

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

ABN 42 001 044 373

**FINANCIAL
REPORT**

**FOR THE YEAR ENDED
31 DECEMBER 2024**

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 2024**

| Index | Pages |
|--|--------------|
| Directors Report | 1 |
| Auditors Independence Declaration | 5 |
| Consolidated Statement of Profit or Loss and Other Comprehensive Income | 6 |
| Consolidated Statement of Financial Position | 7 |
| Consolidated Statement of Changes in Equity | 8 |
| Consolidated Statement of Cashflows | 9 |
| Notes to the Consolidated Financial Statements | 10 |
| Directors' Declaration | 30 |
| Independent Auditor's Report to the Members | 31 |

**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 2024.

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 Jeffery Roser | President Insurance Broker Board member for 5 years |
| Mr Gordon Brian | Vice President Retired Board member for 38 years |
| Mr Neville Moloney | Director Retired Resigned 27 May 2024 Board member for 13 years |
| Mr Ivan Tilmouth | Director Retired Board member for 5 years |
| Mr Graeme O'Beirne | Director Facilities Manager Board member 3 years |
| Mr Kenneth Button | Director Retired Board member 1 year |
| Ms Carol Anderson | Director Retired Board member 1 year |

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

DIRECTORS' REPORT (continued)

| MEETINGS OF DIRECTORS | Meetings Held * | Meetings Attended |
|------------------------------|----------------------------|------------------------------|
| Mr Neville Moloney | 4 | 4 |
| Mr Gordon Brian | 8 | 8 |
| Mr Ivan Tilmouth | 8 | 7 |
| Mr Jeffery Roser | 8 | 7 |
| Mr Graeme O'Beirne | 8 | 7 |
| Mr Kenneth Button | 8 | 7 |
| Ms Carol Anderson | 8 | 8 |

* 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 2024 after providing for income tax was \$12,537,740. (2023: \$8,548,434).

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 30,280 (2023: 31,781) 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 \$5,766 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.

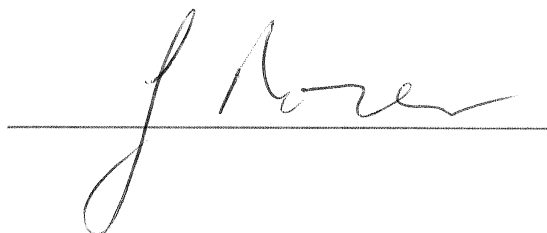
The insurance premiums relate to:

- 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.

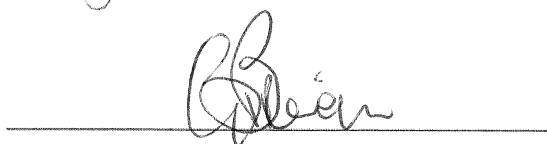
AUDITORS' INDEPENDENCE DECLARATION

The directors have received the Independence Declaration from the Auditors as required under Section 307C of the Corporations Act 2001. The declaration is on page 5 of this report.

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



Jeffery Roser – Director



Gordon Brian – Director

Dated: 15 April 2025

**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 and its Controlled Entities for the financial year ended 31 December 2024, 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.
- c) No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Campsie RSL Sub-Branch Club Limited and the entities it controlled during the financial year.

