

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

ABN 42 001 044 373

**ANNUAL FINANCIAL REPORT**

**31 DECEMBER 2021**

**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**

**ANNUAL FINANCIAL REPORT  
31 DECEMBER 2021**

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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 (the consolidated entities) for the year ended 31 December 2021.

**DIRECTORS**

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

Mr Neville Moloney	President Retired Board member for 11 years
Mr Gordon Malligan	Vice President Retired Board member for 15 years Resigned 30 March 2021
Mr Gordon Brian	Director Retired Board member for 36 years
Mr Michael McGrath	Director Retired Board member for 8 years Resigned 14 December 2021
Mr Robert Webb	Director Retired Board member for 6 years
Mr Ivan Tilmouth	Director Retired Board member for 3 years
Mr Jeffery Roser	Director Insurance Broker Board member for 3 years

Directors have been in office since the start of the year unless otherwise stated.

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

**DIRECTORS' REPORT** (continued)

**DIRECTORS' MEETINGS**

The number of directors' meetings and the number of meetings attended by each of the directors of the company during the financial year were: -

<b>Director</b>	<b>Number of meetings eligible to attend *</b>	<b>Number of meetings attended</b>
Mr Neville Moloney	12	12
Mr Gordon Malligan	3	0
Mr Gordon Brian	12	12
Mr Michael McGrath	12	6
Mr Robert Webb	12	12
Mr Ivan Tilmouth	12	12
Mr Jeffery Roser	12	12

\* Number of meetings held during the time the director held office during the year.

**PRINCIPAL ACTIVITIES**

The principal activity of the company was 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 after tax for the year amounted to \$888,646 compared with a profit of \$8,816,497 for the prior year. This result was achieved after recognising \$2,784,841 (2020: \$2,893,512) as an expense for depreciation and amortisation.

**SIGNIFICANT CHANGES**

There have been no significant changes in the company's financial activity or state of affairs during the financial year.

**IMPACT OF COVID-19**

The directors have determined that COVID-19 is a non-adjusting event. Accordingly, the financial statements do not include any adjustments with regards to the impact of COVID-19.

**EVENTS SUBSEQUENT TO REPORTING PERIOD**

There were no significant events occurring after the balance date which will affect either the company's operations or results of those operations or the company's state of affairs.

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

### **DIRECTORS' REPORT (continued)**

#### **MEMBERSHIP**

The company is a company limited by guarantee and without share capital. The number of members as at 31 December 2021 was 24,698 (2020: 24,221).

#### **MEMBERS LIMITED LIABILITY**

In accordance with Constitution of the company, each member undertakes to contribute an amount not exceeding two dollars (\$2.00) in the event of the winding up of the company, while he or she is a member of the Club or within one year thereafter.

#### **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

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

**DIRECTORS' REPORT** (continued)

**DIRECTORS' BENEFITS**

No director has received or become entitled to receive, during or since the end of the financial year, a benefit because of a contract made by the company with a director, firm of which a director is a member or an entity in which the director has a substantial financial interest.

**INDEMNIFICATION OF AUDITORS**

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.

**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.

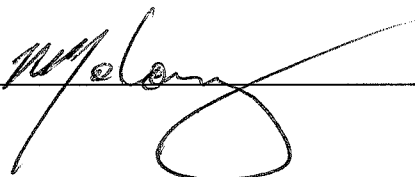
The insurance premiums relate to:

- 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.



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**Neville Moloney – Director**



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**Gordon Brian – Director**

**Dated: 22 April 2022 at Chester Hill**

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

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

As the lead audit partner 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 2021, 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**

