



# **Palm Beach RSL Sub-Branch Club Limited**

ABN 22 001 049 154

## **Financial Statements**

**For the Year Ended 31 December 2020**

# **Palm Beach RSL Sub-Branch Club Limited**

ABN 22 001 049 154

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**For the Year Ended 31 December 2020**

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## **Palm Beach RSL Sub-Branch Club Limited**

ABN 22 001 049 154

### **Directors' Report 31 December 2020**

The directors present their report on Palm Beach RSL Sub-Branch Club Limited for the financial year ended 31 December 2020.

#### **1. General information**

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

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

Bryan Webster

Qualifications	Retired Regional Manager
Experience	16 years on the Board
Special responsibilities	President

John Oliver

Qualifications	Retired Sole Trader / Certified Engineer Draftsman
Experience	27 years on the Board
Special responsibilities	Vice President - House Committee

Neil Smith

Qualifications	Retired Director of 4 Public Companies
Experience	11 years on the Board
Special responsibilities	Treasurer - Finance Committee

James Woodward

Qualifications	Sole Trader / Photographer
Experience	10 years on the Board
Special responsibilities	Sports Committee

Christopher Hendrikson

Qualifications	Retired Production Planner / Purchasing Officer
Experience	13 years on the Board
Special responsibilities	Finance / Sports Committees

Gregory Womersley

Qualifications	(Resigned - 15/02/2021) Retired Technician
Experience	10 years on the Board
Special responsibilities	Sports Committee

Russell Marsh

Qualifications	Bus Operator / Operations Supervisor
Experience	9 years on the Board
Special responsibilities	House Committee

Robert Head

Qualifications	Retired Company Director
Experience	6 years on the Board
Special responsibilities	House Committee

## **Palm Beach RSL Sub-Branch Club Limited**

ABN 22 001 049 154

### **Directors' Report 31 December 2020**

#### **1. General information**

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

Glen Babicci	
Qualifications	Warehouse Manager
Experience	4 years on the Board
Special responsibilities	Sports / House Committees

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

##### **Principal activities**

The principal activities of Palm Beach RSL Sub-Branch Club Limited during the financial year are those of a licensed club.

No significant changes in the nature of the Company's activity occurred during the financial year.

##### **Short term objectives**

The Company's short term objectives are to:

- Keep and maintain best facilities for members and grow profitability.
- Build our membership base.
- Remain financial and to build our cashflow to achieve the above.

##### **Long term objectives**

The Company's long term objectives are to:

- Maintain and improve facilities for its members.
- Grow our membership and to offer the best club house for our members.

##### **Strategies for achieving the objectives**

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

- The Company strives to attract and obtain quality staff.
- The Board encourages staff to maintain high standards to the members and provides staff with ongoing training in pursuit of this objective.
- The Board is committed to meeting high standards of governance and to providing clear professional accountability to members.

# Palm Beach RSL Sub-Branch Club Limited

ABN 22 001 049 164

## Directors' Report

31 December 2020

### 1. General information

#### Strategies for achieving the objectives

- The Board maintains a thorough and careful control over the Company's finances to ensure the Company remains viable, and to allow continual refurbishment and maintenance of the facilities for members.

#### Members' guarantee

Palm Beach RSL Sub-Branch Club Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$ 2 per member, subject to the provisions of the company's constitution.

At 31 December 2020 the collective liability of members was \$ 4,184 (2019: \$ 5,386).

### 2. Other items

#### Matters or circumstances arising after the end of the year

The Covid-19 pandemic of 2020, which has significantly impacted the global economy, is likely to impact the Company's results in 2021. The extent of the reduction is not yet known, but the Directors believe that the Company is positioned to survive the anticipated downturn by taking advantage of Government benefits as and when they become available, and by curtailing expenditure.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

#### Future developments and results

The Directors do not anticipate any developments in the operations of the Company which will affect the results in subsequent years.

#### Meetings of directors

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

	Directors' Meetings	
	Number eligible to attend	Number attended
Bryan Webster	12	12
John Oliver	12	12
Neil Smith	12	12
James Woodward	12	10
Christopher Hendrikson	12	11
Gregory Womersley	12	12
Russell Marsh	12	9
Robert Head	12	12
Glen Babicci	12	10

**Palm Beach RSL Sub-Branch Club Limited**

ABN 22 001 049 154

**Directors' Report**

**31 December 2020**

**Auditor's independence declaration**

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 31 December 2020 has been received and can be found on page 5 of the financial report.

