

Corrimal R S L Memorial Club Ltd

ABN: 83 000 872 033

Financial Statements

For the Year Ended 31 December 2023

Corrimal R S L Memorial Club Ltd

ABN: 83 000 872 033

Financial Statements

For the Year Ended 31 December 2023

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Corrimal R S L Memorial Club Ltd

ABN: 83 000 872 033

Directors' Report

31 December 2023

The Directors present their report on Corrimal R S L Memorial Club Ltd ("the Company") for the financial year ended 31 December 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:

Name	Position	Qualifications	Resigned/Appointed
Michael Hough	President	Professorial Fellow, University of Wollongong	
Ian Warren	Director	Training Consultant	
Paul Boulwood	Director	Community Leader	
Paul Barrett	Director	Officer of Cadets, Australian Air Force Cadets	
Tony La Catena	Director	Postal Worker	
Karen Lepard	Director	Small Business Owner	
Michael Bainbridge	Director	Solicitor	Resigned 12 February 2024

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

Review of operations

The surplus of the Company after providing for income tax amounted to \$260,313 (2022: \$177,986).

Principal activities

The principal activity of Corrimal R S L Memorial Club Ltd during the financial year was to operate a registered club for its members and their guests including all of the usual facilities of a 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 objective is to provide facilities to members and guests that exceed their expectations.

Long term objectives

The Company's long term objectives are to:

- ensure the company is a viable club for use by members and guests for many years; and
- repay the Company's loans.

Corrimal R S L Memorial Club Ltd

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Directors' Report

31 December 2023

Strategy for achieving the objectives

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

- implement cost cutting measures to areas that are deemed non value added; and
- membership drives to increase the Company's membership base.

Performance measures

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

- ability to generate positive operating cash flows;
- overall result for the year; and
- quality of the service and facilities provide to members and guests.

Members' guarantee

Corrimal R S L 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, subject to the provisions of the Company's constitution.

At 31 December 2023 the collective liability of members was \$ 38,020 (2022: \$ 36,000).

Meetings of directors

During the financial year, 11 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Michael Hough	11	11
Ian Warren	11	9
Paul Boultonwood	11	7
Paul Barrett	11	11
Tony La Catena	11	9
Karen Lepard	11	10
Michael Bainbridge	11	3

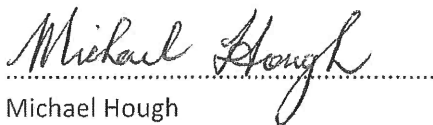
Directors' Report

31 December 2023

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the year ended 31 December 2023 has been received and can be found on page 4 of the financial report.

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

A handwritten signature in cursive script, reading "Michael Hough", is written over a horizontal dotted line.

Michael Hough
Director

Dated: 29 April 2024



Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Corrimal R S L Memorial Club Ltd

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


Daley Audit


Stephen Milgate
Partner

Dated: 29 April 2024

Wollongong

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Liability limited by a
Scheme approved under
Professional Standards
Legislation.



Corrimal R S L Memorial Club Ltd

ABN: 83 000 872 033

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2023

	Note	2023 \$	2022 \$
Revenue	4	4,429,053	4,066,765
Other income	4	133,295	175,923
Changes in inventories of finished goods and work in progress		(455,088)	(415,131)
Employee benefits expense		(1,438,789)	(1,317,953)
Club operation expense		(1,134,922)	(1,104,735)
Poker machine expense		(623,689)	(587,508)
Depreciation expense	13(a)	(231,593)	(346,854)
Lease expenses	11	(313,803)	(207,743)
Finance expenses		(25,212)	(10,468)
Rental property expenses		(34,172)	(19,151)
Other expenses		(76,057)	(104,025)
Profit before income tax		229,023	129,120
Income tax benefit/(expense)	6	31,290	48,866
Profit for the year		260,313	177,986
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Revaluation changes for property, plant and equipment	13(a)	-	554,366
Income tax relating to these items	16	-	(138,591)
Other comprehensive income for the year, net of tax		-	415,775
Total comprehensive income for the year		260,313	593,761

The accompanying notes form part of these financial statements.