**22 April 2022**

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

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE  
INCOME FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 \$	2020 \$
<b>Revenue</b>			
Revenue from sale of goods		943,433	1,352,321
Revenue from rendering services		30,524,962	35,551,971
Revenue from grants		1,635,000	2,442,199
Other income		<u>173,923</u>	<u>267,993</u>
Total revenue and other Income	2	<u>33,277,317</u>	<u>39,614,484</u>
<b>Expenses</b>			
Cost of sales		(411,584)	(629,019)
Gaming expenses		(781,834)	(748,090)
Gaming taxes		(7,290,603)	(8,526,634)
Depreciation and amortisation		(2,784,841)	(2,893,512)
Employee benefits expense		(9,471,103)	(10,900,224)
Marketing and entertainment		(355,422)	(463,692)
Members benefits and promotions		(1,706,599)	(1,979,219)
Research and development		(2,523,979)	-
Other expenses		<u>(6,980,283)</u>	<u>(4,874,387)</u>
Total expenses		<u>(32,306,248)</u>	<u>(31,014,777)</u>
<b>Profit before income tax</b>		<u>971,069</u>	<u>8,599,707</u>
Income tax benefit (expense)	3	(82,424)	216,790
<b>Profit for the year</b>		<u><b>888,646</b></u>	<u><b>8,816,497</b></u>
<b>Other comprehensive income</b>			
Profit/(loss) from discontinued operations	4	-	(2,149,804)
<b>Other comprehensive income for the year</b>		<u>-</u>	<u>(2,149,804)</u>
<b>Profit for the year attributable to members</b>		<u><b>888,646</b></u>	<u><b>6,666,693</b></u>

The accompanying notes form part of these financial statements



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

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2021**

	Note	2021 \$	2020 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	37,551,030	33,069,685
Trade and other receivables	6	141,586	7,633,803
Inventories	7	88,940	91,241
Current tax assets	8	-	22,477
Other assets	9	638,457	242,121
Total Current Assets		<u>38,420,012</u>	<u>41,059,327</u>
<b>NON-CURRENT ASSETS</b>			
Intangible assets	10	27,416,667	27,416,667
Property, plant and equipment	11	48,741,247	45,196,254
Financial assets	12	925,123	406,233
Deferred tax assets	8	491,100	573,523
Other non-current assets	9	1,298,438	-
Total Non-Current Assets		<u>78,872,575</u>	<u>73,592,677</u>
<b>TOTAL ASSETS</b>		<u>117,292,587</u>	<u>114,652,004</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	13	4,814,928	5,719,956
Short-term provisions	14	1,474,731	1,043,312
Total Current Liabilities		<u>6,289,659</u>	<u>6,763,268</u>
<b>NON-CURRENT LIABILITIES</b>			
Long-term provisions	14	640,561	585,962
Total Non-Current Liabilities		<u>640,561</u>	<u>585,962</u>
<b>TOTAL LIABILITIES</b>		<u>6,930,220</u>	<u>7,349,230</u>
<b>NET ASSETS</b>		<u>110,362,367</u>	<u>107,302,774</u>
<b>MEMBERS' EQUITY</b>			
Retained earnings		74,382,596	78,858,159
Revaluation reserve		35,979,771	28,444,615
<b>TOTAL MEMBERS' EQUITY</b>		<u>110,362,367</u>	<u>107,302,774</u>

The accompanying notes form part of these financial statements

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

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	<b>Retained Earnings \$</b>	<b>Revaluation Reserve \$</b>	<b>Members Equity \$</b>
<b>Balance at 1 January 2020</b>	72,191,466	28,444,615	100,636,081
Profit for the year	8,816,497	-	8,816,497
Other comprehensive income	(2,149,804)	-	(2,149,804)
<b>Balance at 31 December 2020</b>	<u>78,858,159</u>	<u>28,444,615</u>	<u>107,302,774</u>
Profit for the year	888,646	-	888,646
Asset revaluation	-	2,170,948	2,170,948
Transfer to revaluation reserve	(5,364,208)	5,364,208	-
<b>Balance at 31 December 2021</b>	<u><u>74,382,596</u></u>	<u><u>35,979,771</u></u>	<u><u>110,362,367</u></u>

The accompanying notes form part of these financial statements

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

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 \$	2020 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		34,728,541	40,718,210
Payments to suppliers and employees		(25,855,050)	(31,342,044)
Revenue from grants		1,635,000	2,442,199
Bank interest received		70,916	155,731
Net cash provided by operating activities	15 (a)	<u>10,579,407</u>	<u>11,974,096</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant & equipment		(6,098,062)	(1,968,510)
Proceeds from sale of property		-	8,906,866
Net cash (used in) provided by investing activities		<u>(6,098,062)</u>	<u>6,938,356</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of borrowings		-	(22,863)
Net cash used in financing activities		<u>-</u>	<u>(22,863)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		4,481,345	18,889,589
<b>Cash and cash equivalents at the beginning of year</b>		33,069,686	14,180,097
<b>Cash and cash equivalents at the end of year</b>	15 (b)	<u><u>37,551,030</u></u>	<u><u>33,069,686</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 2021**

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 Company 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 Company controls an investee if, and only if, the Company 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 Company has less than a majority of the voting or similar rights of an investee, the Company 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 Company's voting rights and potential voting rights.

