

# **CAMPSIE RSL SUB-BRANCH CLUB LIMITED**

## **ANNUAL FINANCIAL REPORT**

**31 DECEMBER 2020**

### **AUDITORS**

**D. A STRATI & ASSOCIATES PTY LTD**  
Level 5, 376 Bay Street  
Brighton Le Sands NSW 2216

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED**  
**A.B.N. 42 001 044 373**

**ANNUAL FINANCIAL REPORT**  
**31 DECEMBER 2020**

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**CAMPSIE RSL SUB-BRANCH CLUB LIMITED**  
**A.B.N. 42 001 044 373**

**DIRECTORS' REPORT**

The directors present their report, together with the financial statements of Campsie RSL Sub-Branch Club Limited (the company) for the year ended 31 December 2020.

**DIRECTORS**

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

Mr Neville Moloney	President Retired Board member for 10 years
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Mr Gordon Malligan	Vice President Retired Board member for 14 years
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Mr Gordon Brian	Director Retired Board member for 35 years
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Mr Lawrence Buongiorno	Director Deceased 26 December 2020 Board member for 7 years
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Mr Michael McGrath	Director Retired Board member for 7 years
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Mr Robert Webb	Director Retired Board member for 5 years
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Mr Ivan Tilmouth	Director Retired Board member for 2 year
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Mr Jeffery Roser	Director Insurance Broker Board member for 2 year
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Directors have been in office since the start of the year unless otherwise stated.

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED**  
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**DIRECTORS' REPORT** (continued)

**DIRECTORS' MEETINGS**

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

<b>Director</b>	<b>Number of meetings eligible to attend *</b>	<b>Number of meetings attended</b>
Mr Neville Moloney	12	11
Mr Gordon Malligan	12	7
Mr Gordon Brian	12	12
Mr Lawrence Buongiorno	12	7
Mr Michael McGrath	12	9
Mr Robert Webb	12	12
Mr Ivan Tilmouth	12	12
Mr Jeffery Roser	12	12

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

**PRINCIPAL ACTIVITIES**

The principal activity of the company was to provide members and their guests with amenities and facilities usually associated with that of a licensed club.

**OPERATING RESULT FOR THE YEAR**

The net profit after tax for the year amounted to \$8,816,497 compared with a profit of \$6,400,413 for the prior year. This result was achieved after recognising \$2,893,512 (2019: \$2,915,143) as an expense for depreciation and amortisation.

**SIGNIFICANT CHANGES**

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

**IMPACT OF COVID-19**

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

**EVENTS SUBSEQUENT TO REPORTING PERIOD**

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

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED**  
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**DIRECTORS' REPORT (continued)**

**MEMBERSHIP**

The company is a company limited by guarantee and without share capital. The number of members as at 31 December 2020 was 24,221 (2019: 21,799).

**MEMBERS LIMITED LIABILITY**

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

**SHORT AND LONG-TERM OBJECTIVES**

The company's short-term objectives are to:

- provide the best possible licensed club facilities to members and guests.
- maintain the current levels of membership and encourage new members.
- remain financially viable to achieve the company's objectives.

The company's long-term objectives are to:

- provide a high quality licensed club for members and guests to use, together with a standard of facilities and services that provide a rewarding and measurable experience.
- establish an environment where members and guests can participate in social activities that foster enjoyment, friendship and mutual respect amongst members.

**STRATEGIES**

To achieve its stated objectives, the company has adopted the following strategies:

- Maintain stringent controls over the company finances to ensure the Club remains viable. Continue to manage costs in order to maintain efficient and effective operations without compromising the quality of the services provided to members and guests.
- The Board strives to attract and retain quality management and staff with the knowledge and skills required to operate a successful social club. The Board believes attracting and retaining quality staff will assist in providing a high level of services to members and the success of the Club.
- The Board is committed to consistent standards of governance and best practice; being aware of statutory and legislative changes and to ensuring compliance at all times with these laws and regulations.

**KEY PERFORMANCE INDICATORS**

The company measures its own performance through the use of both quantitative and qualitative benchmarks. Some of the key performance indicators are:

- financial performance when compared to Board approved budgets.
- the successful implementation of business operating plans.
- completing capital expenditure works within budget and agreed timeframes.
- training and development of the key management and staff.
- timely response to all compliance matters required under relevant statutory and legislative requirements

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED**  
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**DIRECTORS' REPORT** (continued)

**DIRECTORS' BENEFITS**

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

**INDEMNIFICATION OF AUDITORS**

To the extent permitted by law, the company has agreed to indemnify its auditors as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify its auditors during or since the financial year.

**INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS**

During the financial year the company has paid insurance premiums of \$5,701 in respect of directors' and officers' liability, legal expenses and insurance contracts for current and former directors and officers.


The insurance premiums relate to:

- costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome; and
- other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

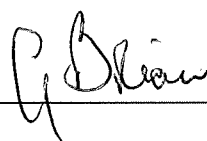
**AUDITORS' INDEPENDENCE DECLARATION**

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

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



**Neville Moloney – Director**



**Gordon Brian – Director**

**Dated: 27 April 2021 at Chester Hill**

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED**  
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**AUDITOR'S INDEPENDENCE DECLARATION**  
**UNDER SECTION 307C – CORPORATION ACT 2001**

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

- a) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

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

**D.A STRATI & ASSOCIATES**  
**Certified Practicing Accountants**

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

**Domenic Strati**  
**Brighton Le Sands**

**27 April 2021**

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED**  
**A.B.N. 42 001 044 373**

**STATEMENT OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 \$	2019 \$
<b>Revenues from ordinary activities</b>			
Revenue from sale of goods		1,352,321	3,124,722
Revenue from rendering services		35,551,971	41,681,561
Other income		2,710,192	197,059
Total revenue and other Income	2	39,614,484	45,003,342
<b>Expenses from ordinary activities</b>			
Cost of sales		(629,019)	(1,272,902)
Gaming expenses		(748,090)	(1,151,664)
Gaming taxes		(8,526,634)	(10,236,122)
Employee benefits expense		(10,900,224)	(11,664,804)
Marketing and entertainment		(463,692)	(1,544,045)
Members benefits and promotions		(1,979,219)	(3,211,307)
Other expenses		(4,874,387)	(6,691,002)
Total expenses		(28,121,265)	(35,771,846)
<b>Profit before depreciation and amortisation</b>		11,493,219	9,231,496
Depreciation and amortisation		(2,893,512)	(2,915,143)
<b>Profit before income tax</b>	3	8,599,707	6,316,353
Income tax benefit (expense)	4	216,790	84,060
<b>Profit for the year</b>		8,816,497	6,400,413
<b>Other comprehensive income</b>			
Profit/(loss) from discontinued operations	5	(2,149,804)	2,462,108
<b>Other comprehensive income for the year</b>		(2,149,804)	2,462,108
<b>Profit for the year attributable to members</b>		6,666,693	8,862,521

The accompanying notes form part of these financial statements



**CAMPSIE RSL SUB-BRANCH CLUB LIMITED**  
**A.B.N. 42 001 044 373**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2020**

	<b>Note</b>	<b>2020</b> <b>\$</b>	<b>2019</b> <b>\$</b>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	33,069,685	14,180,097
Trade and other receivables	7	7,633,803	9,131,044
Inventories	8	91,241	117,490
Current tax assets	9	22,477	75,045
Other assets	10	242,121	452,975
Total Current Assets		<u>41,059,327</u>	<u>23,956,651</u>
<b>NON-CURRENT ASSETS</b>			
Intangible assets	11	27,416,667	27,416,667
Property, plant and equipment	12	45,196,254	54,774,523
Deferred tax assets	9	573,523	356,734
Other non-current assets	10	406,233	-
Total Non-Current Assets		<u>73,592,677</u>	<u>82,547,924</u>
<b>TOTAL ASSETS</b>		<u>114,652,004</u>	<u>106,504,575</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	13	5,719,956	3,805,709
Borrowings	14	-	22,863
Short-term provisions	15	1,043,312	1,519,344
Total Current Liabilities		<u>6,763,268</u>	<u>5,347,916</u>
<b>NON-CURRENT LIABILITIES</b>			
Long-term provisions	15	585,962	520,578
Total Non-Current Liabilities		<u>585,962</u>	<u>520,578</u>
<b>TOTAL LIABILITIES</b>		<u>7,349,230</u>	<u>5,868,494</u>
<b>NET ASSETS</b>		<u>107,302,774</u>	<u>100,636,081</u>
<b>MEMBERS' EQUITY</b>			
Retained earnings		78,858,159	72,191,466
Revaluation reserve		28,444,615	28,444,615
<b>TOTAL MEMBERS' EQUITY</b>		<u>107,302,774</u>	<u>100,636,081</u>

