

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED
AND CONTROLLED ENTITIES**

ABN 42 001 044 373

**FINANCIAL
REPORT**

**FOR THE YEAR ENDED
31 DECEMBER 2023**

AUDITORS

D. A STRATI & ASSOCIATES PTY LTD
Level 5, 376 Bay Street
Brighton Le Sands NSW 2216

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED
AND CONTROLLED ENTITIES**

**FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**CAMPSIE RSL SUB-BRANCH CLUB LIMITED
AND CONTROLLED ENTITIES**

DIRECTORS' REPORT

The directors present their report, together with the financial statements of Campsie RSL Sub-Branch Club Limited (the company) and its controlled entities (collectively, the 'Group') for the year ended 31 December 2023.

DIRECTORS

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

<u><i>Name</i></u>	<u><i>Qualifications and Experience</i></u>
Mr Neville Moloney	President Retired Board member for 12 years
Mr Robert Webb	Vice President Retired Resigned 22 May 2023
Mr Gordon Brian	Director Retired Board member for 37 years
Mr Ivan Tilmouth	Director Retired Board member for 4 years
Mr Jeffery Roser	Director Insurance Broker Board member for 4 years
Mr Graeme O'Beirne	Director Facilities Manager Board member 2 years
Mr Kenneth Button	Director Retired Appointed 22 May 2023
Ms Carol Anderson	Director Retired Appointed 6 November 2023

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED
AND CONTROLLED ENTITIES**

DIRECTORS' REPORT (continued)

MEETINGS OF DIRECTORS	Meetings Held *	Meetings Attended
Mr Neville Moloney	9	5
Mr Robert Webb	4	2
Mr Gordon Brian	9	9
Mr Ivan Tilmouth	9	7
Mr Jeffery Roser	9	9
Mr Graeme O'Beirne	9	9
Mr Kenneth Button	5	5
Ms Carol Anderson	1	1

* Represents the number of meetings held during the time the director held office.

COMPANY SECRETARY

Mr Craig Love held the position of the Company Secretary during the year and to the date of this report. Mr Love was appointed company secretary on the 17 March 2008.

PRINCIPAL ACTIVITY

The principal activity of the Group is to provide members and their guests with amenities and facilities usually associated with that of a licensed club.

OPERATING RESULT FOR THE YEAR

The net profit of the Group for the financial year ended 31 December 2023 after providing for income tax was \$8,548,434. (2022: \$14,098,882).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the Group during the year.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There were no significant events occurring after the reporting period which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group.

MEMBERS LIMITED LIABILITY

In the event of the Company being wound up, each member undertakes to contribute an amount not exceeding two dollars (\$2.00) if the Company is wound up, while he or she is a member of the Club or within one year he or she ceases to be a member.

At the date of this report there are 31,781 (2022: 33,766) members of the Club.

CAMPSIE RSL SUB-BRANCH CLUB LIMITED AND CONTROLLED ENTITIES

DIRECTORS' REPORT (continued)

SHORT AND LONG-TERM OBJECTIVES

The company's short-term objectives are to:

- provide the best possible licensed club facilities to members and guests.
- maintain the current levels of membership and encourage new members.
- remain financially viable to achieve the company's objectives.

The company's long-term objectives are to:

- provide a high quality licensed club for members and guests to use, together with a standard of facilities and services that provide a rewarding and measurable experience.
- establish an environment where members and guests can participate in social activities that foster enjoyment, friendship and mutual respect amongst members.

STRATEGIES

To achieve its stated objectives, the company has adopted the following strategies:

- Maintain stringent controls over the company finances to ensure the Club remains viable. Continue to manage costs in order to maintain efficient and effective operations without compromising the quality of the services provided to members and guests.
- The Board strives to attract and retain quality management and staff with the knowledge and skills required to operate a successful social club. The Board believes attracting and retaining quality staff will assist in providing a high level of services to members and the success of the Club.
- The Board is committed to consistent standards of governance and best practice; being aware of statutory and legislative changes and to ensuring compliance at all times with these laws and regulations.

KEY PERFORMANCE INDICATORS

The company measures its own performance through the use of both quantitative and qualitative benchmarks. Some of the key performance indicators are:

- financial performance when compared to Board approved budgets.
- the successful implementation of business operating plans.
- completing capital expenditure works within budget and agreed timeframes.
- training and development of the key management and staff.
- timely response to all compliance matters required under relevant statutory and legislative Requirements.

INDEMNIFICATION OF AUDITOR

To the extent permitted by law, the company has agreed to indemnify its auditors, D.A Strati & Associates, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify D.A Strati & Associates during or since the financial year.