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

President:  .....  
Bryan Webster

Vice President:  .....  
John Oliver

Dated 14 April 2021



# Morgan Veale & Co

Business Development Consultants  
Chartered Accountants

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Mona Vale NSW 2103

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**Principal:** Kevin A Veale BA FCA

ABN 39 641 271 163

*Private and Confidential*

To the Directors of Palm Beach RSL Sub-Branch Club Ltd  
1087 Barrenjoey Road  
Palm Beach NSW 2108

Dear Directors,

## **AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 31 December 2020 there have been:

1. No contraventions of the auditor independence requirements as set out in the Corporations Act, 2001 (Cth) in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

Yours faithfully,

Morgan Veale & Co  
Kevin Andrew Veale  
Principal

Date: 14 April 2021

## Palm Beach RSL Sub-Branch Club Limited

ABN 22 001 049 154

### Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 December 2020

	2020	2019
Note	\$	\$
Bar sales	561,983	826,844
Poker machine takings	685,645	975,594
Bistro revenue	692,783	1,019,079
Commissions	27,535	43,777
Sundry income	43,677	84,974
Other income	622,850	108,158
Finance income	368	466
<b>Total revenue</b>	<b>2,634,841</b>	<b>3,058,892</b>
Employee benefits expense	(1,202,676)	(1,230,073)
Depreciation and amortisation expense	(155,782)	(170,528)
Other expenses	(1,271,440)	(1,647,565)
<b>Profit before income tax</b>	<b>4,943</b>	<b>10,726</b>
Income tax expense	-	-
<b>Profit for the year</b>	<b>4,943</b>	<b>10,726</b>
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>4,943</b>	<b>10,726</b>

The accompanying notes form part of these financial statements.



## Palm Beach RSL Sub-Branch Club Limited

ABN 22 001 049 154

### Statement of Financial Position As At 31 December 2020

	Note	2020 \$	2019 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	450,427	430,185
Inventories	7	60,570	47,577
Other financial assets	8	750	750
Other assets	9	32,057	41,836
<b>TOTAL CURRENT ASSETS</b>		<b>543,804</b>	<b>520,348</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	10	414,854	500,431
Intangible assets	11	110,745	110,745
Right of use asset - leases	16	99,360	151,200
<b>TOTAL NON-CURRENT ASSETS</b>		<b>624,959</b>	<b>762,376</b>
<b>TOTAL ASSETS</b>		<b>1,168,763</b>	<b>1,282,724</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	81,621	136,591
Short-term provisions	13	106,000	106,000
Employee benefits	15	179,188	195,756
Other financial liabilities	14	19,036	14,562
Lease liabilities	16	51,840	51,840
<b>TOTAL CURRENT LIABILITIES</b>		<b>437,685</b>	<b>504,749</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities	16	47,520	99,360
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>47,520</b>	<b>99,360</b>
<b>TOTAL LIABILITIES</b>		<b>485,205</b>	<b>604,109</b>
<b>NET ASSETS</b>		<b>683,558</b>	<b>678,615</b>
<b>EQUITY</b>			
Retained earnings		683,558	678,615
<b>TOTAL EQUITY</b>		<b>683,558</b>	<b>678,615</b>

The accompanying notes form part of these financial statements.

**Palm Beach RSL Sub-Branch Club Limited**

ABN 22 001 049 154

**Statement of Changes in Equity**  
**For the Year Ended 31 December 2020**

2020

	<b>Retained Earnings</b>	<b>Total</b>
<b>Note</b>	<b>\$</b>	<b>\$</b>
<b>Balance at 1 January 2020</b>	678,615	678,615
Profit for the year	4,943	4,943
<b>Balance at 31 December 2020</b>	<u>683,558</u>	<u>683,558</u>
<b>Balance at 1 January 2019</b>	667,889	667,889
Profit for the year	10,726	10,726
<b>Balance at 31 December 2019</b>	<u>678,615</u>	<u>678,615</u>

The accompanying notes form part of these financial statements.

## Palm Beach RSL Sub-Branch Club Limited

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### Statement of Cash Flows

For the Year Ended 31 December 2020

	2020	2019
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	2,633,726	2,981,920
Payments to suppliers and employees	(2,558,647)	(2,897,645)
Interest received	368	466
Net cash provided by/(used in) operating activities	<u>75,447</u>	<u>84,741</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from sale of plant, equipment and licenses	15,000	54,010
Purchase of property, plant and equipment	(70,205)	(146,824)
Net cash provided by/(used in) investing activities	<u>(55,205)</u>	<u>(92,814)</u>
Net increase in cash and cash equivalents held	20,242	(8,073)
Cash and cash equivalents at beginning of year	430,185	438,258
Cash and cash equivalents at end of financial year	6 <u>450,427</u>	<u>430,185</u>

The accompanying notes form part of these financial statements.

