



Palm Beach RSL Sub-Branch Club Limited

ABN 22 001 049 154

Financial Statements

For the Year Ended 31 December 2022

Palm Beach RSL Sub-Branch Club Limited

ABN 22 001 049 154

Contents

For the Year Ended 31 December 2022

	Page
Financial Statements	
Directors' Report	1
Auditor's Independence Declaration Under s307C of the Corporations Act 2001	6
Statement of Profit or Loss and Other Comprehensive Income	7
Statement of Financial Position	8
Statement of Changes in Equity	9
Statement of Cash Flows	10
Notes to the Financial Statements	11
Directors' Declaration	21
Independent Audit Report	22

Palm Beach RSL Sub-Branch Club Limited

ABN 22 001 049 154

Directors' Report

31 December 2022

The directors present their report on Palm Beach RSL Sub-Branch Club Limited for the financial year ended 31 December 2022.

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	18 years on the Board
Special responsibilities	President

John Oliver

Qualifications	Retired Sole Trader / Certified Engineer Draftsman
Experience	29 years on the Board
Special responsibilities	Vice President - House Committee

Neil Smith

Qualifications	Retired Director of 4 Public Companies
Experience	13 years on the Board
Special responsibilities	Treasurer - Finance Committee

James Woodward

Qualifications	Sole Trader / Photographer
Experience	12 years on the Board
Special responsibilities	Sports Committee

Christopher Hendrikson

Qualifications	Retired Production Planner / Purchasing Officer
Experience	15 years on the Board
Special responsibilities	Finance / Sports Committees

Russell Marsh

Qualifications	Bus Operator / Operations Supervisor
Experience	11 years on the Board
Special responsibilities	House Committee

Glen Babicci

Qualifications	(Resigned - 20/06/2022) Warehouse Manager
Experience	6 years on the Board
Special responsibilities	Sports / House Committees

Michael Gillmeister

Qualifications	Company Director / Refrigeration Mechanic Electrician
Experience	1 year on the Board
Special responsibilities	House Committee

Palm Beach RSL Sub-Branch Club Limited

ABN 22 001 049 154

Directors' Report

31 December 2022

1. General information

Information on directors

Andrew Blundell

Qualifications Chubb Security Sales Manager

Experience 1 year on the Board

Special responsibilities House Committee

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.

Strategy 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.
- The Board maintains a thorough and careful control over the Company's finances to ensure the Company remains

Palm Beach RSL Sub-Branch Club Limited

ABN 22 001 049 154

Directors' Report

31 December 2022

1. General information

Strategy for achieving the objectives

viable, and to allow continual refurbishment and maintenance of the facilities for members.

Palm Beach RSL Sub-Branch Club Limited

ABN 22 001 049 154

Directors' Report

31 December 2022

1. General information

Performance measures

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

Key Performance Indicators	2022	2021
Bar gross profit to bar sales	62%	58%
Bistro gross profit to bistro sales	57%	55%
Poker machine trading profit to takings	84%	75%
Bar wages to bar sales	45%	43%
Bistro wages to bistro sales	47%	57%
Cash on hand	\$262,318	\$377,035
Net loss	(\$32,712)	(\$185,717)

Limitation of members' liability

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 2022 the collective liability of members was \$ 4,052 (2021: \$ 2,594).

2. Other items

Matters or circumstances arising after the end of the year

The Covid-19 pandemic which commenced in 2020, has significantly impacted the global economy and may impact the Company's results in 2023. The extent of any reduction is not yet known, but the Directors believe that the Company is positioned to survive a 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

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

Palm Beach RSL Sub-Branch Club Limited

ABN 22 001 049 154

Directors' Report
31 December 2022

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
John Oliver	12
Neil Smith	11
James Woodward	12
Christopher Hendrikson	12
Russell Marsh	11
Glen Babicci	2
Michael Gillmeister	12
Andrew Blundell	12

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 31 December 2022 has been received and can be found on page 6 of the financial report.

