



Palm Beach RSL Sub-Branch Club Limited

ABN 22 001 049 154

Financial Statements

For the Year Ended 31 December 2023

Palm Beach RSL Sub-Branch Club Limited

ABN 22 001 049 154

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For the Year Ended 31 December 2023

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Palm Beach RSL Sub-Branch Club Limited

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Directors' Report

31 December 2023

The directors present their report on Palm Beach RSL Sub-Branch Club Limited for the financial year ended 31 December 2023.

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	19 years on the Board
Special responsibilities	President

John Oliver

Qualifications	Retired Sole Trader / Certified Engineer Draftsman
Experience	30 years on the Board
Special responsibilities	Vice President - House Committee

Neil Smith

Qualifications	Retired Director of 4 Public Companies
Experience	14 years on the Board
Special responsibilities	Treasurer - Finance Committee

James Woodward

Qualifications	Sole Trader / Photographer
Experience	13 years on the Board
Special responsibilities	Sports Committee

Christopher Hendrikson

Qualifications	Retired Production Planner / Purchasing Officer
Experience	16 years on the Board
Special responsibilities	Finance / Sports Committees

Russell Marsh

Qualifications	Bus Operator / Operations Supervisor
Experience	12 years on the Board
Special responsibilities	House Committee

Michael Gillmeister

Qualifications	Company Director / Refrigeration Mechanic Electrician
Experience	2 years on the Board
Special responsibilities	House Committee

Andrew Blundell

	(Resigned - 30/01/2023)
Qualifications	Chubb Security Sales Manager
Experience	1 year on the Board
Special responsibilities	House Committee

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Directors' Report

31 December 2023

1. General information

Information on directors

Brett Babicci	(Appointed - 19/02/2024)
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 viable, and to allow continual refurbishment and maintenance of the facilities for members.

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Directors' Report

31 December 2023

1. General information

Performance measures

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

Key Performance Indicators	2023	2022
Bar gross profit to bar sales	61%	62%
Bistro gross profit to bistro sales	56%	57%
Poker machine trading profit to takings	81%	84%
Bar wages to bar sales	45%	45%
Bistro wages to bistro sales	48%	47%
Cash on hand	\$292,153	\$262,318
Net loss	(\$144,296)	(\$32,712)

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 2023 the collective liability of members was \$4,106 (2022: \$4,052).

2. Other items

Matters or circumstances arising after the end of the year

Ongoing silting has required the ferry to call at Patonga rather than Ettalong. This has significantly reduced patronage from the Central Coast area during that time.

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.

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:

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Directors' Report

31 December 2023

Meetings of directors

Directors' Meetings		
	Number eligible to attend	Number attended
Bryan Webster	12	11
John Oliver	12	12
Neil Smith	12	12
James Woodward	12	9
Christopher Hendrikson	12	8
Russell Marsh	12	6
Michael Gillmeister	12	6
Andrew Blundell	1	1
Brett Babicci	-	1

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 2023 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

Treasurer:


Neil Smith

Dated this 24th day of April 2024



Morgan Veale & Co

Business Development Consultants
Chartered Accountants

PO Box 1387
Mona Vale NSW 1660

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Mona Vale NSW 2103

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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 2023 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 FCA

Registered Auditor Number 1428
Member of Chartered Accountants
Australia and New Zealand - 24084

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

Dated 24 April 2024

Palm Beach RSL Sub-Branch Club Limited

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 December 2023

		2023	2022
	Note	\$	\$
Revenue	4	3,082,967	2,956,782
Finance income	5	164	-
Other income	4	106,355	108,078
Employee benefits expense		(1,450,787)	(1,337,011)
Depreciation and amortisation expense		(186,495)	(150,592)
Other expenses		(1,673,738)	(1,609,716)
Finance expenses	5	(22,762)	(253)
Loss before income tax		(144,296)	(32,712)
Income tax expense		-	-
Loss for the year		(144,296)	(32,712)
Other comprehensive income			
Loss and total comprehensive income for the year		(144,296)	(32,712)

The accompanying notes form part of these financial statements.