The Company 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 Company obtains control over the subsidiary and ceases when the Company 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 Company gains control until the date the Company 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 Company's accounting policies. All intra-group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Company are eliminated in full on consolidation.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**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 Company 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 company 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 company 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.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**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) Inventories**

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

**d) 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 FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**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 company 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 company. Residential property is carried at fair value.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**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.

**e) 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.

**f) 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).

**g) 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 FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**h) 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.

**i) Employee Benefits**

Provision is made for the company'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 company to employee superannuation funds and are charged as expenses when incurred.

**j) Provisions**

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

**k) 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 FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**l) 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 company's intention to hold these investments to maturity. Any held-to-maturity investments held by the company 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 company 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.

**m) 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 FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**n) Income Tax**

The Company 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.

**o) 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 Company 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 FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (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.

**p) New Revised Standards Effective for these Financial Statements**

The Company 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.

**q) 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 FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021	2020
	\$	\$
<b>NOTE 2: REVENUE AND OTHER INCOME</b>		
<b>Revenue from sale of goods</b>		
Bar sales	932,070	1,178,483
Catering sales	4,938	140,815
Merchandise sales	6,425	33,023
	<u>943,433</u>	<u>1,352,321</u>
<b>Revenue from rendering services</b>		
Poker machine - net clearances	30,366,099	35,398,337
Keno and tab commissions	124,503	119,274
Government rebates	34,360	34,360
	<u>30,524,962</u>	<u>35,551,971</u>
<b>Revenue from grants</b>		
Covid 19 Grants	135,000	2,442,199
Research and development grant	1,500,000	-
	<u>1,635,000</u>	<u>2,442,199</u>
<b>Other income</b>		
Members subscriptions	53,360	48,417
Interest received	70,916	155,731
Other income	49,647	63,845
	<u>173,923</u>	<u>267,993</u>
<b>Total revenue and other income</b>	<u>33,277,317</u>	<u>39,614,484</u>

**NOTE 3: INCOME TAX**

a) The components of tax benefit (expense) comprise:		
Deferred tax	<u>(82,424)</u>	<u>216,790</u>
b) The prima facie tax payable on profit before income tax is reconciled to the income tax expense as follows:		
Prima facie tax payable on profit before income tax	291,321	2,579,912
Tax effect of profit attributed to members	(378,471)	(2,325,799)
Tax effect of timing differences - movement in provisions	4,726	(37,323)
	<u>(82,424)</u>	<u>216,790</u>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 4: DISCONTINUED OPERATIONS</b>		
<b>Operating Losses</b>		
i) Belmore RSL ceased operations on 31 January 2020. The loss from discontinued operations is included in Other Comprehensive Income.	-	(76,273)
ii) Chester Hill Bowling Club ceased operations on 27 October 2020. The loss from discontinued operations is included in Other Comprehensive Income.	-	(360,559)
<b>Sale of Club Property</b>		
i) On 9 December 2020, the Club exchanged contracts for the sale of Curtis Road Chester Hill. The loss on sale is included in Other Comprehensive Income.	-	(1,687,929)
ii) On 12 December 2020, the Club exchanged contracts for the sale of Biara Street Chester Hill. The loss on sale is included in Other Comprehensive Income.	-	(25,043)
	<u>-</u>	<u>(2,149,804)</u>