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED
AND CONTROLLED ENTITIES**

DIRECTORS' REPORT (continued)

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year the company has paid insurance premiums of \$5,701 in respect of directors' and officers' liability, legal expenses and insurance contracts for current and former directors and officers. This amount remained unchanged from the previous year.


The insurance premiums relate to:

- costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome; and
- other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.


AUDITORS' INDEPENDENCE DECLARATION

The directors have received the Independence Declaration from the Auditors as required under Section 307C of the Corporations Act 2001. The declaration is attached to this report.

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



Neville Moloney – Director



Gordon Brian – Director

Dated: 30 April 2024

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED
AND CONTROLLED ENTITIES**

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C – CORPORATION ACT 2001**

As the lead auditor for the audit of the financial report of Campsie RSL Sub-Branch Club Limited (the Company) and its Controlled Entities (the consolidated entities) for the financial year ended 31 December 2023, I declare that, to the best of my knowledge and belief, that there has been:

- a) No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- b) No contraventions of any applicable code of professional conduct in relation to the audit.

**D.A STRATI & ASSOCIATES
Certified Practising Accountants**

A handwritten signature in black ink, appearing to read 'D. Strati', enclosed within a large, loopy oval shape.

**Domenic Strati
Brighton Le Sands**

30 April 2024

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED
AND CONTROLLED ENTITIES**

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	2023 \$	2022 \$
Revenue			
Sale of goods	2	1,772,802	1,461,256
Rendering of services	3	50,297,389	46,555,722
Revenue from grants	4	-	3,654,387
Other income	5	1,382,914	344,267
Total revenue and Other income		<u>53,453,105</u>	<u>52,015,632</u>
Expenses			
Cost of sales	6	(889,168)	(710,401)
Depreciation and amortisation	7	(3,009,201)	(3,204,535)
Employee benefits expense	8	(14,481,815)	(11,808,459)
Entertainment, marketing and promotions		(586,188)	(409,740)
Gaming expenses		(1,063,871)	(754,636)
Gaming taxes		(12,918,308)	(11,813,652)
Donations and grants		(1,537,870)	(977,544)
Members benefits		(1,673,062)	(2,011,554)
Research and development		(2,212,047)	(1,682,854)
Other expenses		(6,124,433)	(2,760,461)
Total expenses		<u>(44,495,963)</u>	<u>(36,133,836)</u>
Profit before income tax		<u>8,957,142</u>	<u>15,881,796</u>
Income tax benefit (expense)	9	(408,708)	(157,791)
Profit for the year		<u>8,548,434</u>	<u>15,724,005</u>
Other comprehensive income			
Revaluation of financial assets	10	-	(1,625,123)
Other comprehensive income for the year		<u>-</u>	<u>(1,625,123)</u>
Total comprehensive income for the year		<u>8,548,434</u>	<u>14,098,882</u>

The accompanying notes form part of these financial statements

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED
AND CONTROLLED ENTITIES**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023**

	Note	2023 \$	2022 \$
CURRENT ASSETS			
Cash and cash equivalents	11	47,020,036	48,494,267
Trade and other receivables	12	259,426	261,772
Inventories	13	179,150	119,288
Other current assets	14	<u>788,678</u>	<u>799,582</u>
Total Current Assets		<u>48,247,290</u>	<u>49,674,909</u>
NON-CURRENT ASSETS			
Intangible assets	15	27,453,664	27,416,667
Property, plant and equipment	16	53,387,490	49,850,296
Financial assets	17	4,919,912	669,125
Deferred tax assets	18	48,010	333,309
Other non-current assets	14	<u>7,173,802</u>	<u>2,320,248</u>
Total Non-Current Assets		<u>92,982,878</u>	<u>80,589,645</u>
TOTAL ASSETS		<u>141,230,168</u>	<u>130,264,554</u>
CURRENT LIABILITIES			
Trade and other payables	19	5,456,112	3,097,691
Short-term provisions	20	<u>1,758,085</u>	<u>1,537,375</u>
Total Current Liabilities		<u>7,214,197</u>	<u>4,635,066</u>
NON-CURRENT LIABILITIES			
Trade and other payables	19	508,889	586,289
Long-term provisions	20	<u>497,400</u>	<u>581,951</u>
Total Non-Current Liabilities		<u>1,006,289</u>	<u>1,168,240</u>
TOTAL LIABILITIES		<u>8,220,486</u>	<u>5,803,306</u>
NET ASSETS		<u><u>133,009,682</u></u>	<u><u>124,461,248</u></u>
MEMBERS' EQUITY			
Reserves		35,979,771	35,979,771
Retained earnings		<u>97,029,911</u>	<u>88,481,477</u>
TOTAL MEMBERS' EQUITY		<u><u>133,009,682</u></u>	<u><u>124,461,248</u></u>