D.A STRATI & ASSOCIATES
Certified Practising Accountants

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

Domenic Strati
Brighton Le Sands

15 April 2025

**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 2024**

| | Note | 2024 \$ | 2023 \$ |
|--|-------------|--------------------------|-------------------------|
| Revenue | | | |
| Sale of goods | 2 | 2,161,029 | 1,772,802 |
| Rendering of services | 3 | 55,134,848 | 50,297,389 |
| Revenue from grants | 4 | 791,000 | - |
| Other income | 5 | 2,245,321 | 1,382,914 |
| Total revenue and Other income | | <u>60,332,198</u> | <u>53,453,105</u> |
| Expenses | | | |
| Cost of sales | 6 | (981,438) | (889,168) |
| Depreciation and amortisation | 7 | (2,846,928) | (2,932,648) |
| Employee benefits expense | 8 | (15,285,674) | (14,481,815) |
| Entertainment, marketing and promotions | | (578,740) | (586,188) |
| Gaming expenses | | (903,562) | (1,063,871) |
| Gaming taxes | | (14,305,770) | (12,918,308) |
| Donations and grants | | (1,973,512) | (1,537,870) |
| Members benefits | | (1,690,870) | (1,673,062) |
| Research and business development | | (3,030,305) | (2,212,047) |
| Other expenses | | <u>(6,660,812)</u> | <u>(6,200,986)</u> |
| Total expenses | | <u>(48,257,611)</u> | <u>(44,495,963)</u> |
| Profit before income tax | | <u>12,074,587</u> | <u>8,957,142</u> |
| Income tax expense | 9 | (536,970) | (408,708) |
| Net profit for the year | | <u>11,537,617</u> | <u>8,548,434</u> |
| Other comprehensive income | | | |
| Revaluation of financial assets | 10 | 1,000,123 | - |
| Other comprehensive income for the year | | <u>1,000,123</u> | <u>-</u> |
| Total comprehensive income for the year | | <u>12,537,740</u> | <u>8,548,434</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 2024**

| | | 2024 | 2023 |
|--------------------------------|----|---------------------------|---------------------------|
| | | \$ | \$ |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 11 | 44,458,088 | 47,020,036 |
| Trade and other receivables | 12 | 209,799 | 251,926 |
| Inventories | 13 | 543,300 | 179,150 |
| Other current assets | 14 | 974,846 | 788,678 |
| Total Current Assets | | <u>46,186,033</u> | <u>48,239,790</u> |
| NON-CURRENT ASSETS | | | |
| Trade and other receivables | 12 | 1,698,587 | 7,500 |
| Intangible assets | 15 | 27,471,887 | 27,453,664 |
| Property, plant and equipment | 16 | 54,342,856 | 53,387,490 |
| Financial assets | 17 | 16,924,286 | 4,919,912 |
| Deferred tax assets | 18 | 57,982 | 48,010 |
| Other non-current assets | 14 | 9,945,402 | 7,173,802 |
| Total Non-Current Assets | | <u>110,441,000</u> | <u>92,990,378</u> |
| TOTAL ASSETS | | <u>156,627,033</u> | <u>141,230,168</u> |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 19 | 5,830,422 | 5,388,987 |
| Short-term provisions | 20 | 2,164,610 | 1,758,085 |
| Total Current Liabilities | | <u>7,995,031</u> | <u>7,147,072</u> |
| NON-CURRENT LIABILITIES | | | |
| Trade and other payables | 19 | 152,082 | 576,014 |
| Long-term provisions | 20 | 593,147 | 497,400 |
| Total Non-Current Liabilities | | <u>745,228</u> | <u>1,073,414</u> |
| TOTAL LIABILITIES | | <u>8,740,260</u> | <u>8,220,486</u> |
| NET ASSETS | | <u><u>147,886,773</u></u> | <u><u>133,009,682</u></u> |
| MEMBERS' EQUITY | | | |
| Reserves | | 38,319,122 | 35,979,771 |
| Retained earnings | | <u>109,567,651</u> | <u>97,029,911</u> |
| TOTAL MEMBERS' EQUITY | | <u><u>147,886,773</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 CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024**

| | Retained Earnings \$ | Revaluation Reserve \$ | Members Equity \$ |
|---|-------------------------------------|---------------------------------------|----------------------------------|
| Balance at 1 January 2023 | 88,481,477 | 35,979,771 | 124,461,248 |
| Total comprehensive income for the year | 8,548,434 | - | 8,548,434 |
| Balance at 31 December 2023 | <u>97,029,911</u> | <u>35,979,771</u> | <u>133,009,682</u> |
| Total comprehensive income for the year | 12,537,740 | - | 12,537,740 |
| Revaluation increment of land and buildings | | 2,339,351 | 2,339,351 |
| Balance at 31 December 2024 | <u><u>109,567,651</u></u> | <u><u>38,319,122</u></u> | <u><u>147,886,773</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 2024**