Corrimal R S L Memorial Club Ltd

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Balance Sheet

As at 31 December 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	1,293,747	949,678
Trade and other receivables	8	59,555	56,116
Inventories	9	38,594	33,204
Financial assets	10	750	750
Prepayments		17,800	10,595
TOTAL CURRENT ASSETS		1,410,446	1,050,343
NON-CURRENT ASSETS			
Right-of-use assets	11	384,022	586,194
Intangible assets	12	420,000	420,000
Property, plant and equipment	13	4,915,766	4,941,422
TOTAL NON-CURRENT ASSETS		5,719,788	5,947,616
TOTAL ASSETS		7,130,234	6,997,959
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	14	259,497	279,565
Lease liabilities		243,711	236,254
Employee benefits	15	235,589	168,199
TOTAL CURRENT LIABILITIES		738,797	684,018
NON-CURRENT LIABILITIES			
Lease liabilities		203,473	340,587
Employee benefits	15	19,670	34,083
Deferred tax liabilities	16	414,598	445,888
TOTAL NON-CURRENT LIABILITIES		637,741	820,558
TOTAL LIABILITIES		1,376,538	1,504,576
NET ASSETS		5,753,696	5,493,383

The accompanying notes form part of these financial statements.

Corrimal R S L Memorial Club Ltd

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Balance Sheet

As at 31 December 2023

	Note	2023 \$	2022 \$
EQUITY			
Reserves	21	1,629,732	1,629,732
Retained earnings		4,123,964	3,863,651
TOTAL EQUITY		<u>5,753,696</u>	<u>5,493,383</u>

The accompanying notes form part of these financial statements.

Corrimal R S L Memorial Club Ltd

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Statement of Changes in Equity

For the Year Ended 31 December 2023

	Retained Earnings	Asset Revaluation Surplus	Total
	\$	\$	\$
Balance at 1 January 2023	3,863,651	1,629,732	5,493,383
Result for the year	260,313	-	260,313
Balance at 31 December 2023	4,123,964	1,629,732	5,753,696
Balance at 1 January 2022	3,685,665	1,213,957	4,899,622
Result for the year	177,986	-	177,986
Other comprehensive income	-	415,775	415,775
Balance at 31 December 2022	3,863,651	1,629,732	5,493,383

The accompanying notes form part of these financial statements.

Corrimal R S L Memorial Club Ltd

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Statement of Cash Flows

For the Year Ended 31 December 2023

	2023	2022
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	5,017,076	4,723,025
Payments to suppliers and employees	(4,187,358)	(4,014,234)
Finance costs	(25,212)	(10,468)
Net cash provided/(used) by operating activities	<u>804,506</u>	<u>698,323</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(218,243)	(237,674)
Net cash (used)/provided by investing activities	<u>(218,243)</u>	<u>(237,674)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net proceeds from/(repayment of) borrowings	-	(94,500)
Repayment of lease liabilities	(242,194)	(181,140)
Net cash provided/(used) by financing activities	<u>(242,194)</u>	<u>(275,640)</u>
Net movement in cash and cash equivalents held	344,069	185,009
Cash and cash equivalents at beginning of year	949,678	764,669
Cash and cash equivalents at end of financial year	7 <u>1,293,747</u>	<u>949,678</u>

The accompanying notes form part of these financial statements.

Corrimal R S L Memorial Club Ltd

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Notes to the Financial Statements

For the Year Ended 31 December 2023

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

The functional and presentation currency of Corrimal R S L Memorial Club Ltd is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

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, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board 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.

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

2 Material Accounting Policy Information

(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.

Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Material Accounting Policy Information

(a) Revenue and other income

Revenue from contracts with customers

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:

Bar sales and poker machine income

Revenue is recognised at the point the customer purchases the goods and services at the venue. Payment of the transaction price is due immediately at the time of purchase.

Commissions

Commissions income is recognised over the period in which the related services are rendered.