The accompanying notes form part of these financial statements

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED
AND CONTROLLED ENTITIES**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Retained Earnings \$	Revaluation Reserve \$	Members Equity \$
Balance at 1 January 2022	74,382,596	35,979,771	110,362,367
Profit for the year	14,098,882	-	14,098,882
Balance at 31 December 2022	<u>88,481,477</u>	<u>35,979,771</u>	<u>124,461,248</u>
Profit for the year	8,548,434	-	8,548,434
Balance at 31 December 2023	<u><u>97,029,911</u></u>	<u><u>35,979,771</u></u>	<u><u>133,009,682</u></u>

The accompanying notes form part of these financial statements

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED
AND CONTROLLED ENTITIES**

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	2023 \$	2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		57,496,011	53,047,576
Payments to suppliers and employees		(53,570,853)	(41,581,317)
Revenue from grants		-	3,654,387
Bank interest received		1,184,004	136,176
Net cash provided by operating activities	21 (a)	<u>5,109,162</u>	<u>15,256,822</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant & equipment		(6,546,395)	(4,313,584)
Payment for patents and trademarks		(36,997)	-
Net cash used in investing activities		<u>(6,583,392)</u>	<u>(4,313,584)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Net cash used in financing activities		<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents		(1,474,230)	10,943,238
Cash and cash equivalents at the beginning of year		48,494,267	37,551,030
Cash and cash equivalents at the end of year	21 (b)	<u><u>47,020,036</u></u>	<u><u>48,494,267</u></u>

The accompanying notes form part of these financial statements

CAMPSIE RSL SUB-BRANCH CLUB LIMITED AND CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

Campsie RSL Sub-Branch Club Limited is a company limited by guarantee, incorporated, and domiciled in Australia and is a not-for-profit entity. This financial report is for Campsie RSL Sub-Branch Club Limited and its Controlled Entities.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial statements are general purpose financial statements that have been:

- Prepared in accordance with the requirements the Corporations Act 2001, Australian Accounting Standards – Reduced Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board, as appropriate for not-for-profit entities;
- Prepared on an accruals basis and are based on historical cost and do not consider the changing values of money, except for financial assets and financial liabilities which are measured at fair value;
- Presented in Australian dollars (\$) and have been rounded to the nearest dollar.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Campsie RSL Sub-Branch Club Limited and its Controlled Entities. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current liability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee;
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has the power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income, and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED
AND CONTROLLED ENTITIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Consolidation (continued)

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest, and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

Business Combinations

Business combinations are accounted for using the acquisition method.

The Group as the acquirer in a combination of mutual entities, recognises the fair value of the identifiable assets and liabilities as a direct addition to equity. Acquisition-related costs are expensed as incurred and included in administrative expenses.

Accounting Policies

a) Going Concern

The financial report has been prepared on a going concern basis, which assumes continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business.

In arriving at this position, the directors have had regard to the fact that the Group has, or in the directors' opinion will have, access to sufficient cash to meet its debts as and when they fall due and fund its ongoing operations for a period of not that less than 12 months from the date of approval of the financial statements.

b) Revenue and Other Income

Revenue is recognised at the fair value of consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid. The following specific recognition criteria must also be met before revenue is recognised:

Sale of Goods

Revenue from functions, catering, beverages, and merchandise is recognised when the significant risks and rewards of ownership have passed to the buyer and can be reliably measured. Risks and rewards are considered passed to the buyer when goods have been delivered to the customer.

Rendering of Services

Revenue from rendering services comprises revenue earned from the provision of gaming facilities together with other services to members and other patrons of the Group. Revenue is recognised with the service is provided.

Interest Revenue

Interest revenue is recognised as interest accrues considering the interest rates and effective yield on the financial asset.

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED
AND CONTROLLED ENTITIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Commissions, Member Fees and Subscriptions

Commissions, member fees and subscriptions are recognised as revenue over the period to which they relate.

Rental Income

Rental Income is accounted for on a straight-line basis over the term of the lease.

Sale of Property, Plant and Equipment

The gain or loss on disposal of property, plant and equipment is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal (including incidental costs) and is recognised as other income at the date control of the asset passes to the buyer.

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

c) Trade and Other Receivables

Trade and other receivables include amounts due from members as well as amounts receivable from customers for goods and services. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

d) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are determined on a first in first out basis.

e) Property Plant and Equipment

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

Freehold property

Freehold land and buildings are shown at their fair value based on periodic valuations by external independent valuers, less subsequent depreciation for buildings.