| | Note | 2024 | 2023 |
|---|-------------|--------------------------|--------------------------|
| | | \$ | \$ |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts from customers | | 63,349,703 | 57,496,011 |
| Payments to suppliers and employees | | (66,470,709) | (53,570,853) |
| Revenue from grants | | 791,000 | - |
| Interest received | | 1,339,404 | 1,184,004 |
| Net cash provided (used) by operating activities | 21 (a) | <u>(990,602)</u> | <u>5,109,162</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Payment for property, plant & equipment | | (1,619,761) | (6,546,395) |
| Payment for patents and trademarks | | (18,222) | (36,997) |
| Proceeds from disposal of property, plant & equipment | | 66,637 | - |
| Net cash used in investing activities | | <u>(1,571,346)</u> | <u>(6,583,392)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Net cash used in financing activities | | <u>-</u> | <u>-</u> |
| Net decrease in cash and cash equivalents | | (2,561,948) | (1,474,230) |
| Cash and cash equivalents at the beginning of year | | 47,020,036 | 48,494,266 |
| Cash and cash equivalents at the end of year | 21 (b) | <u>44,458,088</u> | <u>47,020,036</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 2024

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 2024**

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 2024**

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 2024**

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 2024**

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% - 50% |
| Poker Machines and Related Equipment | 12% - 20% |

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 2024**

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 2024**

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 2024**

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 2024**

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 2024**

| | 2024 | 2023 |
|--|--------------------|--------------------|
| | \$ | \$ |
| NOTE 2: SALE OF GOODS | | |
| Bar sales | 2,136,608 | 1,756,175 |
| Catering sales | 24,421 | 16,627 |
| | <u>2,161,029</u> | <u>1,772,802</u> |
| NOTE 3: RENDERING OF SERVICES | | |
| Poker machine - net clearances | 54,807,986 | 50,004,002 |
| Keno and tab commissions | 283,912 | 259,027 |
| Gaming rebate | 42,950 | 34,360 |
| | <u>55,134,848</u> | <u>50,297,389</u> |
| NOTE 4: GRANTS | | |
| Government grants | 500,000 | - |
| Community grants | 291,000 | - |
| | <u>791,000</u> | <u>-</u> |
| NOTE 5: OTHER INCOME | | |
| Members subscriptions | 57,060 | 57,435 |
| Interest income | 1,898,141 | 1,184,004 |
| Investment income | 59,877 | - |
| Rents received | 69,599 | 76,381 |
| Other income | 160,644 | 65,094 |
| | <u>2,245,321</u> | <u>1,382,914</u> |
| NOTE 6: COST OF SALES | | |
| Bar cost of sales | (947,481) | (862,935) |
| Catering cost of sales | (33,958) | (26,233) |
| | <u>(981,438)</u> | <u>(889,168)</u> |
| NOTE 7: DEPRECIATION AND AMORTISATION | | |
| Buildings and property improvements | (958,265) | (963,014) |
| Plant, equipment and furniture | (809,687) | (791,306) |
| Poker machines and related equipment | (983,347) | (1,118,623) |
| Motor vehicles | (95,629) | (59,705) |
| | <u>(2,846,928)</u> | <u>(2,932,648)</u> |

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

| | 2024 | 2023 |
|--|---------------------|---------------------|
| | \$ | \$ |
| NOTE 8: EMPLOYEE BENEFITS EXPENSE | | |
| Salaries and wages | (12,663,213) | (10,990,023) |
| Superannuation | (1,200,120) | (972,954) |
| Other employee benefits | (1,422,341) | (2,518,838) |
| | <u>(15,285,674)</u> | <u>(14,481,815)</u> |