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

President: 
Bryan Webster

Treasurer: 
Neil Smith

Dated 20 April 2023



Morgan Veale & Co

Business Development Consultants
Chartered Accountants

PO Box 1387
Mona Vale NSW 1660

Gateway, Suite 1a
1 Mona Vale Road
Mona Vale NSW 2103

P: 02 9999 6799

F: 02 9999 4200

E: kevin@morganveale.com.au

Principal: Kevin A Veale BA FCA

ABN 39 641 271 163

Palm Beach RSL Sub-Branch Club Ltd ABN 22 001 049 154

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Palm Beach RSL Sub-Branch Club Ltd

I declare that to the best of my knowledge and belief, during the year ended 31 December 2022 in relation to Palm Beach RSL Sub-Branch Club Ltd, there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

Kevin A Veale BA FCA
Registered Auditor

Morgan Veale & Co
Chartered Accountants
Gateway, Suite 1a, 1 Mona Vale Road
Mona Vale NSW 2103

Dated 20 April 2023

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 2022

		2022	2021
	Note	\$	\$
Revenue	4	2,956,782	1,859,611
Finance income	5	-	24
Other income	4	108,078	282,560
Employee benefits expense		(1,337,011)	(971,782)
Depreciation and amortisation expense		(150,592)	(134,925)
Other expenses		(1,609,716)	(1,221,246)
Finance expenses	5	(253)	-
Loss before income tax		(32,712)	(185,758)
Income tax expense		-	-
Loss for the year		(32,712)	(185,758)
Other comprehensive income			
Loss and total comprehensive income for the year		(32,712)	(185,758)

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 2022**

	Note	2022	2021
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	262,318	377,035
Inventories	8	68,368	62,074
Other financial assets	9	750	750
Other assets	12	63,358	67,922
TOTAL CURRENT ASSETS		394,794	507,781
NON-CURRENT ASSETS			
Property, plant and equipment	10	724,692	389,882
Intangible assets	11	110,745	110,745
Right of use asset - leases		-	47,520
TOTAL NON-CURRENT ASSETS		835,437	548,147
TOTAL ASSETS		1,230,231	1,055,928
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	261,730	229,427
Borrowings	14	50,450	-
Short-term provisions	15	66,000	106,000
Employee benefits	17	165,546	153,435
Other financial liabilities	16	19,661	21,746
Lease liabilities		-	47,520
TOTAL CURRENT LIABILITIES		563,387	558,128
NON-CURRENT LIABILITIES			
Borrowings	14	201,756	-
TOTAL NON-CURRENT LIABILITIES		201,756	-
TOTAL LIABILITIES		765,143	558,128
NET ASSETS		465,088	497,800
EQUITY			
Retained earnings		465,088	497,800
TOTAL EQUITY		465,088	497,800

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 2022**

2022

	Retained Earnings	Total
	\$	\$
Balance at 1 January 2022	497,800	497,800
Loss for the year	(32,712)	(32,712)
Balance at 31 December 2022	<u>465,088</u>	<u>465,088</u>

2021

	Retained Earnings	Total
	\$	\$
Balance at 1 January 2021	683,558	683,558
Loss for the year	(185,758)	(185,758)
Balance at 31 December 2021	<u>497,800</u>	<u>497,800</u>

The accompanying notes form part of these financial statements.

Palm Beach RSL Sub-Branch Club Limited

ABN 22 001 049 154

Statement of Cash Flows For the Year Ended 31 December 2022

	2022	2021
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	3,051,609	2,083,464
Payments to suppliers and employees	(2,948,607)	(2,067,694)
Interest received	-	24
Finance costs	(253)	(4,785)
Net cash provided by operating activities	23 <u>102,749</u>	<u>11,009</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of plant and equipment	16,000	25,552
Purchase of property, plant and equipment	(485,672)	(109,953)
Net cash (used in) investing activities	<u>(469,672)</u>	<u>(84,401)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from borrowings	<u>252,206</u>	-
Net cash provided by financing activities	<u>252,206</u>	-
Net (decrease) in cash and cash equivalents held	(114,717)	(73,392)
Cash and cash equivalents at beginning of year	<u>377,035</u>	<u>450,427</u>
Cash and cash equivalents at end of financial year	7 <u><u>262,318</u></u>	<u><u>377,035</u></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 2022

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 principal activities of the Company for the year ended 31 December 2022 were the conduct of a licensed club.