In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in Statement of Changes in Equity and accumulated in the Asset Revaluation Reserve. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in the Statement of Changes of Equity and will decrease the Asset Revaluation Reserve.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings that have been contributed at no cost or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED
AND CONTROLLED ENTITIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Core property

Section 41J of the Registered Clubs Act requires the annual report to specify the core property and non-core property of the Club as at the end of the financial year to which the report relates.

Core property is any real property owned or occupied by the Club that comprises:

- i. the defined premises of the Club; or
- ii. any facility provided by the Club for use of its members and their guests; or
- iii. any other property declared by a resolution passed by a majority of the members present at a general meeting of Ordinary members of the Club to be core property of the Club

but does not include any property referred to in paragraphs (i)-(iii) that is declared, by a resolution passed by a majority of the members present at a general meeting of the ordinary members of the club, not to be core property of the club.

There are restrictions on the Club's ability to dispose of core property. For example, core property can only be sold if the disposal has been approved at a general meeting of the ordinary members of the Club at which the majority of the votes cast support the approval.

Non-core property is any other property other than that referred to above as core property and any property which is declared by the members at a general meeting of ordinary members of the Club not to be core property.

Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit and loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(e) for details of impairment).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period which they are incurred.

Plant and equipment that have been contributed at no cost or for a nominal cost are recognised at the fair value of the asset at the date it is acquired.

Residential property

Residential property, principally comprising freehold residential land and buildings, is held for long-term rental yields, and is not occupied by the Group. Residential property is carried at fair value.

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED
AND CONTROLLED ENTITIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Depreciation

Property, plant, and equipment are depreciated over their useful lives commencing from the time the asset is held ready for use. Buildings are depreciated using the straight-line method whereas plant and equipment is depreciated using the diminishing value method. Land is not depreciated.

The depreciation rates used for each class of depreciable assets are:

<u>Class of Fixed Assets</u>	<u>Rates</u>
Buildings and Related Improvements	2% - 20%
Plant, Equipment and Furniture	3% - 40%
Poker Machines and Related Equipment	30% - 40%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

f) Intangibles

Poker Machine Entitlements

Poker machine entitlements are deemed to have an indefinite useful life and are not amortised. Instead, they are tested annually for impairment.

Other Intangibles

Other Intangibles are deemed to have a finite useful life and are amortised over their useful lives commencing from the time the asset is held and ready for use.

g) Impairment of Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets' fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

h) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the Statement of Financial Position.

CAMPSIE RSL SUB-BRANCH CLUB LIMITED AND CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

All other borrowing costs are recognised in the income statement over the period of the borrowings to which they relate.

j) Employee Benefits

Provision is made for the Group's liability for employee leave entitlements arising from services rendered by employees at balance date. Employee leave entitlements that are expected to be settled within 1 year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee leave entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the Group to employee superannuation funds and are charged as expenses when incurred.

k) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result, and that outflow can be reliably measured.

l) Leases

Leases of assets where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the entity are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Capitalised Leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED
AND CONTROLLED ENTITIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

m) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Recognition and Measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Subsequent to initial recognition these instruments are measured as set out below.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Held-to-maturity investments

These investments have fixed maturities, and it is the Group's intention to hold these investments to maturity. Any held-to-maturity investments held by the Group are stated at amortised cost using the effective interest rate method.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the Group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the income statement.

n) Goods and Services Tax (GST)

Revenue, expenses, and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the balance sheet are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as a current asset or liability in the Statement of Financial Position.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

CAMPSIE RSL SUB-BRANCH CLUB LIMITED AND CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

o) Income Tax

The Group is assessable for income tax on the surplus of trading with persons other than members and on investment income. Receipts from members themselves, however, are not subject to income tax being in accordance with the principle of mutuality.

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate, adjusted for permanent differences, changes in deferred tax assets and liabilities attributed to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised, or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in the income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

p) Critical Accounting Estimates and Judgements

The preparation of the financial statements require management to make estimates and judgements that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures and the disclosure of contingent liabilities.

Uncertainty about these estimates and judgements could result in outcomes that require a material adjustment to the carrying amount of assets and liabilities affected in future periods.

Estimates and Judgements

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, which have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Management based its estimates and judgements on historical results and the best available current information. Estimates and judgements assume a reasonable expectation of future events and are based on current trends and economic data, from internal and external sources.

Estimation of useful life of assets

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

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED
AND CONTROLLED ENTITIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Critical Accounting Estimates and Judgements (continued)

Impairment of non-financial assets

An impairment exists when the carrying value of an asset exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset.