## Palm Beach RSL Sub-Branch Club Limited

ABN 22 001 049 154

### Notes to the Financial Statements For the Year Ended 31 December 2020

The financial report covers Palm Beach RSL Sub-Branch Club Limited as an individual entity. Palm Beach RSL Sub-Branch Club Limited is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Palm Beach RSL Sub-Branch Club Limited is Australian dollars.

The financial report was authorised for issue by the Directors on 14 April 2021.

Comparatives are consistent with prior years, unless otherwise stated.

#### 1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001*.

#### 2 Summary of Significant Accounting Policies

##### (a) Income Tax

The *Income Tax Assessment Act 1997 (Amended)* provides that under the concept of mutuality, Clubs are only liable for income tax on income derived from non-members and from outside entities. Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

##### (b) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

##### Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

##### (c) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

##### (d) Inventories

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

## **Palm Beach RSL Sub-Branch Club Limited**

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### **Notes to the Financial Statements For the Year Ended 31 December 2020**

#### **2 Summary of Significant Accounting Policies**

##### **(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 impairment.

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

##### **Land and buildings**

Land and buildings are measured using the cost model.

##### **Plant and equipment**

Plant and equipment are measured using the cost model.

##### **Depreciation**

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line or diminishing value basis over each asset's useful life to the Company, commencing when the asset is ready for use.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful lives.

##### **(f) Cash and cash equivalents**

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

##### **(g) Leases**

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

This involves an assessment of whether:

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

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

## **Palm Beach RSL Sub-Branch Club Limited**

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### **Notes to the Financial Statements**

**For the Year Ended 31 December 2020**

#### **2 Summary of Significant Accounting Policies**

##### **(g) Leases**

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

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

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

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

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

##### **(h) Employee benefits**

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

Changes in the measurement of the liability are recognised in profit or loss.

##### **(i) 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.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

##### **(j) Adoption of new and revised accounting standards**

The Company has adopted all standards which became effective for the first time at 31 December 2020. The adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

## **Palm Beach RSL Sub-Branch Club Limited**

ABN 22 001 049 154

### **Notes to the Financial Statements For the Year Ended 31 December 2020**

#### **2 Summary of Significant Accounting Policies**

##### **(k) Going concern**

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

The Company made a trading profit of \$4,493 for the year ended 31 December 2020, with a positive equity position of \$678,615 at that date.

The Company's ability to meet its obligations as and when they fall due and continue as a going concern is dependent on a number of factors. These include the ability of the Company to perform in line with budgets and cash flow projections, in addition to achieving sustainable levels of trading and membership in the future.

During the year ended 31 December 2020 the Company's operations were restricted in accordance with COVID-19 government regulations, including periods of closure.

The Company will continue to comply with government regulations, including lockdown and other restrictions.

The timing and extent of these measures and the ongoing effects of the COVID-19 pandemic on the Company's operations are not presently known.

The Company is currently reviewing its operations to determine any possible cost efficiencies and alternative trading operations. The Board has determined that the going concern assumption is appropriate for the preparation of the financial statements.

#### **3 Critical Accounting Estimates and Judgments**

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements. However as additional information becomes known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

##### **Key estimates - impairment of property, plant and equipment**

The Company assesses impairment at the end of each reporting period by evaluating conditions specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

##### **Key estimates - provisions**

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

## Palm Beach RSL Sub-Branch Club Limited

ABN 22 001 049 154

### Notes to the Financial Statements For the Year Ended 31 December 2020

#### 4 Revenue

##### Revenue from continuing operations

	2020	2019
	\$	\$
- Bar sales	561,983	826,844
- Bistro revenue	692,783	1,019,079
- Poker machine takings	685,645	975,594
<b>Total Revenue from Operations</b>	<b>1,940,411</b>	<b>2,821,517</b>

##### Other Income breakup

###### Commissions

- TAB Commission	267	5,505
- EFTPOS Commission	11,840	16,892
- Cigarette commission	494	946
- Keno commission	14,617	19,557
- Chocolate machine	318	876

###### Total commissions

27,536 43,776

###### Sundry income

- Sundry income	15,580	455
- Profit on disposal of fixed assets	15,000	65,579
- Meat raffle	12,264	15,732
- Bingo revenue	542	2,749
- Merchandise revenue	291	459