NOTE 9: INCOME TAX EXPENSE

The components of the tax expense comprise:

| | | |
|--------------|------------------|------------------|
| Current tax | (546,942) | (123,409) |
| Deferred tax | 9,972 | (285,299) |
| | <u>(536,970)</u> | <u>(408,708)</u> |

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

| | | |
|--|------------------|------------------|
| Operating profit before income tax | 12,074,587 | 8,957,142 |
| Tax at the Australian tax rate of 30% | (3,622,376) | (2,687,143) |
| <u>Adjust for the tax effect of:</u> | | |
| - Profit attributed to members | 3,075,434 | 2,225,131 |
| - Timing differences (movement in provision) | 9,972 | (285,299) |
| - Recoupment of prior year tax losses | - | 338,603 |
| | <u>(536,970)</u> | <u>(408,708)</u> |

NOTE 10: REVALUATION OF FINANCIAL ASSETS

| | | |
|------------------------------|------------------|----------|
| Revaluation gain on | | |
| Shares in other corporations | <u>1,000,123</u> | <u>-</u> |

NOTE 11: CASH AND CASH EQUIVALENTS

CURRENT

| | | |
|--------------|-------------------|-------------------|
| Cash on hand | 3,400,000 | 3,300,000 |
| Cash at bank | 41,058,088 | 43,720,036 |
| | <u>44,458,088</u> | <u>47,020,036</u> |

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

| | 2024 | 2023 |
|---|-------------------|-------------------|
| | \$ | \$ |
| NOTE 12: TRADE AND OTHER RECEIVABLES | | |
| CURRENT | | |
| Trade receivables | 26,901 | 17,918 |
| Security deposits | 131,116 | 47,101 |
| Other receivables | 51,782 | 186,907 |
| | <u>209,799</u> | <u>251,926</u> |
| NON-CURRENT | | |
| Term loans receivable | <u>1,698,587</u> | <u>7,500</u> |
| NOTE 13: INVENTORIES | | |
| CURRENT | | |
| Finished goods | 174,610 | 179,150 |
| Raw materials and stores | 368,690 | - |
| | <u>543,300</u> | <u>179,150</u> |
| NOTE 14: OTHER ASSETS | | |
| CURRENT | | |
| Prepayments | <u>974,846</u> | <u>788,678</u> |
| NON-CURRENT | | |
| Security deposits | 215,006 | 215,006 |
| Plant in development phase | 9,730,396 | 6,958,796 |
| | <u>9,945,402</u> | <u>7,173,802</u> |
| NOTE 15: INTANGIBLE ASSETS | | |
| Patents and trademarks | 55,220 | 36,997 |
| Poker machine licences | 5,550,438 | 5,550,438 |
| Revaluation increment | 21,866,229 | 21,866,229 |
| | <u>27,471,887</u> | <u>27,453,664</u> |

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

NOTE 16: PROPERTY, PLANT AND EQUIPMENT

| | 2024 | 2023 |
|--|-------------------|-------------------|
| | \$ | \$ |
| Club Freehold land | | |
| At independent valuation | 23,880,000 | 22,800,000 |
| Development costs | 72,912 | 67,379 |
| | <u>23,952,912</u> | <u>22,867,379</u> |
| Club Buildings and Site Improvements | | |
| At independent valuation | 15,700,000 | 15,953,640 |
| Less accumulated depreciation | - | (1,449,392) |
| | <u>15,700,000</u> | <u>14,504,248</u> |
| Investment property | | |
| At independent valuation | 3,450,000 | 4,171,141 |
| Development costs | 1,084,619 | 309,996 |
| | <u>4,534,619</u> | <u>4,481,137</u> |
| Leasehold improvements - at cost | 3,803,221 | 3,736,042 |
| Less accumulated depreciation | (895,391) | (716,798) |
| | <u>2,907,830</u> | <u>3,019,244</u> |
| Plant and equipment - at cost | 7,510,608 | 7,917,556 |
| Less accumulated depreciation | (4,408,441) | (4,184,466) |
| | <u>3,102,167</u> | <u>3,733,090</u> |
| Furniture, fixtures and fittings - at cost | 529,187 | 525,695 |
| Less accumulated depreciation | (338,877) | (277,918) |
| | <u>190,310</u> | <u>247,777</u> |
| Poker machines and related equipment - at cost | 11,315,567 | 11,277,630 |
| Less accumulated depreciation | (7,908,986) | (7,124,053) |
| | <u>3,406,581</u> | <u>4,153,577</u> |
| Motor vehicles - at cost | 844,654 | 656,074 |
| Less accumulated depreciation | (296,217) | (275,036) |
| | <u>548,437</u> | <u>381,038</u> |
| Total property, plant and equipment | <u>54,342,856</u> | <u>53,387,490</u> |