**NOTE 5: CASH AND CASH EQUIVALENTS**

**CURRENT**

Cash on hand	2,600,000	2,450,000
Cash at bank	3,692,734	7,619,685
Cash at bank - Cash Reserve Account	<u>31,258,296</u>	<u>23,000,000</u>
	<u>37,551,030</u>	<u>33,069,685</u>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 6: TRADE AND OTHER RECEIVABLES</b>		
<b>CURRENT</b>		
Trade receivables	6,839	99,451
Security deposits	22,144	60,953
Other receivables	112,603	7,473,399
	<u>141,586</u>	<u>7,633,803</u>
<b>NOTE 7: INVENTORIES</b>		
<b>CURRENT</b>		
Finished goods - at cost	<u>88,940</u>	<u>91,241</u>
<b>NOTE 8: TAX ASSETS</b>		
<b>CURRENT</b>		
Income tax refundable	<u>-</u>	<u>22,477</u>
<b>NON-CURRENT</b>		
Deferred tax assets	<u>491,100</u>	<u>573,523</u>
<b>NOTE 9: OTHER ASSETS</b>		
<b>CURRENT</b>		
Prepayments	<u>638,457</u>	<u>242,121</u>
<b>NON-CURRENT</b>		
Prepayments	<u>1,298,438</u>	<u>-</u>
<b>NOTE 10: INTANGIBLE ASSETS</b>		
Poker machine licences - at cost	5,550,438	5,550,438
Add revaluation increment	21,866,229	21,866,229
Poker machine licences - at directors valuation	<u>27,416,667</u>	<u>27,416,667</u>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**NOTE 11: PROPERTY, PLANT AND EQUIPMENT**

	2021	2020
	\$	\$
Club land and buildings		
Freehold land		
At independent valuation - 2021	22,800,000	22,720,000
Development costs	66,389	188,950
	<u>22,866,389</u>	<u>22,908,950</u>
Buildings		
At independent valuation - 2021	14,200,000	10,565,210
Less accumulated depreciation	-	(1,306,519)
	<u>14,200,000</u>	<u>9,258,691</u>
Property improvements - at cost	-	266,117
Less accumulated depreciation	-	(17,775)
	<u>-</u>	<u>248,342</u>
Investment Property - 2021		
At independent valuation	<u>1,850,000</u>	<u>3,139,000</u>
Leashold improvements - at cost	3,595,957	3,050,801
Less accumulated depreciation	(373,475)	(213,437)
	<u>3,222,482</u>	<u>2,837,364</u>
Plant and equipment - at cost	6,070,287	6,469,905
Less accumulated depreciation	(2,779,898)	(3,177,409)
	<u>3,290,389</u>	<u>3,292,496</u>
Furniture, fixtures and fittings - at cost	429,487	444,518
Less accumulated depreciation	(130,175)	(324,578)
	<u>299,312</u>	<u>119,940</u>
Poker machines and related equipment - at cost	9,376,962	9,811,355
Less accumulated depreciation	(6,781,029)	(6,569,617)
	<u>2,595,933</u>	<u>3,241,738</u>
Motor vehicles - at cost	563,496	234,138
Less accumulated depreciation	(146,754)	(84,405)
	<u>416,743</u>	<u>149,733</u>
Total property, plant and equipment	<u>48,741,247</u>	<u>45,196,254</u>



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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**NOTE 11: PROPERTY, PLANT AND EQUIPMENT (continued)**

