | (136)                              | -                                     | -                                 | (136)            |
| Depreciation                          | -                               | (123,094)           | (117,401)                          | (5,464)                               | (10,909)                          | (256,868)        |
| <b>Balance at the end of the year</b> | <b>463,571</b>                  | <b>4,202,930</b>    | <b>685,772</b>                     | <b>71,832</b>                         | <b>71,266</b>                     | <b>5,495,370</b> |

#### Quirindi R.S.L. Sub Branch

The Directors have resolved that all land & Buildings owned by Quirindi R.S.L. Sub-Branch Club is classified as Core Property with the exception of 4 Abbott Street, Quirindi, which is classified as Non-Core Property for the purposes of Section 41J of the Registered Clubs Act.

#### Quirindi Golf Club

The buildings owned by Quirindi R.S.L. Sub Branch Club located at the Quirindi Golf Club are classified as Core Property.

### 13 Investment Property

|   | 2022          | 2021          |
|---|---------------|---------------|
|   | \$            | \$            |
| House - Abbot Street Quirindi (at cost) | 79,860        | 79,860        |
| Depreciation                            | (55,132)      | (54,496)      |
| <b>Balance at end of the period</b>     | <b>24,728</b> | <b>25,364</b> |

## Notes to the Financial Statements For the Year Ended 30 June 2022

### 14 Intangible Assets

|                                  | 2022           | 2021           |
|----------------------------------|----------------|----------------|
|                                  | \$             | \$             |
| <b>Licenses</b>                  |                |                |
| Poker machine licences - at cost | 108,500        | 108,500        |
| <b>Total Intangibles</b>         | <u>108,500</u> | <u>108,500</u> |

### 15 Trade and other payables

|                                      | 2022           | 2021           |
|--------------------------------------|----------------|----------------|
|                                      | \$             | \$             |
| Current                              |                |                |
| Trade payables                       | 41,047         | 56,016         |
| Sundry payables and accrued expenses | 53,797         | 44,052         |
| GST payable                          | 8,356          | 8,419          |
|                                      | <u>103,200</u> | <u>108,487</u> |

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying amounts are considered to be a reasonable approximation of fair value.

### 16 Borrowings

|                                 | 2022     | 2021           |
|---------------------------------|----------|----------------|
|                                 | \$       | \$             |
| <b>CURRENT</b>                  |          |                |
| Secured liabilities:            |          |                |
| Bank loan - current commitment  | -        | 302,385        |
| <b>Total current borrowings</b> | <u>-</u> | <u>302,385</u> |

Mortgages, charges and securities

The Commonwealth Bank of Australia holds security as registered first mortgage over the club's land and buildings located at 88 Station Street & 132-134 Railway Street, Quirindi.

## Notes to the Financial Statements For the Year Ended 30 June 2022

### 17 Provisions

|                           | 2022          | 2021          |
|---------------------------|---------------|---------------|
|                           | \$            | \$            |
| <b>CURRENT</b>            |               |               |
| Provision for club points | 25,601        | 24,167        |
| Other provisions          | 16,481        | 7,091         |
|                           | <u>42,082</u> | <u>31,258</u> |

### 18 Employee Benefits

|                            | 2022          | 2021           |
|----------------------------|---------------|----------------|
|                            | \$            | \$             |
| <b>CURRENT</b>             |               |                |
| Long service leave         | 13,706        | 26,225         |
| Provision for annual leave | 69,594        | 91,743         |
|                            | <u>83,300</u> | <u>117,968</u> |
| <b>NON-CURRENT</b>         |               |                |
| Long service leave         | 6,359         | 2,998          |
|                            | <u>6,359</u>  | <u>2,998</u>   |

### 19 Commitments

|  | 2022          |
|--|---------------|
|  | \$            |
| <b>Minimum rental payments under non-cancellable rental agreement:</b> |               |
| - not later than one year  | 2,768         |
| - between one year and five years                                      | 8,493         |
|  | <u>11,261</u> |
|  | <b>2021</b>   |
|  | \$            |
| <b>Minimum rental payments under non-cancellable rental agreement:</b> |               |
| - not later than one year  | 2,579         |
| - between one year and five years                                      | 11,761        |
|  | <u>14,340</u> |

The company has a 60 month rental agreement with Fiji Xeron Finance for a photocopier and the minimum monthly payment is \$189.00. This rental agreement is due to cease in 2027 and has been determined as a low value lease. The company also has a lease for premises, expiring in September 2023.

## Notes to the Financial Statements For the Year Ended 30 June 2022

### 20 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2022 (30 June 2021: Nil).

### 21 Key Management Personnel

The total remuneration paid to key management personnel of the Company during the year is \$183,121 (2021: \$ 182,330).

### 22 Auditors' Remuneration

|  | 2022          | 2021          |
|--|---------------|---------------|
|  | \$            | \$            |
| Remuneration of the auditor PKF New England North West Pty Ltd |               |               |
| - auditing or reviewing the financial statements               | 13,500        | 12,150        |
| <b>Total</b>   | <b>13,500</b> | <b>12,150</b> |

### 23 Related Parties

#### 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.

During the current financial year ended, the entity has engaged Hoswell Constructions Pty Ltd (director related entity) to carry out building repair works worth \$119,828.

### 24 Events Occurring After the Reporting Date

The financial report was authorised for issue on 28th October 2022 by the board of directors.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date.

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.

**Quirindi R.S.L. Sub Branch Club**

ABN: 95 000 856 388

## **Notes to the Financial Statements For the Year Ended 30 June 2022**

### **25 Company Details**

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

Quirindi R.S.L. Sub Branch Club

86 - 88 Station Street

Quirindi NSW 2343

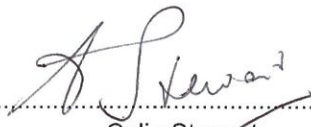
## Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 7 to 25, are in accordance with the *Corporations Act 2001* and:
  - a. comply with Australian Accounting Standards - Simplified Disclosures; and
  - b. give a true and fair view of the financial position as at 30 June 2022 and of the performance for the year ended on that date of the Company.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director .....

  
Colin Stewart

Director .....

  
Paul Maher

Dated this 2<sup>nd</sup> day of November 2022



## Independent Auditor's Report to the members of Quirindi R.S.L. Sub Branch Club

### Qualified Opinion

We have audited the financial report of Quirindi R.S.L. Sub Branch Club (the Company), which comprises the statement of financial position as at 30 June 2022, 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, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, 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 2022 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 Qualified Opinion

As it is common for organisations of this type, it is not practicable for the Club to maintain an effective system of internal control over some revenue activities such as raffles and bingo income until their initial entry in the account records. Accordingly, our audit in relation to the above was limited to the amounts recorded.

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report.

### 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.

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 qualified opinion.

PKF NENW Audit & Assurance Pty Limited  
ABN 39 082 276 506  
Registered Auditor 306435  
Liability limited by a scheme approved  
approved under Professional  
Standards Legislation

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## **Independent Auditor's Report to the members of Quirindi R.S.L. Sub Branch Club**

### **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.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional skepticism 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 Club's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Committee Members.
- Conclude on the appropriateness of the Director's 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 Club'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

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## Quirindi R.S.L. Sub Branch Club

ABN: 95 000 856 388



## Independent Auditor's Report to the members of Quirindi R.S.L. Sub Branch Club

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 Club 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.

### PKF NENW Audit & Assurance Pty Ltd

A handwritten signature in blue ink, appearing to read 'Margaret van Aanholt'.

Margaret van Aanholt

22-24 Bourke Street, Tamworth NSW

Dated this 3rd day of November, 2022

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