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

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:

| | 2024 | 2023 |
|---|-------------------|-------------------|
| | \$ | \$ |
| <u>Club Land</u> | | |
| Carrying amount at the beginning of year | 22,867,379 | 22,867,379 |
| Additions | 5,533 | - |
| Disposals | - | - |
| Revaluations | 1,080,000 | - |
| Carrying amount at end of year | <u>23,952,912</u> | <u>22,867,379</u> |
| <u>Club Buildings and Site Improvements</u> | | |
| Carrying amount at the beginning of year | 14,504,248 | 15,263,589 |
| Additions | - | 30,085 |
| Disposals | (5,212) | - |
| Depreciation expense | (779,527) | (789,426) |
| Revaluations | 1,980,491 | - |
| Carrying amount at end of year | <u>15,700,000</u> | <u>14,504,248</u> |
| <u>Investment Property</u> | | |
| Carrying amount at the beginning of year | 4,481,137 | 1,850,000 |
| Additions | 774,622 | 2,631,137 |
| Revaluations | (721,140) | - |
| Carrying amount at end of year | <u>4,534,619</u> | <u>4,481,137</u> |
| <u>Leasehold Improvements</u> | | |
| Carrying amount at the beginning of year | 3,019,244 | 3,083,943 |
| Additions | 68,179 | 108,889 |
| Disposals | (855) | - |
| Depreciation expense | (178,738) | (173,588) |
| Carrying amount at end of year | <u>2,907,830</u> | <u>3,019,244</u> |
| <u>Plant and Equipment</u> | | |
| Carrying amount at the beginning of year | 3,733,090 | 3,082,893 |
| Additions | 203,649 | 1,373,829 |
| Disposals | (90,062) | - |
| Depreciation expense | (744,509) | (723,632) |
| Carrying amount at end of year | <u>3,102,167</u> | <u>3,733,090</u> |

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

NOTE 16: PROPERTY, PLANT AND EQUIPMENT (continued)

| | 2024 | 2023 |
|--|-------------------|-------------------|
| | \$ | \$ |
| <u>Furniture, Fixtures and Fittings</u> | | |
| Carrying amount at the beginning of year | 247,777 | 228,304 |
| Additions | 7,711 | 87,147 |
| Disposals | - | - |
| Depreciation expense | (65,178) | (67,674) |
| Carrying amount at end of year | <u>190,310</u> | <u>247,777</u> |
| <u>Poker Machines and Equipment</u> | | |
| Carrying amount at the beginning of year | 4,153,577 | 3,126,022 |
| Additions | 238,480 | 2,222,730 |
| Disposals | (2,128) | (76,553) |
| Depreciation expense | (983,347) | (1,118,623) |
| Carrying amount at end of year | <u>3,406,581</u> | <u>4,153,577</u> |
| <u>Motor Vehicles</u> | | |
| Carrying amount at the beginning of year | 381,038 | 348,165 |
| Additions | 321,587 | 92,578 |
| Disposal | (58,559) | - |
| Depreciation expense | (95,629) | (59,705) |
| Carrying amount at end of year | <u>548,437</u> | <u>381,038</u> |
| <u>Totals</u> | | |
| Carrying amount at beginning of year | 53,387,490 | 49,850,295 |
| Additions | 1,619,761 | 6,546,395 |
| Disposals | (156,817) | (76,553) |
| Depreciation expense | (2,846,928) | (2,932,648) |
| Revaluations | 2,339,351 | - |
| Carrying amount at end of year | <u>54,342,856</u> | <u>53,387,490</u> |