###### Total sundry income

43,677 84,974

###### Other income

- Gaming tax rebate	16,159	18,612
- Subscriptions	15,884	21,895
- Rent received	67,056	67,650

###### Total other income

99,099 108,157

###### Finance income

- Bank interest	368	466
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###### Total finance income

368 466

###### Government grants

- Jobkeeper income	423,750	-
- Cashflow boost	100,000	-

###### Total government grants

523,750 -

###### Total other income

694,430 237,373



## Palm Beach RSL Sub-Branch Club Limited

ABN 22 001 049 154

### Notes to the Financial Statements For the Year Ended 31 December 2020

#### 5 Result for the Year

The result for the year includes the following specific expenses:

	2020	2019
	\$	\$
Employee benefits expense	1,202,676	1,230,073
Depreciation and amortisation expense	155,782	170,528
<b>Other expenses:</b>		
- Advertising	11,171	19,528
- Auditors remuneration	21,263	12,059
- Bank charges	17,544	16,569
- Cable TV	22,118	43,374
- Cleaning	49,912	44,491
- Cost of sales	521,080	758,263
- Consulting and professional fees	5,793	1,382
- Bus Expenses	5,765	6,768
- Donations	625	1,739
- Electricity and water	59,575	65,807
- Fees and permits	-	1,827
- Functions	3,183	10,539
- Gas	21,403	29,056
- General Expenses	15,803	25,072
- Insurance	62,994	87,545
- Interest Expense	4,149	5,345
- IT Expenses	13,353	14,971
- Marketing Expenses	2,459	4,462
- Newsletter	3,472	7,390
- Poker Machine Expenses	59,708	75,742
- Printing and stationery	6,864	8,966
- Promotion	41,786	54,802
- Raffles	19,288	28,415
- Rates and taxes	52,714	64,932
- Rent Expense	68,126	68,577
- Repairs and maintenance	142,236	151,938
- Security costs	2,699	2,416
- Stamp duty	5,704	6,632
- Staff Training	822	4,960
- Subscriptions	3,799	5,369
- Sundry expenses	(1,387)	-
- Telephone and fax	13,023	12,121
- Travel - domestic	4,121	3,752
- Wastage	7,402	-
- Uniforms	2,873	2,755
<b>Total other expenses</b>	<b>1,271,440</b>	<b>1,647,564</b>
<b>Total expenses</b>	<b>2,629,898</b>	<b>3,048,165</b>

## Palm Beach RSL Sub-Branch Club Limited

ABN 22 001 049 154

### Notes to the Financial Statements For the Year Ended 31 December 2020

#### 6 Cash and Cash Equivalents

	2020	2019
	\$	\$
Cash on hand	80,000	81,000
Bank balances	370,427	349,185
	<u>450,427</u>	<u>430,185</u>

#### 7 Inventories

Bar stock on hand at cost	38,557	26,612
Bistro stock on hand at cost	22,013	20,965
	<u>60,570</u>	<u>47,577</u>

#### 8 Other Financial Assets

Investment in ILG shares	750	750
	<u>750</u>	<u>750</u>

#### 9 Other Assets

Prepayments	32,057	41,836
	<u>32,057</u>	<u>41,836</u>

#### 10 Property, plant and equipment

Plant and equipment		
At cost	563,548	529,465
Accumulated depreciation	(447,896)	(407,054)
Total plant and equipment	<u>115,652</u>	<u>122,411</u>
Motor vehicles		
At cost	28,512	28,512
Accumulated depreciation	(24,893)	(21,541)
Total motor vehicles	<u>3,619</u>	<u>6,971</u>
Office equipment		
At cost	73,622	73,622
Accumulated depreciation	(56,492)	(51,175)
Total office equipment	<u>17,130</u>	<u>22,447</u>
Leasehold Improvements		
At cost	720,660	719,538
Accumulated amortisation	(672,247)	(660,179)
Total leasehold improvements	<u>48,413</u>	<u>59,359</u>

**Palm Beach RSL Sub-Branch Club Limited**

ABN 22 001 049 154

**Notes to the Financial Statements**

**For the Year Ended 31 December 2020**

**10 Property, plant and equipment**

	<b>2020</b>	<b>2019</b>
	\$	\$
Poker machines		
At cost	1,194,710	1,173,121
Accumulated depreciation	(964,670)	(883,878)
Total poker machines	<u>230,040</u>	<u>289,243</u>
<b>Total property, plant and equipment</b>	<u><u>414,854</u></u>	<u><u>500,431</u></u>