Assessment of impairment and remaining useful lives of property, plant, and equipment

The Directors have considered whether any indicators of impairment exist which would require the performance of an impairment review in respect of the property, plant and equipment owned by the Club. In addition, management has considered whether the useful lives of any such assets should be revised as a result of any anticipated development. Management has determined that as at the year-end date no such indicators exist.

q) New Revised Standards Effective for these Financial Statements

The Group has adopted all of the new and revised or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial position of the Group.

r) Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED
AND CONTROLLED ENTITIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023	2022
	\$	\$
NOTE 2: SALE OF GOODS		
Bar sales	1,756,175	1,447,382
Catering sales	16,627	13,875
	<u>1,772,802</u>	<u>1,461,256</u>
NOTE 3: RENDERING OF SERVICES		
Poker machine - net clearances	50,004,002	46,295,981
Keno and tab commissions	259,027	225,381
Government rebates	34,360	34,360
	<u>50,297,389</u>	<u>46,555,722</u>
NOTE 4: GRANTS		
Government business grants	-	654,387
Research and development grant	-	3,000,000
	<u>-</u>	<u>3,654,387</u>
NOTE 5: OTHER INCOME		
Members subscriptions	57,435	45,871
Interest received	1,184,004	136,176
Rents received	76,381	52,033
Other income	65,094	110,187
	<u>1,382,914</u>	<u>344,267</u>
NOTE 6: COST OF SALES		
Bar cost of sales	862,935	688,488
Catering cost of sales	26,233	21,913
	<u>889,168</u>	<u>710,401</u>
NOTE 7: DEPRECIATION AND AMORTISATION		
Buildings and property improvements	963,014	829,702
Plant, equipment and furniture	791,306	761,168
Poker machines and related equipment	1,118,623	1,179,902
Motor vehicles	59,705	68,577
Loss on disposal of assets	76,553	365,186
	<u>3,009,201</u>	<u>3,204,535</u>

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED
AND CONTROLLED ENTITIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023	2022
	\$	\$
NOTE 8: EMPLOYEE BENEFITS EXPENSE		
Salaries and wages	10,990,023	9,847,069
Superannuation	972,954	791,957
Other employee benefits	2,518,838	1,169,433
	<u>14,481,815</u>	<u>11,808,459</u>

NOTE 9: INCOME TAX EXPENSE

The amount set aside for income tax in the statement of comprehensive income has been calculated as follows:

Operating profit before income tax	<u>8,957,142</u>	<u>15,881,796</u>
Tax at the Australian tax rate of 30%	2,687,143	4,764,539
<u>Adjust for the tax effect of:</u>		
- Deferred tax asset for losses not brought to account	1,377,248	-
- Apportionment of profit attributed to members	(3,970,920)	(4,609,760)
- Timing differences (movement in provisions)	17,311	3,012
- Recoupment of tax losses	297,927	-
	<u>408,708</u>	<u>157,791</u>

NOTE 10: REVALUATION OF FINANCIAL ASSETS

Revaluation loss on		
- Shares in other corporations	-	425,123
- Unsecured investment loan	-	1,200,000
	<u>-</u>	<u>1,625,123</u>

NOTE 11: CASH AND CASH EQUIVALENTS

CURRENT

Cash on hand	3,300,000	3,000,000
Cash at bank (Business Acc.)		
Cash at bank (Mortality Fund Acc.)		
Cash at bank (Gaming Acc.)		
Cash at bank (Phoenix Acc.)		
Cash at bank	<u>43,720,036</u>	<u>45,494,267</u>
	<u>47,020,036</u>	<u>48,494,267</u>

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED
AND CONTROLLED ENTITIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023	2022
	\$	\$
NOTE 12: TRADE AND OTHER RECEIVABLES		
CURRENT		
Trade receivables	17,918	11,021
Security deposits	47,101	22,994
Other receivables	194,407	227,757
	<u>259,426</u>	<u>261,772</u>
 NOTE 13: INVENTORIES		
CURRENT		
Finished goods - at cost	<u>179,150</u>	<u>119,288</u>
 NOTE 14: OTHER ASSETS		
CURRENT		
Prepayments	<u>788,678</u>	<u>799,582</u>
NON-CURRENT		
Security deposits	<u>7,173,802</u>	<u>2,320,248</u>
 NOTE 15: INTANGIBLE ASSETS		
Patents and trademarks - at cost	36,997	-
Poker machine licences - at cost	5,550,438	5,550,438
Revaluation increment	21,866,229	21,866,229
	<u>27,453,664</u>	<u>27,416,667</u>

NOTE 16: PROPERTY, PLANT AND EQUIPMENT

Section 41J of the Registered Clubs Amendment Act 2006, requires the group to nominate core and non-core property assets.