Palm Beach RSL Sub-Branch Club Limited

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Statement of Financial Position

As At 31 December 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	292,153	262,318
Inventories	8	60,759	68,368
Other financial assets	9	750	750
Other assets	12	21,486	63,358
TOTAL CURRENT ASSETS		375,148	394,794
NON-CURRENT ASSETS			
Property, plant and equipment	10	614,627	724,692
Intangible assets	11	110,745	110,745
Right-of-use assets	13	238,028	-
TOTAL NON-CURRENT ASSETS		963,400	835,437
TOTAL ASSETS		1,338,548	1,230,231
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	14	338,818	261,730
Borrowings	15	50,896	50,450
Lease liabilities	13	49,397	-
Short-term provisions	16	-	66,000
Employee benefits	18	172,262	165,546
Other financial liabilities	17	19,816	19,661
TOTAL CURRENT LIABILITIES		631,189	563,387
NON-CURRENT LIABILITIES			
Borrowings	15	167,776	201,756
Lease liabilities	13	184,487	-
Long-term provisions	16	34,304	-
TOTAL NON-CURRENT LIABILITIES		386,567	201,756
TOTAL LIABILITIES		1,017,756	765,143
NET ASSETS		320,792	465,088
EQUITY			
Retained earnings		320,792	465,088
TOTAL EQUITY		320,792	465,088

The accompanying notes form part of these financial statements.

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**Statement of Changes in Equity
For the Year Ended 31 December 2023**

2023

	Retained Earnings	Total
	\$	\$
Balance at 1 January 2023	465,088	465,088
Loss for the year	(144,296)	(144,296)
Balance at 31 December 2023	<u>320,792</u>	<u>320,792</u>

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>

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 2023

	2023	2022
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	3,240,075	3,051,609
Payments to suppliers and employees	(3,099,112)	(2,948,607)
Interest received	164	-
Finance costs	-	(253)
Net cash provided by operating activities	24 <u>141,127</u>	<u>102,749</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of plant and equipment	-	16,000
Purchase of property, plant and equipment	(19,318)	(485,672)
Net cash (used in) investing activities	<u>(19,318)</u>	<u>(469,672)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from borrowings	-	252,206
Repayment of borrowings	(33,534)	-
Payment of lease liabilities	(58,440)	-
Net cash (used in)/provided by financing activities	<u>(91,974)</u>	<u>252,206</u>
Net increase/(decrease) in cash and cash equivalents held	29,835	(114,717)
Cash and cash equivalents at beginning of year	262,318	377,035
Cash and cash equivalents at end of financial year	7 <u><u>292,153</u></u>	<u><u>262,318</u></u>

The accompanying notes form part of these financial statements.

Palm Beach RSL Sub-Branch Club Limited

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Notes to the Financial Statements For the Year Ended 31 December 2023

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 2023 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 24 April 2024.

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.

Material accounting policy information relating to the preparation of these financial statements is presented below, and is consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

Revenue is recognised on a basis that reflects the transfer of control 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.

Palm Beach RSL Sub-Branch Club Limited

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Notes to the Financial Statements For the Year Ended 31 December 2023

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 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.

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.

(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.

Palm Beach RSL Sub-Branch Club Limited

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Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Summary of Significant Accounting Policies

(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 subject to an insignificant risk of change in value.

(i) Leases

Lessee accounting

Leases of real estate from Palm Beach RSL Sub-Branch terminated during the prior year. Previously leased properties continued on a weekly rental basis until the Company signed a new lease for the Clubhouse property and the two adjacent parking areas. Leases of nearby residential properties from Palm Beach RSL Sub-Branch were not renewed with the Company.

Right-of-use asset

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.

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

Lease liability

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.

Exceptions to lease accounting

The Company has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(j) Employee benefits

Provision is made for the Company's liability for employee benefits, 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.

Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Summary of Significant Accounting Policies

(j) Employee benefits

Defined contribution schemes

Obligations for contributions to defined contribution superannuation plans are recognised as an employee benefit expense in profit or loss in the periods in which services are provided by employees.

(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 \$144,296 for the year ended 31 December 2023 with a positive equity position of \$320,792 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.

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 2023. 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.

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Notes to the Financial Statements For the Year Ended 31 December 2023

3 Critical Accounting Estimates and Judgments

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.