Membership subscriptions

Membership services requires the annual subscription payment to be made upfront. A contract liability is recognised on receipt of the payment and recognised on a straight-line basis as revenue as the services are provided.

Interest revenue

Interest is recognised using the effective interest rate method.

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.

Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Material Accounting Policy Information

(b) Income Tax

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

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.

(c) Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Material Accounting Policy Information

(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 payables are stated inclusive of GST.

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

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) Leases

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

This involves an assessment of whether:

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

Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Material Accounting Policy Information

(e) Leases

(i) Right-of-use asset

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

(ii) Lease liability

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

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Company's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(f) Cash and cash equivalents

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

Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Material Accounting Policy Information

(g) Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost of inventory is determined using the weighted average costs basis and is net of any rebates and discounts received.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

(h) Financial instruments

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

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

Financial Assets

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; or
- fair value through profit or loss (FVTPL)

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

Amortised cost

Assets measured at amortised cost are financial assets where:

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

Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Material Accounting Policy Information

(h) Financial instruments

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

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

Interest income and impairment are recognised in profit or loss.

Gain or loss on derecognition is recognised in profit or loss.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL.

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

Impairment of financial assets

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

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

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

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

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

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

Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Material Accounting Policy Information

(h) Financial instruments

Trade receivables

Impairment of trade receivables has 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 contract asset 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.

Financial assets measured at amortised cost

Impairment of 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 loans and lease liabilities.

(i) Impairment of non-financial assets

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

Where this indicator exists and regardless for goodwill, 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.

Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Material Accounting Policy Information

(i) Impairment of non-financial assets

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, except for goodwill.

(j) Property, Plant and Equipment

Each class of plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment of losses.

Under the cost model, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Land and buildings are measured using the revaluation model.

Assets measured using the revaluation model are carried at fair value at the revaluation date less any subsequent accumulated depreciation and impairment losses. Revaluations are performed whenever there is a material movement in the value of an asset under the revaluation model.

Depreciation

Property, plant and equipment, is depreciated on either a straight-line or diminishing value basis over the assets 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.

Corrimal R S L Memorial Club Ltd

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Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Material Accounting Policy Information

(j) Property, Plant and Equipment

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

Fixed asset class	Depreciation rate
Buildings	2 - 20%
Plant and equipment	9 - 30%
Poker machines	25 - 50%
Leasehold improvements	2.5%
Kitchen/bistro equipment	6 - 20%
Bar equipment	6 - 20%

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.

(k) Employee benefits

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

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

(l) Mortality fund payments

Payments relating to mortality fund are recognised as an expense in the period that they are paid.

(m) New and amended standards adopted by the Company

The Company has adopted all applicable standards which became effective for the first time during 31 December 2023, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

Notes to the Financial Statements

For the Year Ended 31 December 2023

3 Critical Accounting Estimates and Judgements

The directors make estimates and judgements during the preparation of the 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.

Key estimates - useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain property, plant and equipment.

Key estimates - employee entitlements

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 after taking into account a range of possible outcomes, probabilities and assumptions and will vary as further information is obtained.

Key judgements - 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 judgements 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.

Corrimal R S L Memorial Club Ltd

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Notes to the Financial Statements

For the Year Ended 31 December 2023

4 Revenue and Other Income

	2023	2022
	\$	\$
Revenue from contracts with customers		
- Poker machine revenue	2,962,193	2,785,403
- Bar sales revenue	1,135,499	984,672
- Commissions	136,799	119,842
- Raffle income	127,994	112,990
- Bingo income	26,300	28,325
- Member subscriptions	29,863	28,073
- Function income	10,405	7,460
	<u>4,429,053</u>	<u>4,066,765</u>
Other revenue		
- Rental income	93,232	88,656
- GST gaming rebate	17,180	12,680
- Other income	22,883	74,587
	<u>133,295</u>	<u>175,923</u>

Disaggregation of revenue from contracts with customers

Revenue from contracts with customers has been disaggregated and the following table shows this breakdown:

Timing of revenue recognition

- At a point in time	4,399,190	4,038,692
- Over time	29,863	28,073
Revenue from contracts with customers	<u>4,429,053</u>	<u>4,066,765</u>

Corrimal R S L Memorial Club Ltd

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Notes to the Financial Statements

For the Year Ended 31 December 2023

5 Result for the Year

Expenses

	2023	2022
	\$	\$
Superannuation contributions	122,677	107,115

6 Income Tax Expense

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

Current tax expense		
Local income tax	-	-
Deferred tax expense		
Recognition of previously unrecognised tax losses	(31,290)	(48,866)
Total income tax expense/(benefit)	(31,290)	(48,866)

(b) Reconciliation of income tax to accounting profit:

Prima facie tax payable on profit from ordinary activities before income tax at 25% (2022: 25%)	57,256	32,280
Tax effect of:		
- Non-deductible member only income	(60,175)	(54,237)
- Income and expenditure subject to mutuality and not assessable	2,838	24,412
- Sundry items	(31,290)	(51,321)
Income tax expense/(benefit)	(31,371)	(48,866)

Corrimal R S L Memorial Club Ltd

ABN: 83 000 872 033

Notes to the Financial Statements

For the Year Ended 31 December 2023

7 Cash and cash equivalents

	2023	2022
	\$	\$
Cash on hand	170,130	112,100
Cash at bank	1,123,617	837,578
	<u>1,293,747</u>	<u>949,678</u>

8 Trade and other receivables

Trade and other receivables	<u>59,555</u>	<u>56,116</u>
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The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

(a) Impairment of receivables

The Company applies the simplified approach to providing for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit losses incorporate forward looking information.

9 Inventories

Inventories	<u>38,594</u>	<u>33,204</u>
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10 Financial Assets

Financial assets held at FVTPL	<u>750</u>	<u>750</u>
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Corrimal R S L Memorial Club Ltd

ABN: 83 000 872 033

Notes to the Financial Statements

For the Year Ended 31 December 2023

11 Leases

Right-of-use assets

	Buildings	Plant and Equipment	Total
	\$	\$	\$
Year ended 31 December 2023			
Balance at beginning of year	270,673	315,521	586,194
Additions to right-of-use assets	-	112,537	112,537
Transfer to property, plant and equipment	-	(3,446)	(3,446)
Depreciation charge	(92,802)	(218,461)	(311,263)
Balance at end of year	177,871	206,151	384,022

Statement of Profit or Loss and Other Comprehensive Income

The amounts recognised in the statement of profit or loss and other comprehensive income relating to leases where the Company is a lessee are shown below:

	2023	2022
	\$	\$
Interest expense on lease liabilities	2,540	10,383
Depreciation of right-of-use assets	311,263	110,194
Expenses relating to short-term leases	-	87,166
	313,803	207,743

Corrimal R S L Memorial Club Ltd

ABN: 83 000 872 033

Notes to the Financial Statements

For the Year Ended 31 December 2023

11 Leases

Maturity Analysis

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year	1 - 5 years	> 5 years	Total undiscounted lease liabilities	Lease liabilities included in this Balance Sheet
	\$	\$	\$	\$	\$
2023					
Lease liabilities	242,614	219,870	-	462,484	447,184
2022					
Lease liabilities	146,346	519,473	-	665,819	576,841

12 Intangible Assets

	2023	2022
	\$	\$
Gaming machine entitlements		
Cost	420,000	420,000
Accumulated amortisation and impairment	-	-
	<u>420,000</u>	<u>420,000</u>

(a) Movements in carrying amounts of intangible assets

	Gaming machine entitlements \$
Year ended 31 December 2023	
Balance at the beginning of the year	<u>420,000</u>
Closing value at 31 December 2023	<u>420,000</u>

(b) Gaming machine entitlement held at nil cost

In addition to the gaming machine entitlements noted above, the Company has 60 gaming machine entitlements which are held at nil cost.