Core property

The following is the core property:

Club land and buildings located at 25-31 Anglo Road Campsie NSW 2194

Non-core property

The following is the non-core property:

Land located at 33-43 Anglo Road, Campsie NSW 2194

Land located at 17-19 Acacia Street, Belmore NSW 2192

Investment property located at 4-6 William Street, Bathurst NSW 2795

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED
AND CONTROLLED ENTITIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023	2022
	\$	\$
NOTE 16: PROPERTY, PLANT AND EQUIPMENT (continued)		
Club land and buildings		
Freehold land		
At independent valuation - 2021	22,800,000	22,800,000
Development costs	67,379	67,379
	<u>22,867,379</u>	<u>22,867,379</u>
Buildings		
At independent valuation - 2021	14,146,182	14,146,182
Less accumulated depreciation	(1,326,973)	(622,710)
	<u>12,819,209</u>	<u>13,523,472</u>
Property improvements - at cost	1,807,458	1,777,373
Less accumulated depreciation	(122,419)	(37,256)
	<u>1,685,039</u>	<u>1,740,117</u>
Investment Property		
At cost	2,631,137	-
At independent valuation - 2021	1,850,000	1,850,000
	<u>4,481,137</u>	<u>1,850,000</u>
Leasehold improvements - at cost	3,736,042	3,627,153
Less accumulated depreciation	(716,798)	(543,210)
	<u>3,019,244</u>	<u>3,083,943</u>
Plant and equipment - at cost	7,917,556	6,543,727
Less accumulated depreciation	(4,184,466)	(3,460,834)
	<u>3,733,090</u>	<u>3,082,893</u>
Furniture, fixtures and fittings - at cost	525,695	438,548
Less accumulated depreciation	(277,918)	(210,244)
	<u>247,777</u>	<u>228,304</u>
Poker machines and related equipment - at cost	11,277,630	10,573,846
Less accumulated depreciation	(7,124,053)	(7,447,823)
	<u>4,153,577</u>	<u>3,126,023</u>
Motor vehicles - at cost	656,074	460,027
Less accumulated depreciation	(275,036)	(111,861)
	<u>381,038</u>	<u>348,166</u>
Total property, plant and equipment	<u>53,387,490</u>	<u>49,850,296</u>

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED
AND CONTROLLED ENTITIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023 \$	2022 \$
NOTE 16: PROPERTY, PLANT AND EQUIPMENT (continued)		
Movement in Carrying Amounts		
Movement in the carrying amounts for each class of property, plant and equipment between the beginning and end of the current financial year are set out below:		
<u>Club Land</u>		
Carrying amount at the beginning of year	22,867,379	22,866,389
Additions	-	990
Carrying amount at end of year	<u>22,867,379</u>	<u>22,867,379</u>
<u>Club Buildings</u>		
Carrying amount at the beginning of year	13,523,472	14,200,000
Disposals	-	(53,818)
Depreciation Expense	(704,263)	(622,710)
Revaluations	-	-
Carrying amount at end of year	<u>12,819,209</u>	<u>13,523,472</u>
<u>Property Improvements</u>		
Carrying amount at the beginning of year	1,740,117	-
Additions	30,085	1,777,373
Depreciation Expense	(85,163)	(37,256)
Carrying amount at end of year	<u>1,685,039</u>	<u>1,740,117</u>
<u>Investment Property</u>		
Carrying amount at the beginning of year	1,850,000	1,850,000
Additions	2,631,137	-
Carrying amount at end of year	<u>4,481,137</u>	<u>1,850,000</u>
<u>Leasehold Improvements</u>		
Carrying amount at the beginning of year	3,083,943	3,222,482
Additions	108,889	31,196
Depreciation Expense	(173,588)	(169,735)
Carrying amount at end of year	<u>3,019,244</u>	<u>3,083,943</u>

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED
AND CONTROLLED ENTITIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023	2022
	\$	\$
NOTE 16: PROPERTY, PLANT AND EQUIPMENT (continued)		
<u>Plant and Equipment</u>		
Carrying amount at the beginning of year	3,082,893	3,290,389
Additions	1,373,829	493,973
Disposals	-	(11,309)
Depreciation Expense	(723,632)	(690,160)
Carrying amount at end of year	<u>3,733,090</u>	<u>3,082,893</u>
<u>Furniture, Fixtures and Fittings</u>		
Carrying amount at the beginning of year	228,304	299,312
Additions	87,147	-
Depreciation Expense	(67,674)	(71,008)
Carrying amount at end of year	<u>247,777</u>	<u>228,304</u>
<u>Poker Machines and Equipment</u>		
Carrying amount at the beginning of year	3,126,023	2,595,932
Additions	2,222,730	2,010,052
Disposals	(76,553)	(300,060)
Depreciation Expense	(1,118,623)	(1,179,902)
Carrying amount at end of year	<u>4,153,577</u>	<u>3,126,023</u>
<u>Motor Vehicles</u>		
Carrying amount at the beginning of year	348,166	416,743
Additions	92,578	-
Depreciation Expense	(59,705)	(68,577)
Carrying amount at end of year	<u>381,038</u>	<u>348,166</u>
<u>Totals</u>		
Carrying amount at beginning of year	49,850,296	48,741,247
Additions	6,546,395	4,313,584
Disposals	(76,553)	(365,186)
Depreciation Expense	(2,932,648)	(2,839,349)
Carrying amount at end of year	<u>53,387,490</u>	<u>49,850,296</u>