<b>Movement in Carrying Amounts</b>	<b>2021</b>	<b>2020</b>
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	22,908,950	22,860,122
Additions	33,460	48,828
Disposals	(156,021)	-
Revaluations	80,000	-
Carrying amount at end of year	<u>22,866,389</u>	<u>22,908,950</u>
<u>Club Buildings</u>		
Carrying amount at the beginning of year	9,258,691	17,538,759
Disposals	(1,440,948)	(7,690,192)
Depreciation Expense	(563,742)	(589,875)
Revaluations	6,945,999	-
Carrying amount at end of year	<u>14,200,000</u>	<u>9,258,691</u>
<u>Property Improvements</u>		
Carrying amount at the beginning of year	248,342	430,625
Additions	3,438,081	100,929
Disposal	(87,338)	(265,437)
Depreciation Expense	(33,034)	(17,775)
Revaluations	(3,566,051)	-
Carrying amount at end of year	<u>-</u>	<u>248,342</u>
<u>Investment Property</u>		
Carrying amount at the beginning of year	3,139,000	3,139,000
Revaluations	(1,289,000)	-
Carrying amount at end of year	<u>1,850,000</u>	<u>3,139,000</u>
<u>Leasehold Improvements</u>		
Carrying amount at the beginning of year	2,837,364	2,161,581
Additions	545,155	793,408
Depreciation Expense	(160,037)	(117,625)
Carrying amount at end of year	<u>3,222,482</u>	<u>2,837,364</u>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**NOTE 11: PROPERTY, PLANT AND EQUIPMENT (continued)**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<u>Plant and Equipment</u>		
Carrying amount at the beginning of year	3,292,496	3,860,958
Additions	893,294	563,102
Disposals	(245,532)	(370,219)
Depreciation Expense	<u>(649,869)</u>	<u>(761,345)</u>
Carrying amount at end of year	<u>3,290,389</u>	<u>3,292,496</u>
<u>Furniture, Fixtures and Fittings</u>		
Carrying amount at the beginning of year	119,940	214,649
Additions	237,470	5,904
Disposals	(3,987)	(41,061)
Depreciation Expense	<u>(54,111)</u>	<u>(59,552)</u>
Carrying amount at end of year	<u>299,312</u>	<u>119,940</u>
<u>Poker Machines and Equipment</u>		
Carrying amount at the beginning of year	3,241,738	4,180,169
Additions	621,243	397,007
Disposals	(5,350)	(62,759)
Depreciation Expense	<u>(1,261,699)</u>	<u>(1,272,680)</u>
Carrying amount at end of year	<u>2,595,933</u>	<u>3,241,738</u>
<u>Motor Vehicles</u>		
Carrying amount at the beginning of year	149,733	388,661
Additions	329,358	59,333
Disposal	-	(223,600)
Depreciation Expense	<u>(62,349)</u>	<u>(74,660)</u>
Carrying amount at end of year	<u>416,743</u>	<u>149,733</u>
<u>Totals</u>		
Carrying amount at beginning of year	45,196,254	54,774,524
Additions	6,098,062	1,968,510
Disposals	(1,939,176)	(8,653,267)
Depreciation Expense	(2,784,841)	(2,893,512)
Revaluations	2,170,948	-
Carrying amount at end of year	<u>48,741,247</u>	<u>45,196,254</u>

Pursuant to Section 41J of the Registered Clubs Act, the club land and buildings located at 25 Anglo Road, Campsie NSW are classified as core property of the club for the financial year ended 31 December 2021.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**NOTE 12: FINANCIAL ASSETS**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>NON-CURRENT</b>		
Unlisted Investments		
- Shares in other corporations	425,123	-
- Loans to other corporations	500,000	406,233
	<u>925,123</u>	<u>406,233</u>

**NOTE 13: TRADE AND OTHER PAYABLES**

<b>CURRENT</b>		
Unsecured liabilities:		
Trade payables	2,103,110	1,139,319
Accrued expenses	153,238	133,158
CDSE scheme	422,823	(244,496)
Fringe benefits tax	319,111	473,005
Goods and services tax	328,980	955,504
Payroll tax	153,315	28,358
Poker machine duty	1,248,309	3,128,515
Members subscriptions in advance	86,040	106,593
	<u>4,814,928</u>	<u>5,719,956</u>

**NOTE 14: PROVISIONS**

<b>Short-term</b>		
Employee entitlements	1,326,409	960,483
Gaming provisions	148,323	82,829
	<u>1,474,731</u>	<u>1,043,312</u>
<b>Long-term</b>		
Employee entitlements	546,061	490,612
Mortality fund	94,500	95,350
	<u>640,561</u>	<u>585,962</u>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

<b>NOTE 15: CASH FLOW INFORMATION</b>	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>15 (a) Reconciliation of cash flow from operations with profit after income tax:</b>		
Profit after income tax	888,646	8,816,497
Non-cash flows in profit:		
Depreciation and amortisation	2,784,841	2,893,512
Loss on disposal of assets	1,939,176	154,247
Loss on discontinued operations	-	436,832
Changes in assets and liabilities:		
Decrease/(increase) in receivables	7,492,217	(1,497,241)
Decrease/(increase) in inventories	2,301	26,249
Decrease/(increase) tax assets	104,900	(164,221)
Decrease/(increase) financial assets	(518,890)	(406,233)
Decrease/(increase) in other assets	(1,694,774)	210,854
Increase/(decrease) in payables	(905,028)	1,914,248
Increase/(decrease) in provisions	486,018	(410,648)
Net cash provided by (used in) operating activities	<u>10,579,407</u>	<u>11,974,096</u>

**15 (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>37,551,030</u>	<u>33,069,685</u>
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**NOTE 16: POKER MACHINE ENTITLEMENTS**

The company 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.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**NOTE 17: RELATED PARTY TRANSACTIONS**

The name of each person holding the position of director of the club during the financial year is listed in the directors report.