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 20 April 2023.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

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

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

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

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Other income

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

(b) 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.

Notes to the Financial Statements

For the Year Ended 31 December 2022

2 Summary of Significant Accounting Policies

(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) Volunteer services

No amounts are included in the financial statements for services donated by volunteers.

(e) Inventories

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

Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition, which is the deemed cost.

(f) 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 significantly less than fair value 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 basis over the asset's useful life to the Company, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful lives.

Notes to the Financial Statements

For the Year Ended 31 December 2022

2 Summary of Significant Accounting Policies

(g) Intangible assets

Amortisation

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(h) 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.

(i) Leases

Leases of real estate from Palm Beach RSL Sub-Branch terminated during the year. At the date of this report, previously leased properties are continuing on a weekly rental basis. The Company expects to sign a new lease for the Clubhouse property and the two adjacent parking areas. Leases of nearby residential properties from Palm Beach RSL Sub-Branch will not be renewed with the Company.

(j) 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. Those 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.

(k) 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 estimates of the amounts required to settle the obligations at the end of the reporting period.

(l) 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 loss of \$32,712 for the year ended 31 December 2022 with a positive equity position of \$465,088 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 year ended 31 December 2021, the Company's operations were restricted in accordance with COVID-19

Notes to the Financial Statements

For the Year Ended 31 December 2022

2 Summary of Significant Accounting Policies

(l) Going concern

government regulations including periods of closure. The ongoing effects of the COVID-19 pandemic on the Company's operation are not presently known.

The Board has determined that the going concern assumption is appropriate for the preparation of the financial statements.

(m) Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 31 December 2022. The adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

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 is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - impairment of property, plant and equipment

The Company assesses impairment at the end of each reporting period by evaluating conditions specific to the Company that may be indicative of impairment triggers. 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 2022

4 Revenue and Other Income

Revenue from continuing operations

	2022	2021
	\$	\$
Revenue from contracts with customers		
- revenue from operations	2,897,390	1,812,886
- sundry income	59,393	46,725
Total Revenue	2,956,783	1,859,611

Volunteer services not recognised

No amounts are included in the financial statements for services donated by volunteers.

Other Income		
- commissions	24,659	19,694
- other income	83,419	262,867
Total Other Income	108,078	282,561
Total Revenue and Other Income	3,064,861	2,142,172

5 Finance Income and Expenses

Finance income

- Interest income	-	24
Total finance income	-	24

Finance expenses

Interest expense	253	-
Total finance expenses	253	-

6 Result for the Year

The result for the year includes the following specific expenses:

Employee benefits expense	1,337,011	971,782
Depreciation and amortisation expense	150,592	134,925
Other expenses	1,609,716	1,221,246
Total expenses	3,097,319	2,327,953

Palm Beach RSL Sub-Branch Club Limited

ABN 22 001 049 154

Notes to the Financial Statements For the Year Ended 31 December 2022

7 Cash and Cash Equivalents

	2022	2021
	\$	\$
Cash at bank and in hand	262,318	377,035
	<u>262,318</u>	<u>377,035</u>

8 Inventories

Bar stock on hand at cost	42,543	35,540
Bistro stock on hand at cost	25,825	26,534
	<u>68,368</u>	<u>62,074</u>