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED
AND CONTROLLED ENTITIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023	2022
	\$	\$
NOTE 17: FINANCIAL ASSETS		
NON-CURRENT		
Shares in other corporations - at cost	4,275,124	525,123
Revaluation decrement	(425,123)	(425,123)
Convertible notes - at cost	1,600,000	1,600,000
Revaluation decrement	(1,200,000)	(1,200,000)
Units in property trusts - at cost	669,911	169,125
	<u>4,919,912</u>	<u>669,125</u>
NOTE 18: DEFERRED TAX ASSETS		
NON-CURRENT		
The balance comprises temporary differences attributed to:		
Deferred tax losses	-	297,927
Provisions	48,010	32,411
Other	-	2,971
	<u>48,010</u>	<u>333,309</u>
<u>Movement</u>		
Opening balance	333,309	491,100
Current year income tax expense	(285,299)	(157,791)
	<u>48,010</u>	<u>333,309</u>
NOTE 19: TRADE AND OTHER PAYABLES		
CURRENT		
Trade payables	1,884,617	1,443,003
Accrued expenses	635,115	153,208
CDSE scheme	(205,798)	(540,486)
Contract liabilities	458,217	305,890
Fringe benefits tax	882,757	8,718
Goods and services tax	92,002	324,343
Income tax payable	123,409	-
Members subscriptions in advance	86,840	80,074
Poker machine duty	1,498,953	1,322,941
	<u>5,456,112</u>	<u>3,097,691</u>
NON-CURRENT		
Contract liabilities	<u>508,889</u>	<u>586,289</u>

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED
AND CONTROLLED ENTITIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023	2022
	\$	\$
NOTE 20: PROVISIONS		
CURRENT		
Short-term		
Employee entitlements	1,530,947	1,374,238
Gaming provisions	227,138	163,136
	<u>1,758,085</u>	<u>1,537,375</u>
NON-CURRENT		
Long-term		
Employee entitlements	427,950	491,351
Mortality fund	69,450	90,600
	<u>497,400</u>	<u>581,951</u>

NOTE 21: CASH FLOW INFORMATION

**21 (a) Reconciliation of cash flow from
operations with profit after income tax:**

Profit after income tax	8,548,434	14,098,882
Non-cash flows in profit:		
Depreciation and amortisation	2,932,648	2,839,349
Loss on disposal of assets	76,553	365,186
Changes in assets and liabilities:		
Decrease/(increase) in receivables	2,346	(120,186)
Decrease/(increase) in inventories	(59,862)	(30,348)
Decrease/(increase) in other assets	(4,842,650)	(1,182,935)
Decrease/(increase) financial assets	(4,250,786)	255,998
Decrease/(increase) tax assets	285,299	157,791
Increase/(decrease) in payables	2,281,021	(1,130,949)
Increase/(decrease) in provisions	136,159	4,034
Net cash provided by (used in) operating activities	<u>5,109,162</u>	<u>15,256,822</u>

21 (b) Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash	<u>47,020,036</u>	<u>48,494,267</u>
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**CAMPSIE RSL SUB-BRANCH CLUB LIMITED
AND CONTROLLED ENTITIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023	2022
	\$	\$

NOTE 22: RELATED PARTY TRANSACTIONS

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

NOTE 23: DIRECTOR AND EXECUTIVE DISCLOSURES

Key Management Personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, including Directors and Senior Management.

Remuneration of Key Management Personnel

Total compensation for key management personnel including Directors and Senior Management for the financial year	4,611,863	3,496,509
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Directors' remuneration is of the nature of honorariums and expense reimbursements, approved each year by members at the Annual General Meeting. The remuneration of directors' is all in the nature of short term benefits; the directors are not entitled to post retirement or other long term benefits.

Senior Management are entitled to normal annual leave, vesting sick leave and long service leave (subject to qualification) and superannuation benefits; they are not entitled to any other long term benefits.

NOTE 24: COMMUNITY DEVELOPMENT AND SUPPORT

Community development and support expenditure	1,526,801	965,726
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Community development and support expenditure is recognised at the fair value of amounts paid or payable for the year.