4 Revenue and Other Income

Revenue from continuing operations

	2023	2022
	\$	\$
Revenue from contracts with customers		
- revenue from operations	3,038,472	2,897,390
- sundry income	44,495	59,393
Total Revenue	<u>3,082,967</u>	<u>2,956,783</u>

Volunteer services not recognised

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

Other Income		
- commissions	26,120	24,659
- other income	80,235	83,419
Total Other Income	<u>106,355</u>	<u>108,078</u>

5 Finance Income and Expenses

Finance income

- Interest income	164	-
Total finance income	<u>164</u>	<u>-</u>

Finance expenses

Interest expense	-	253
Other finance expenses	22,762	-
Total finance expenses	<u>22,762</u>	<u>253</u>

Palm Beach RSL Sub-Branch Club Limited

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Notes to the Financial Statements For the Year Ended 31 December 2023

6 Result for the Year

The result for the year includes the following specific expenses:

	2023	2022
	\$	\$
Employee benefits expense	1,450,787	1,337,011
Depreciation and amortisation expense	186,495	150,592
Other expenses	1,673,738	1,609,716
Total expenses	3,311,020	3,097,319

7 Cash and Cash Equivalents

Cash at bank and in hand	292,153	262,318
	<u>292,153</u>	<u>262,318</u>

8 Inventories

Bar stock on hand at cost	40,706	42,543
Bistro stock on hand at cost	20,053	25,825
	<u>60,759</u>	<u>68,368</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	1,006,012	997,453
Accumulated depreciation	(597,962)	(547,626)
Total plant and equipment	<u>408,050</u>	<u>449,827</u>
Motor vehicles		
At cost	28,512	28,512
Accumulated depreciation	(28,512)	(28,512)
Office equipment		
At cost	99,565	92,221
Accumulated depreciation	(74,902)	(68,432)
Total office equipment	<u>24,663</u>	<u>23,789</u>
Leasehold Improvements		
At cost	710,762	750,577
Accumulated depreciation	(680,087)	(698,465)
Total leasehold improvements	<u>30,675</u>	<u>52,112</u>

Palm Beach RSL Sub-Branch Club Limited

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**Notes to the Financial Statements
For the Year Ended 31 December 2023**

10 Property, plant and equipment

	2023	2022
	\$	\$
Poker machines		
At cost	1,210,873	1,207,458
Accumulated depreciation	(1,059,634)	(1,008,494)
Total poker machines	<u>151,239</u>	<u>198,964</u>
	<u>614,627</u>	<u>724,692</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:

	Plant and Equipment	Motor Vehicles	Office Equipment	Leasehold Improvements	Poker machines	Total
	\$	\$	\$	\$	\$	\$
Year ended 31 December 2023						
Balance at the beginning of year	449,827	-	23,789	52,112	198,964	724,692
Additions	8,559	-	7,344	-	3,415	19,318
Disposals	-	-	-	(8,726)	-	(8,726)
Depreciation expense	(50,336)	-	(6,470)	(12,711)	(51,140)	(120,657)
Balance at the end of the year	<u>408,050</u>	<u>-</u>	<u>24,663</u>	<u>30,675</u>	<u>151,239</u>	<u>614,627</u>

11 Intangible Assets

Poker machine licenses		
Cost	110,745	110,745
Total Intangible assets	<u>110,745</u>	<u>110,745</u>

12 Other non-financial assets

Prepayments	21,486	63,358
	<u>21,486</u>	<u>63,358</u>

Palm Beach RSL Sub-Branch Club Limited

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Notes to the Financial Statements For the Year Ended 31 December 2023

13 Leases

The Company's lease portfolio includes the Clubhouse land and buildings and adjacent carparks. These leases have a 5 year lease term.

The option to extend or terminate are contained in the property leases of the Company.