9 Other Financial Assets

Other financial assets	750	750
	<u>750</u>	<u>750</u>

10 Property, plant and equipment

Plant and equipment		
At cost	997,453	586,039
Accumulated depreciation	(547,626)	(482,728)
Total plant and equipment	<u>449,827</u>	<u>103,311</u>
Motor vehicles		
At cost	28,512	28,512
Accumulated depreciation	(28,512)	(28,246)
Total motor vehicles	<u>-</u>	<u>266</u>
Office equipment		
At cost	92,221	79,026
Accumulated depreciation	(68,432)	(61,572)
Total office equipment	<u>23,789</u>	<u>17,454</u>
Leasehold Improvements		
At cost	750,577	739,494
Accumulated amortisation	(698,465)	(685,459)
Total leasehold improvements	<u>52,112</u>	<u>54,035</u>
Poker machines		
At cost	1,207,458	1,192,477
Accumulated depreciation	(1,008,494)	(977,661)
Total poker machines	<u>198,964</u>	<u>214,816</u>
	<u>724,692</u>	<u>389,882</u>

Palm Beach RSL Sub-Branch Club Limited

ABN 22 001 049 154

Notes to the Financial Statements For the Year Ended 31 December 2022

10 Property, plant and equipment

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:

	Plant and Equipment	Motor Vehicles	Office Equipment	Leasehold Improvements	Poker machines	Total
	\$	\$	\$	\$	\$	\$
Year ended 31 December 2022						
Balance at the beginning of year	103,311	266	17,454	54,035	214,816	389,882
Movements						
Additions	411,415	-	13,195	11,082	49,980	485,672
Disposals	-	-	-	-	(35,000)	(35,000)
Writeback depreciation	-	-	-	-	34,730	34,730
Depreciation expense	(64,899)	(266)	(6,860)	(13,005)	(65,562)	(150,592)
Balance at the end of the year	449,827	-	23,789	52,112	198,964	724,692

11 Intangible Assets

Poker machine licenses
Cost

110,745 110,745

Total Intangible assets

110,745 110,745

12 Other non-financial assets

Prepayments

63,358 67,922

63,358 67,922

13 Trade and Other Payables

Trade payables

188,821 123,058

GST payable

62,525 50,332

Other payables

10,384 56,037

261,730 229,427

Palm Beach RSL Sub-Branch Club Limited

ABN 22 001 049 154

Notes to the Financial Statements For the Year Ended 31 December 2022

14 Borrowings

	2022	2021
	\$	\$
CURRENT		
Unsecured:		
Bank loans	50,450	-
	<u>50,450</u>	<u>-</u>
NON-CURRENT		
Bank loans	201,756	-
	<u>201,756</u>	<u>-</u>
Total borrowings	<u>252,206</u>	<u>-</u>

15 Provisions

Provision for contingency maintenance	66,000	106,000
	<u>66,000</u>	<u>106,000</u>
Movement in carrying amounts		
Opening balance at 1 January 2022		106,000
Provisions used		<u>(40,000)</u>
Balance at 31 December 2022		<u>66,000</u>

16 Other Financial Liabilities

	2022	2021
	\$	\$
Deferred subscription income	19,661	21,746
	<u>19,661</u>	<u>21,746</u>

17 Employee Benefits

Current liabilities		
Provision for annual leave	61,338	58,042
Provision for long service leave	104,208	95,393
	<u>165,546</u>	<u>153,435</u>

18 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 each towards meeting any outstanding obligations of the Company. At 31 December 2022 the number of members was 2,026 (2021: 1,297).

Palm Beach RSL Sub-Branch Club Limited

ABN 22 001 049 154

Notes to the Financial Statements For the Year Ended 31 December 2022

19 Key Management Personnel Disclosures

The remuneration paid to key management personnel of the Company is \$ 334,855 (2021: \$ 283,991).

20 Auditors' Remuneration

	2022	2021
	\$	\$
Remuneration of the auditor Kevin Andrew Veale, for:		
- auditing the financial statements	12,500	12,500
	<u>12,500</u>	<u>12,500</u>

21 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2022 (31 December 2021: None).