**Movements in Carrying Amounts**

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

	<b>Plant and Equipment</b>	<b>Motor Vehicles</b>	<b>Office Equipment</b>	<b>Leasehold Improvements</b>	<b>Poker machines</b>	<b>Total</b>
	\$	\$	\$	\$	\$	\$
Balance at the beginning of year	122,411	6,971	22,447	59,359	289,243	500,431
Additions	34,083	-	-	1,122	35,000	70,205
Disposals	-	-	-	-	(13,411)	(13,411)
Writeback depreciation	-	-	-	-	13,411	13,411
Depreciation expense	(40,842)	(3,352)	(5,317)	(12,068)	(94,203)	(155,782)
Balance at the end of the year	<u><u>115,652</u></u>	<u><u>3,619</u></u>	<u><u>17,130</u></u>	<u><u>48,413</u></u>	<u><u>230,040</u></u>	<u><u>414,854</u></u>

**11 Intangible Assets**

Poker machine licenses	110,745	110,745
	<u>110,745</u>	<u>110,745</u>

**12 Trade and Other Payables**

Trade payables	73,785	119,037
GST payable	9,166	31,010
Other payables	(1,330)	(13,456)
	<u>81,621</u>	<u>136,591</u>

## Palm Beach RSL Sub-Branch Club Limited

ABN 22 001 049 154

### Notes to the Financial Statements

For the Year Ended 31 December 2020

#### 13 Provisions

	2020	2019
	\$	\$
Provision for contingency maintenance	106,000	106,000
	<u>106,000</u>	<u>106,000</u>

#### 14 Other Financial Liabilities

Deferred subscription income	19,036	14,562
	<u>19,036</u>	<u>14,562</u>

#### 15 Employee Benefits

Provision for annual leave	75,172	89,966
Provision for long service leave	104,016	105,790
	<u>179,188</u>	<u>195,756</u>

#### 16 Leases

##### Right-of-use assets

	Leases	Total
	\$	\$
<b>Year ended 31 December 2020</b>		
Right-of-use asset	99,360	99,360
<b>Balance at end of year</b>	<u>99,360</u>	<u>99,360</u>

##### Lease liabilities

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

	< 1 year	1 - 5 years	Total lease liabilities
	\$	\$	\$
<b>2020</b>			
Lease liabilities	51,840	47,520	99,360
<b>2019</b>			
Lease liabilities	51,840	99,360	151,200

#### 17 Members' Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$ 2 towards meeting any outstandings and obligations of the Company. At 31 December 2020 the number of members was 2,092 (2019: 2,693).

## **Palm Beach RSL Sub-Branch Club Limited**

ABN 22 001 049 154

## **Notes to the Financial Statements**

**For the Year Ended 31 December 2020**

### **18 Contingencies**

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2020 (31 December 2019: None).

### **19 Events after the end of the Reporting Period**

The financial report was authorised for issue on 14 April 2021 by the Board of Directors.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

### **20 Statutory Information**

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

Palm Beach RSL Sub-Branch Club Limited  
1087 Barrenjoey Road  
Palm Beach NSW 2108

**Palm Beach RSL Sub-Branch Club Limited**

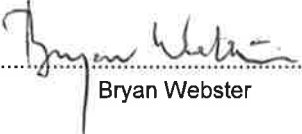
ABN 22 001 049 154

**Directors' Declaration**

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 6 to 19, are in accordance with the *Corporations Act 2001* and:
  - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*; and
  - b. give a true and fair view of the financial position as at 31 December 2020 and of the performance for the year ended on that date of the Company.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

President .....   
Bryan Webster

Vice President .....   
John Oliver

Dated 14 April 2021



**Morgan Veale & Co**  
Business Development Consultants  
Chartered Accountants

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Principal: Kevin A Veale BA FCA

ABN 39 641 271 163

## **Independent Audit Report to the members of Palm Beach RSL Sub-Branch Club Limited**

### **Report on the Audit of the Financial Report**

#### **Opinion**

We have audited the financial report of Palm Beach RSL Sub-Branch Club Limited (the Company), which comprises the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- (i) giving a true and fair view of the Company's financial position as at 31 December 2020 and of its financial performance for the year ended; 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 our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

#### **Responsibilities of Directors for the Financial Report**

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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



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Principal: Kevin A Veale BA FCA

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**Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

Morgan Veale & Co

Kevin A Veale  
Principal

14 April 2021  
Sydney, Australia