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

Core property

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

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 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 2024**

| | 2024 | 2023 |
|--|-------------------|------------------|
| | \$ | \$ |
| NOTE 17: FINANCIAL ASSETS | | |
| NON-CURRENT | | |
| <u>Unlisted Investments</u> | | |
| - Shares in other corporations - at cost | 13,332,168 | 3,850,001 |
| - Units in other corporations - at cost | 1,786,228 | 669,911 |
| - Convertible notes in other corporations | 1,805,891 | 400,000 |
| | <u>16,924,286</u> | <u>4,919,912</u> |
| NOTE 18: DEFERRED TAX ASSETS | | |
| NON-CURRENT | | |
| The balance comprises temporary differences attributed to: | | |
| Provisions and accruals | <u>57,982</u> | <u>48,010</u> |
| <u>Movement</u> | | |
| Opening balance | 48,010 | 333,309 |
| Recognised in profit and loss | 9,972 | (285,299) |
| | <u>57,982</u> | <u>48,010</u> |
| NOTE 19: TRADE AND OTHER PAYABLES | | |
| CURRENT | | |
| Trade payables | 1,922,181 | 1,884,617 |
| Accrued expenses | 569,823 | 635,115 |
| CDSE scheme | 240,556 | (205,798) |
| Contract liabilities | 432,726 | 458,217 |
| Fringe benefits tax | 190,698 | 882,757 |
| Goods and services tax | 332,782 | 92,002 |
| Income tax payable | 546,942 | 123,409 |
| Members subscriptions in advance | 21,416 | 19,715 |
| Poker machine duty | 1,573,297 | 1,498,953 |
| | <u>5,830,422</u> | <u>5,388,987</u> |
| NON-CURRENT | | |
| Contract liabilities | 76,163 | 508,889 |
| Members subscriptions in advance | 75,918 | 67,125 |
| | <u>152,082</u> | <u>576,014</u> |

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

| | 2024 | 2023 |
|----------------------------|------------------|------------------|
| | \$ | \$ |
| NOTE 20: PROVISIONS | | |
| CURRENT | | |
| Short-term | | |
| Employee entitlements | 1,961,858 | 1,530,947 |
| Gaming provisions | 202,752 | 227,138 |
| | <u>2,164,610</u> | <u>1,758,085</u> |
| NON-CURRENT | | |
| Long-term | | |
| Employee entitlements | 526,597 | 427,950 |
| Mortality fund | 66,550 | 69,450 |
| | <u>593,147</u> | <u>497,400</u> |

NOTE 21: CASH FLOW INFORMATION

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

| | | |
|---|------------------|------------------|
| Net profit for the year | 12,537,740 | 8,548,434 |
| Non-cash flows in profit: | | |
| Depreciation and amortisation | 2,846,928 | 2,932,648 |
| Loss on disposal of assets | 90,180 | 76,553 |
| Changes in assets and liabilities: | | |
| Decrease/(increase) in receivables | (1,648,959) | 2,346 |
| Decrease/(increase) in inventories | (364,150) | (59,862) |
| Decrease/(increase) in other assets | (2,957,769) | (4,842,650) |
| Decrease/(increase) financial assets | (12,004,374) | (4,250,786) |
| Decrease/(increase) tax assets | (9,972) | 285,299 |
| Increase/(decrease) in payables | 17,502 | 2,281,021 |
| Increase/(decrease) in provisions | 502,272 | 136,159 |
| Net cash provided by (used in) operating activities | <u>(990,602)</u> | <u>5,109,162</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>44,458,088</u> | <u>47,020,036</u> |
|------|-------------------|-------------------|