Corrimal R S L Memorial Club Ltd

ABN: 83 000 872 033

Notes to the Financial Statements

For the Year Ended 31 December 2023

13 Property, plant and equipment

	2023	2022
	\$	\$
Land and buildings		
At fair value	2,500,000	2,500,000
Accumulated depreciation	(10,689)	-
	<u>2,489,311</u>	<u>2,500,000</u>
Capital works in progress		
At cost	19,285	19,285
Plant and equipment		
At cost	839,412	808,896
Accumulated depreciation	(565,272)	(517,532)
	<u>274,140</u>	<u>291,364</u>
Poker machines		
At cost	1,620,347	1,191,367
Accumulated depreciation	(1,344,964)	(1,029,047)
	<u>275,383</u>	<u>162,320</u>
Leasehold improvements		
At cost	4,471,826	4,421,726
Accumulated amortisation	(2,614,179)	(2,453,273)
	<u>1,857,647</u>	<u>1,968,453</u>
Total property, plant and equipment	<u><u>4,915,766</u></u>	<u><u>4,941,422</u></u>

Corrimal R S L Memorial Club Ltd

ABN: 83 000 872 033

Notes to the Financial Statements

For the Year Ended 31 December 2023

13 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	Land and Buildings	Plant and Equipment	Poker machines	Leasehold improvements	Total
	\$	\$	\$	\$	\$	\$
Year ended 31 December 2023						
Balance at the beginning of year	19,285	2,500,000	291,364	162,320	1,968,453	4,941,422
Additions	-	-	42,258	126,515	49,470	218,243
Transfers from right-of-use assets	-	-	-	3,446	-	3,446
Disposals	-	-	(3,036)	(12,716)	-	(15,752)
Depreciation expense	-	(10,689)	(56,446)	(4,182)	(160,276)	(231,593)
Balance at the end of the year	19,285	2,489,311	274,140	275,383	1,857,647	4,915,766

Corrimal R S L Memorial Club Ltd

ABN: 83 000 872 033

Notes to the Financial Statements

For the Year Ended 31 December 2023

13 Property, plant and equipment

(b) Core and non-core property

As required under section 41J of the *Registered Clubs Act 1976*, the Club is required to specify the core property and non-core properties owned as at the end of the financial year. Accordingly, the Directors consider as core property the leased licensed premises from which the Club operates at 168 Princes Highway, Corrimal, including all freehold land referred to in the title deeds of the main licensed premises site (predominantly the car parking area).

The properties at 148 & 152 Princes Highway, Corrimal, are not considered to be core properties of the Club given that they are not the defined premises of the Club, nor any facility provided to the Club for the use of its members and their guests, nor any other property declared, by a resolution passed by the majority of the members present at a general meeting of the ordinary members of the Club.

(c) Revaluation of land and buildings

The Company engages independent and qualified valuers to determine the fair value of the Company's land and buildings at least every three years. The most recent valuation was performed at 31 December 2022.

The Directors believe that this represents fair value.

14 Trade and other payables

	2023	2022
	\$	\$
Trade payables	42,667	56,072
Other payables	216,830	223,493
	<u>259,497</u>	<u>279,565</u>

Corrimal R S L Memorial Club Ltd

ABN: 83 000 872 033

Notes to the Financial Statements

For the Year Ended 31 December 2023

15 Employee Benefits

	2023	2022
	\$	\$
CURRENT		
Other employee benefits	175,346	133,252
Long service leave	60,243	34,947
	<u>235,589</u>	<u>168,199</u>
NON-CURRENT		
Long service leave	<u>19,670</u>	<u>34,083</u>