22 Related Parties

(a) The Company's main related parties are as follows:

Key management personnel - refer to Note 19.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

(b) Transactions with related parties

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

23 Cash Flow Information

(a) Reconciliation of cash

	2022	2021
	\$	\$
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
Cash and cash equivalents	262,318	377,035
	<u>262,318</u>	<u>377,035</u>

Palm Beach RSL Sub-Branch Club Limited

ABN 22 001 049 154

Notes to the Financial Statements For the Year Ended 31 December 2022

23 Cash Flow Information

23 Cash Flow Information

(b) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2022	2021
	\$	\$
Loss for the year	(32,712)	(185,758)
Non-cash flows in profit:		
- depreciation	150,592	134,925
- finance costs	253	-
- net gain on disposal of property, plant and equipment	(16,000)	(25,552)
Changes in assets and liabilities:		
- decrease/(increase) in trade and other receivables	4,564	(35,865)
- (increase) in inventories	(6,294)	(1,504)
- increase in trade and other payables	30,235	150,516
- (decrease) in provisions	(27,889)	(25,753)
Cashflows from operations	<u>102,749</u>	<u>11,009</u>

24 Events after the end of the Reporting Period

The financial report was authorised for issue on 20 April 2023 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.

25 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 7 to 20, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards - Simplified Disclosure Standard; and
 - b. give a true and fair view of the financial position as at 31 December 2022 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

Treasurer
Neil Smith

Dated 20 April 2023



Morgan Veale & Co

Business Development Consultants
Chartered Accountants

PO Box 1387
Mona Vale NSW 1660

Gateway, Suite 1a
1 Mona Vale Road
Mona Vale NSW 2103

P: 02 9999 6799

F: 02 9999 4200

E: kevin@morganveale.com.au

Principal: Kevin A Veale BA FCA

ABN 39 641 271 163

Palm Beach RSL Sub-Branch Club Ltd ABN 22 001 049 154

Independent Auditor's Report

Report on the Audit of the Financial Report

Opinion

I have audited the accompanying financial report of **Palm Beach RSL Sub-Branch Club Ltd** ABN 22 001 049 154, which comprises the Statement of Financial Position as at 31 December 2022, the Statement of Profit & Loss and Other Comprehensive Income, the Statement of Changes in Equity, and 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 my opinion:

the accompanying financial report of Palm Beach RSL Sub-Branch Club Ltd is in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of Palm Beach RSL Sub-Branch Club Ltd financial position as at 31 December 2022 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards – *AASB 1060: General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-profit Tier 2 Entities* and the *Corporations Regulations 2001*.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of Palm Beach RSL Sub-Branch Club Ltd in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Palm Beach RSL Sub-Branch Club Ltd, would be in the same terms if given to the directors as at the time of this auditor's report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis of my opinion.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in Palm Beach RSL Sub-Branch Club Ltd annual report for the year ended 31 December 2022, but does not include the financial report and my auditor's report thereon. My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Independent Auditor's Report (cont)

Directors' Responsibility for the Financial Report

The directors of Palm Beach RSL Sub-Branch Club Ltd are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – AASB 1060: *General Purpose Financial Statements - Simplified Disclosures for For-profit and Not-for-profit Tier 2 Entities* 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 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 Palm Beach RSL Sub-Branch Club Ltd 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 or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibility for the Audit of the Financial Report

My 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 my 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.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I obtain sufficient appropriate audit evidence regarding the financial information of the company or business activities within the company to express an opinion on the financial report. I am responsible for the direction, supervision performance of the company audit. I remain solely responsible for my audit opinion.

Palm Beach RSL Sub-Branch Club Ltd
ABN 22 001 049 154

Independent Auditor's Report (cont)

I communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Kevin A Veale BA FCA
Registered Auditor

Morgan Veale & Co
Chartered Accountants
Gateway, Suite 1a, 1 Mona Vale Road
Mona Vale NSW 2103

Dated 20 April 2023