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

NOTE 22: COMMITMENTS

Capital expenditure commitments contracted for at the reporting date but not recognised as liabilities are as follows:

| | 2024 \$ | 2023 \$ |
|----------------------------|------------------|------------------|
| Less than one year | 1,094,394 | 1,198,862 |
| Between one and five years | 3,066,168 | 4,090,321 |
| | <u>4,160,562</u> | <u>5,289,183</u> |

NOTE 23: COMMUNITY DEVELOPMENT AND SUPPORT

| | | |
|---|------------------|------------------|
| Community development and support expenditure | <u>1,973,512</u> | <u>1,526,801</u> |
|---|------------------|------------------|

Community development and support expenditure is recognised at the fair value of amounts paid or payable for the year.

NOTE 24: AUDITORS REMUNERATION

| | | |
|----------------------------------|----------------|---------------|
| Audit of the financial reports | 54,080 | 58,950 |
| Compilation of financial reports | 32,404 | 18,100 |
| Taxation and compliance services | 26,294 | 12,300 |
| | <u>112,778</u> | <u>89,350</u> |

NOTE 25: 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 26: 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 | <u>4,490,156</u> | <u>4,611,863</u> |
|--|------------------|------------------|

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.

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

NOTE 26: DIRECTOR AND EXECUTIVE DISCLOSURES (continued)

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 27: GROUP INFORMATION

| | Equity Interest | |
|--|------------------------|-------------|
| | 2024 | 2023 |
| <u><i>Information about subsidiaries</i></u> | | |
| The consolidated financial statements of the Group include the Club and controlled entities / subsidiaries below: | | |
| <u><i>Chester Hill RSL</i></u> | 100% | 100% |
| A trading entity which operates the Chester Hill RSL Club situated at 20 Chester Hill Road, Chester Hill NSW. | | |
| <u><i>CCCHC Investments Pty Ltd</i></u> | 66.5% | 100% |
| An investment entity established to purchase equities for the purpose of medium to long term growth of financial assets. | | |
| <u><i>Copar Pty Ltd</i></u> | 51.9% | 100% |
| A marketing entity established to promote the sale and distribution of compostable packaging solutions manufactured by Innovationclub. | | |
| <u><i>CRSL Holdings Pty Ltd</i></u> | 100.0% | - |
| An investment entity established to purchase, develop and retain property for the purpose of capital and rental returns. | | |
| <u><i>Innoclub Ltd</i></u> | 100.0% | 100% |
| A charitable entity established to provide a range of supports and programs to promote awareness, education and control of mental health related disease. | | |
| <u><i>Innovationclub Pty Ltd</i></u> | 66.5% | 100% |
| A manufacturing entity established to produce sustainable packaging solutions, completely compostable and biodegradable, 100% renewable, sustainably manufactured here in Australia. | | |
| <u><i>Learning for Good Ltd</i></u> | 100% | 100% |
| A charitable entity established to support arts and cultural educational programs, source and distribute world-leading cultural content and educational resources produced by Not-For-Profits. | | |

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

NOTE 28: 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 \$66,550 has been provided for in the financial report (refer Note 20) to meet this obligation. The number of members entitled at year end were 241 (2023: 252).

NOTE 29: 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 30: 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 2024.

NOTE 31: 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 2024 the number of members was 30,280 (2023: 33,781).

NOTE 32: COMPANY DETAILS

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

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

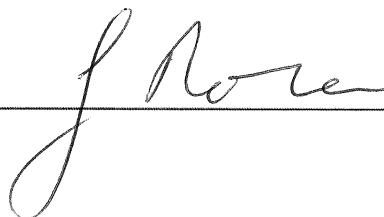
DIRECTORS' DECLARATION

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 2024 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 2024 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 Jeffery Roser

Director



Mr Gordon Brian

Dated: 15 April 2025

**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 2024, 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 2024 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 Strati
Brighton Le Sands

15 April 2025