The accompanying notes form part of these financial statements

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED**  
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**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	<b>Retained Earnings</b>	<b>Revaluation Reserve</b>	<b>Members Equity</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at 1 January 2019</b>	63,328,945	35,824,330	99,153,275
Profit for the year	6,400,413	-	6,400,413
Other comprehensive income	2,462,108	-	2,462,108
Transfer on sale of assets	-	(7,379,715)	(7,379,715)
<b>Balance at 31 December 2019</b>	<u>72,191,466</u>	<u>28,444,615</u>	<u>100,636,081</u>
Profit for the year	8,816,497	-	8,816,497
Other comprehensive income	(2,149,804)	-	(2,149,804)
<b>Balance at 31 December 2020</b>	<u><u>78,858,159</u></u>	<u><u>28,444,615</u></u>	<u><u>107,302,774</u></u>

The accompanying notes form part of these financial statements

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED**  
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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	<b>Note</b>	<b>2020</b>	<b>2019</b>
		<b>\$</b>	<b>\$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		40,718,210	49,322,651
Payments to suppliers and employees		(31,342,044)	(38,492,280)
Government subsidies		2,442,199	-
Bank interest received		155,731	90,640
Net cash provided by operating activities	16 (a)	<u>11,974,096</u>	<u>10,921,011</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant & equipment		(1,968,510)	(3,621,797)
Development costs		-	(669,067)
Proceeds from sale of property		8,906,866	-
Net cash (used in) provided by investing activities		<u>6,938,356</u>	<u>(4,290,864)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of borrowings		(22,863)	(40,616)
Net cash used in financing activities		<u>(22,863)</u>	<u>(40,616)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>18,889,589</b>	<b>6,589,531</b>
<b>Cash and cash equivalents at the beginning of year</b>		<b>14,180,097</b>	<b>7,590,566</b>
<b>Cash and cash equivalents at the end of year</b>	16 (b)	<u><b>33,069,685</b></u>	<u><b>14,180,097</b></u>

The accompanying notes form part of these financial statements

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED**  
**A.B.N. 42 001 044 373**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

The financial report is for the Campsie RSL Sub-Branch Club Limited as an individual entity, incorporated and domiciled in Australia. Campsie RSL Sub-Branch Club Limited is a company limited by guarantee.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with the requirements the Corporations Act 2001, Australian Accounting Standards – Reduced Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board.

The company is a not-for-profit entity which is not publicly accountable. Australian Accounting Standards contain requirements specific to not-for-profit entities, which set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical cost and do not consider the changing values of money, except for financial assets and financial liabilities which are measured at fair value.

The amounts presented in the financial statements are in Australian dollars (\$) and have been rounded to the nearest dollar.

**Accounting Policies**

**a) Revenue and Other Income**

Revenue is recognised at the fair value of consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid. The following specific recognition criteria must also be met before revenue is recognised:

***Sale of Goods***

Revenue from functions, catering, beverages and merchandise is recognised when the significant risks and rewards of ownership have passed to the buyer and can be reliably measured. Risks and rewards are considered passed to the buyer when goods have been delivered to the customer.

***Rendering of Services and Membership Revenue***

Revenue from gaming and services to members and patrons is recognised when services are provided.

***Interest Revenue***

Interest revenue is recognised as interest accrues taking into account the interest rates and effective yield on the financial asset.

***Rental Income***

Rental Income is accounted for on a straight line basis over the term of the lease.

***Sale of Property, Plant and Equipment***

The gain or loss on disposal of property, plant and equipment is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal (including incidental costs) and is recognised as other income at the date control of the asset passes to the buyer.

All revenue is stated net of the amount of goods and services tax (GST).

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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

**b) Inventories**

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

**c) Property Plant and Equipment**

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and any impairment losses.

***Freehold property***

Freehold land and buildings are shown at their fair value based on periodic valuations by external independent valuers, less subsequent depreciation for buildings.

In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in Statement of Changes in Equity and accumulated in the Asset Revaluation Reserve. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in the Statement of Changes of Equity and will decrease the Asset Revaluation Reserve.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings that have been contributed at no cost or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

***Core property***

Section 41J of the Registered Clubs Act requires the annual report to specify the core property and non-core property of the Club as at the end of the financial year to which the report relates.

Core property is any real property owned or occupied by the Club that comprises:

- i. the defined premises of the Club; or
- ii. any facility provided by the Club for use of its members and their guests; or
- iii. any other property declared by a resolution passed by a majority of the members present at a general meeting of Ordinary members of the Club to be core property of the Club.

but does not include any property referred to in paragraphs (i)-(iii) that is declared, by a resolution passed by a majority of the members present at a general meeting of the ordinary members of the club, not to be core property of the club.