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED
AND CONTROLLED ENTITIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023	2022
	\$	\$
NOTE 25: COMMITMENTS		
Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:		
Less than one year	1,198,862	912,720
Between one and five years	4,090,321	4,033,357
	<u>5,289,183</u>	<u>4,946,077</u>

NOTE 26: AUDITORS REMUNERATION

Audit of the financial report	58,950	39,000
Preparation of the financial report	18,100	13,600
Taxation services	12,300	6,452
	<u>89,350</u>	<u>59,052</u>

NOTE 26: CONTINGENT LIABILITIES

Mortality Fund

A contingent liability exists in respect of members of the group who are entitled to benefits under the group's mortality fund. An amount of \$60,450 has been provided for in the financial report (refer Note 20) to meet this obligation. The number of members entitled at year end were 252 (2022: 337).

NOTE 27: POKER MACHINE ENTITLEMENTS

The group acknowledges that poker machine entitlements have a value. The value of these entitlements is the market value determined by the trading of such entitlements. The current market value is estimated by the directors to be \$73,503 for each entitlement. The club currently has three hundred and seventy three (373) poker machine entitlements.

NOTE 28: EVENTS SUBSEQUENT TO REPORTING DATE

There are no other matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the group, the results of those operations or the state of affairs of the group as at 31 December 2023.

NOTE 29: MEMBERS GUARANTEE

The company is limited by guarantee. If the company is wound up, the Articles of Association state that each member is required to contribute a maximum of \$2 each towards meeting the outstanding obligations of the company.

At 31 December 2023 the number of members was 31,781 (2022: 33,766).

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED
AND CONTROLLED ENTITIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

NOTE 30: INFORMATION ABOUT CONTROLLED ENTITIES

Chester Hill RSL

To operate the club premises situated at 20 Chester Hill Road, Chester Hill NSW and to provide the best possible facilities for members and guests.

CCCHC Investments Pty Ltd

To facilitate the purchase of long term investments and growth of financial assets.

Innoclub Ltd

To facilitate training, education and welfare support of veterans and disadvantaged children.

Innovationclub Pty Ltd

To facilitate the manufacturing of sustainable products with improved functionality and environmental performance.

Copar Pty Ltd

To facilitate the manufacturing of compostable packaging solutions that are completely biodegradable and 100% renewable, that can be sustainably manufactured in Australia.

Learning for Good Ltd

To source and distribute world-leading cultural content and educational resources produced by Not-For-Profits.
To support communities in need through access to high quality cultural resources.

NOTE 31: COMPANY DETAILS

The registered office of the company is:
25 Anglo Road
CAMPSIE NSW 2194

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED
AND CONTROLLED ENTITIES**

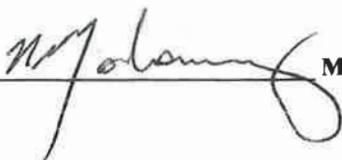
DIRECTORS' DECLARATION

In the opinion of the directors of Campsie RSL Sub-Branch Club Limited and its controlled entities:

- (a) the Group is not publicly accountable;
- (b) the consolidated financial statements and notes of the Group for the financial year ended 31 December 2023 are in accordance with the Corporations Act 2001, including:
 - (i) give a true and fair view of the Group's financial position as at 31 December 2023 and of their performance, for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards – Simplified Disclosures and the Corporations Regulations 2001;
- (c) there are reasonable grounds to believe that the Group 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 Directors.

Director



Mr Neville Moloney

Director



Mr Gordon Brian

Dated: 30 April 2024

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED
AND CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF CAMPSIE RSL SUB-BRANCH CLUB LIMITED**

Auditor's Opinion

We have audited the accompanying financial report of Campsie RSL Sub-Branch Club Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

- (i). Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2023 and of its financial performance for the year ended on that date; 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 this report. We are independent of the Group 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. 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 the same terms if given to the directors as at the time of this auditor's report.

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

Information other than the financial report and auditor's report thereon

The directors of the company are responsible for the other information. The other information is the director's report accompanying the financial report.

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

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED
AND CONTROLLED ENTITIES**

INDEPENDENT AUDITOR'S REPORT (continued)

Information other than the financial report and auditor's report thereon (Continued)

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 from the audit or otherwise appears to be materially misstated.

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

Directors' responsibilities for the financial report

The directors of the company are responsible for the preparation of 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 of the company are responsible for assessing the Group'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 Group or to cease operations, or have no realistic alternative but to do so.

The directors of the company are responsible for overseeing the Group's financial reporting process.

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 the 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 this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf. This description forms part of our Auditor's Report.

D.A STRATI & ASSOCIATES
Certified Practising Accountants

Domenic Strat
Brighton Le Sands

30 April 2024