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

**Key Management Personnel**

Key management personnel, being those persons having authority and responsibility for planning, directing and controlling the activities of the entity, include the directors and senior management. Total compensation for key management personnel including directors and senior management for the financial year is set out below:

<b><u>Compensation by category</u></b>	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b><i>Directors:</i></b>		
Directors honorariums and expenses	58,967	64,651
<b><i>Senior Management:</i></b>		
Short term employment benefits	3,437,735	3,303,227
Post employment benefits	131,453	160,314
Total Remuneration	<u>3,628,155</u>	<u>3,528,191</u>

**Directors**

All directors' positions are honorary. The directors' remuneration is in the nature of honorariums and expense reimbursements, and is capped at the amounts approved each year by the members at the annual general meeting. The remuneration of directors' are all short term benefits; the directors are not entitled to post retirement or other long term benefits.

**Senior Management**

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

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**NOTE 18: COMMUNITY DEVELOPMENT AND SUPPORT EXPENDITURE**

	2021	2020
	\$	\$
Community development and support expenditure	<u>1,106,511</u>	<u>593,737</u>

Community development and support expenditure is recognised at fair value of consideration paid or payable (net of gst) for the year.

**NOTE 19: CONTINGENT LIABILITIES**

***Mortality Fund***

A contingent liability exists in respect of members of the company who are entitled to benefits under the company's mortality fund. An amount of \$94,500 has been provided for in the financial report (refer Note 15) to meet this obligation. The number of members entitled at year end were 355 (2020: 360).

**NOTE 20: IMPACT OF COVID-19**

The Company has determined that COVID-19 is a non-adjusting event. Accordingly, the financial statements do not include any adjustments relating to the recoverability of asset carrying amounts or the amount of liabilities that might result should the entity be unable to continue as a going concern and meet its debts as and when they fall due.

The duration and impact of COVID-19, as well as the effectiveness of government responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of the consequences of COVID-19, as well as the impact on the financial position and results of the Company for future periods.

**NOTE 21: 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 company, the results of those operations or the state of affairs of the company as at 31 December 2021.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**NOTE 22: 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 2021 the number of members was 24,698 (2020: 24,221).

**NOTE 23: INFORMATION ABOUT CONTROLLED ENTITIES**

**Name**

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.

**NOTE 24: 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**

The directors of Campsie RSL Sub-Branch Club Limited and its Controlled Entities declare that:

1. The financial statements, comprising the Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity and accompanying notes, are in accordance with the Corporations Act 2001 and:
  - (a) Comply with Australian Accounting Standards – Reduced Disclosure Requirements and Corporations Regulations 2001 and other professional reporting requirements; and
  - (b) Give a true and fair view of the company's financial position as at 31 December 2021 and of its performance, for the financial year ended on that date;
2. At the date of this declaration there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

Director  Mr Neville Moloney

Director  Mr Gordon Brian

**Dated: 22 April 2022 at Chester Hill**



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

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

***Auditor's Opinion***

We have audited the accompanying financial report of Campsie RSL Sub-Branch Club Limited (the Company) and its Controlled Entities (the consolidated entities), which comprises the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and 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 financial report of Campsie RSL Sub-Branch Club Limited and its Controlled Entities is in accordance with the Corporations Act 2001, including:

- (i). Giving a true and fair view of the Group's financial position as at 31 December 2021 and of its financial performance for the year ended on that date; and
- (ii). Complying with Australian Accounting Standards – Reduced Disclosure Requirements 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 Consolidated Entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants* (the Code) 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 Group, 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.

***Other Information***

The directors are responsible for other information. The other information comprises the information included in the Company's annual report for the year ended 31 December 2021 excluding the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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

**INDEPENDENT AUDITOR'S REPORT (continued)**

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

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

***Auditor's responsibilities for the audit of the financial report***

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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.

**D.A STRATI & ASSOCIATES**

Certified Practising Accountants



**Domenic Strati  
Brighton Le Sands**

**22 April 2022**