Right-of-use assets

	Land and Buildings \$	Total \$
Year ended 31 December 2023		
Balance at beginning of year	-	-
Additions to right-of-use assets	303,866	303,866
Depreciation charge	(65,838)	(65,838)
Balance at end of year	<u>238,028</u>	<u>238,028</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 \$	> 5 years \$	Total undiscounted lease liabilities \$	Lease liabilities included in this Statement Of Financial Position \$
2023					
Lease liabilities	49,397	184,487	-	233,884	233,884

14 Trade and Other Payables

	2023 \$	2022 \$
Trade payables	121,038	188,821
GST payable	188,856	62,525
Other payables	28,924	10,384
	<u>338,818</u>	<u>261,730</u>

Palm Beach RSL Sub-Branch Club Limited

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**Notes to the Financial Statements
For the Year Ended 31 December 2023**

15 Borrowings

	2023	2022
	\$	\$
Current		
Bank loans	50,896	50,450
	<u>50,896</u>	<u>50,450</u>
Non-current		
Bank loans	167,776	201,756
	<u>167,776</u>	<u>201,756</u>
Total borrowings	<u>218,672</u>	<u>252,206</u>

16 Provisions

Current		
Provision for contingency maintenance	-	66,000
	<u>-</u>	<u>66,000</u>
Non-current		
Provision for lease make good	34,304	-
	<u>34,304</u>	<u>-</u>

Movement in carrying amounts

	Provision for contingency maintenance	Provision for lease make good	Total
	\$	\$	\$
Opening balance at 1 January 2023	66,000	-	66,000
Additional provisions	-	34,304	34,304
Provisions used	(66,000)	-	(66,000)
Balance at 31 December 2023	<u>-</u>	<u>34,304</u>	<u>34,304</u>

17 Other Financial Liabilities

	2023	2022
	\$	\$
Amounts received in advance	19,816	19,661
	<u>19,816</u>	<u>19,661</u>

18 Employee Benefits

Provision for annual and sick leave	68,751	61,338
Provision for long service leave	103,511	104,208
	<u>172,262</u>	<u>165,546</u>

Palm Beach RSL Sub-Branch Club Limited

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Notes to the Financial Statements For the Year Ended 31 December 2023

19 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 2023 the number of members was 2,053 (2022: 2,026).

20 Key Management Personnel Disclosures

The remuneration paid to key management personnel of the Company is \$347,491 (2022: \$334,855).

21 Auditors' Remuneration

	2023	2022
	\$	\$
Remuneration of the auditor Kevin Andrew Veale, for:		
- auditing the financial statements	14,000	12,500
	<u>14,000</u>	<u>12,500</u>

22 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2023 (31 December 2022: None).

23 Related Parties

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

Key management personnel - refer to Note 20.

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.

24 Cash Flow Information

(a) **Reconciliation of cash**

	2023	2022
	\$	\$
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	292,153	262,318
	<u>292,153</u>	<u>262,318</u>

Palm Beach RSL Sub-Branch Club Limited

ABN 22 001 049 154

Notes to the Financial Statements For the Year Ended 31 December 2023

24 Cash Flow Information

24 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:

	2023	2022
	\$	\$
Loss for the year	(144,296)	(32,712)
Non-cash flows in profit:		
- depreciation and amortisation	186,494	150,592
- finance costs	22,763	253
- net (gain)/loss on disposal of property, plant and equipment	8,726	(16,000)
Changes in assets and liabilities:		
- decrease in trade and other receivables	41,872	4,564
- decrease/(increase) in inventories	7,609	(6,294)
- increase in trade and other payables	77,243	30,235
- increase/(decrease) in provisions	(66,000)	(40,000)
- increase in employee benefits	6,716	12,111
Cashflows from operations	<u>141,127</u>	<u>102,749</u>

25 Events after the end of the Reporting Period

The financial report was authorised for issue on 24 April 2024 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.

26 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

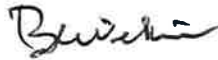
Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 6 to 20, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards - Simplified Disclosures Standard; and
 - b. give a true and fair view of the financial position as at 31 December 2023 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 this 24th day of April 2024



Morgan Veale & Co

Business Development Consultants
Chartered Accountants

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Mona Vale NSW 1660

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1 Mona Vale Road
Mona Vale NSW 2103

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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 2023, 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 2023 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 for 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 2023, 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.

Independent Auditor's Report (cont)

I communicate with the committee 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 FCA

Registered Auditor Number 1428
Member of Chartered Accountants
Australia and New Zealand - 24084

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

Dated 24 April 2024