16 Tax assets and liabilities

	Opening Balance	Charged to Income	Charged directly to Equity	Changes in Tax Rate	Closing Balance
	\$	\$	\$	\$	\$
Deferred tax liability					
Property, plant and equipment	406,376	-	138,591	-	544,967
Deferred tax assets attributable to tax losses	(50,213)	(5,384)	-	-	(55,597)
Right of use assets	-	146,549	-	-	146,549
Lease liabilities	-	(144,210)	-	-	(144,210)
Provisions	-	(45,821)	-	-	(45,821)
Balance at 31 December 2022	<u>356,163</u>	<u>(48,866)</u>	<u>138,591</u>	<u>-</u>	<u>445,888</u>
Property, plant and equipment	544,967	4,752	-	-	549,719
Deferred tax assets attributable to tax losses	(55,597)	82	-	-	(55,515)
Right of use assets	146,549	(50,544)	-	-	96,005
Lease liabilities	(144,210)	32,414	-	-	(111,796)
Provisions	(45,821)	(17,994)	-	-	(63,815)
Balance at 31 December 2023	<u>445,888</u>	<u>(31,290)</u>	<u>-</u>	<u>-</u>	<u>414,598</u>

Corrimal R S L Memorial Club Ltd

ABN: 83 000 872 033

Notes to the Financial Statements

For the Year Ended 31 December 2023

17 Key Management Personnel Disclosures

Remuneration paid to key management personnel of the Company was \$ 157,868 (2022: \$ 257,875).

Key Management Personnel are provided with and/or reimbursed for meals, drinks and other expenses incurred in the course of undertaking the Company's business. These costs are not considered to be remuneration and hence have not been included in this disclosure; notwithstanding that they are within the approved limits set by members at the Annual General Meeting for each term of the Board.

18 Contingencies

Contingent Liabilities

Corrimal R S L Memorial Club Ltd has a bank guarantee of \$5,000 at 31 December 2023 (2022: \$5,000). This bank guarantee is in respect of guarantees to third parties arising out of normal business.

19 Auditors' Remuneration

	2023	2022
	\$	\$
Remuneration of the auditor Daley Audit, for:		
- audit of financial statements	15,500	15,000
- other services*	29,320	30,666
	<u>44,820</u>	<u>45,666</u>

* Other services are for accounting, secretarial and taxation services

20 Related Parties

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

A director pays rent to the Club which is domestic in nature and is on normal commercial terms.

Fees paid to director for member promotional activities	<u>-</u>	<u>13,200</u>
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Corrimal R S L Memorial Club Ltd

ABN: 83 000 872 033

Notes to the Financial Statements

For the Year Ended 31 December 2023

21 Reserves

Asset revaluation surplus

The property, plant and equipment asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets. In the event of a sale of an asset, any balance in the reserve in relation to the asset is transferred to retained earnings, see accounting policy note 2(j) for details.

22 Events Occurring After the Reporting Date

The financial report was authorised for issue on 29 April 2024 by the Board of Directors.

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has 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 subsequent financial periods.

23 Statutory Information

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

168 Princess Highway
Corrimal NSW 2518

Corrimal R S L Memorial Club Ltd

ABN: 83 000 872 033

Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 5 to 31, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Accounting Standards - Simplified Disclosures; and
 - b. give a true and fair view of the financial position as at 31 December 2023 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.



Michael Hough
Director

Wollongong

Dated: 29 April 2024



Independent Audit Report to the members of Corrimal R S L Memorial Club Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Corrimal R S L Memorial Club Ltd (the Company), which comprises the balance sheet as at 31 December 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 material accounting policy information, and the directors' declaration.

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

- (i) giving a true and fair view of the Company's financial position as at 31 December 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* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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ABN 43 152 844 291

Liability limited by a
Scheme approved under
Professional Standards
Legislation.





Independent Audit Report to the members of Corrimal R S L Memorial Club Ltd

Other Information

The Directors are responsible for the other information. The other information comprises the Director's Report for the year ended 31 December 2023, 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.



Independent Audit Report to the members of Corrimal R S L Memorial Club Ltd

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 auditors report.

A handwritten signature in black ink, appearing to read "Daley Audit".

Daley Audit

A handwritten signature in black ink, appearing to read "Stephen Milgate".

Stephen Milgate
Partner

Wollongong

Dated: 29 April 2024

Liability limited by a scheme approved under the Professional Standards Legislation.