There are restrictions on the Club's ability to dispose of core property. For example, core property can only be sold if the disposal has been approved at a general meeting of the ordinary members of the Club at which the majority of the votes cast support the approval.

Non-core property is any other property other than that referred to above as core property and any property which is declared by the members at a general meeting of ordinary members of the Club not to be core property.

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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

***Plant and equipment***

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit and loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(e) for details of impairment).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period which they are incurred.

Plant and equipment that have been contributed at no cost or for a nominal cost are recognised at the fair value of the asset at the date it is acquired.

***Residential property***

Residential property, principally comprising freehold residential land and buildings, is held for long-term rental yields and is not occupied by the company. Residential property is carried at fair value.

***Depreciation***

Property, plant and equipment are depreciated over their useful lives commencing from the time the asset is held ready for use. Buildings are depreciated using the straight line method whereas plant and equipment is depreciated using the diminishing value method. Land is not depreciated.

The depreciation rates used for each class of depreciable assets are:

<u>Class of Fixed Assets</u>	<u>Rates</u>
Buildings and Related Improvements	2% - 20%
Plant, Equipment and Furniture	3% - 40%
Poker Machines and Related Equipment	30% - 40%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

**d) Intangibles**

***Poker Machine Entitlements***

Poker machine entitlements are deemed to have an indefinite useful life and are not amortised. Instead they are tested annually for impairment.

***Other Intangibles***

Other Intangibles are deemed to have a finite useful life and are amortised over their useful lives commencing from the time the asset is held and ready for use.

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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

**e) Impairment of Assets**

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets' fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

**f) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the Statement of Financial Position.

**g) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

All other borrowing costs are recognised in the income statement over the period of the borrowings to which they relate.

**h) Employee Benefits**

Provision is made for the company's liability for employee benefits arising from services rendered by employees at balance date. Employee benefits that are expected to be settled within 1 year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the company to employee superannuation funds and are charged as expenses when incurred.

**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.

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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

**j) Leases**

Leases of assets where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the entity are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Capitalised Leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.

**k) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

***Recognition and Measurement***

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Subsequent to initial recognition these instruments are measured as set out below.

***Loans and receivables***

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

***Held-to-maturity investments***

These investments have fixed maturities, and it is the company's intention to hold these investments to maturity. Any held-to-maturity investments held by the company are stated at amortised cost using the effective interest rate method.

***Financial liabilities***

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

***Fair value***

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

***Impairment***

At each reporting date, the company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the income statement.



**CAMPSIE RSL SUB-BRANCH CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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

**l) Business Combinations**

Club amalgamations are accounted for in accordance with AASB 3 Business Combinations using the acquisition method, with transaction costs directly attributable to the amalgamation forming part of the acquisition costs.

This method involves recognising the fair values of the identifiable assets acquired and liabilities assumed. The difference between the above items and the fair value of the consideration represents either goodwill or profit on amalgamation.

**m) Goods and Services Tax (GST)**

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the balance sheet are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as a current asset or liability in the Statement of Financial Position.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**n) Income Tax**

The company is assessable for income tax on the surplus of trading with persons other than members and on investment income. Receipts from members themselves, however, are not subject to income tax being in accordance with the principle of mutuality.

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate, adjusted for permanent differences, changes in deferred tax assets and liabilities attributed to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in the income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED**  
**A.B.N. 42 001 044 373**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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

**o) Critical Accounting Estimates and Judgements**

The preparation of the financial statements require management to make estimates and judgements that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures and the disclosure of contingent liabilities.

Uncertainty about these estimates and judgements could result in outcomes that require a material adjustment to the carrying amount of assets and liabilities affected in future periods.

***Estimates and Judgements***

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Management based its estimates and judgements on historical results and the best available current information. Estimates and judgements assume a reasonable expectation of future events and are based on current trends and economic data, from internal and external sources.

***Estimation of useful life of assets***

The Company determines the estimated useful life and related depreciation and amortisation charges for its property, plant and equipment and intangible assets. Poker machine entitlements are deemed to have an indefinite useful life. The useful life of assets could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful life is less than previously estimated life, or technically obsolete or non-strategic assets that have been abandoned or sold or will be written off or written down.

***Impairment of non-financial assets***

An impairment exists when the carrying value of an asset exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset.

***Assessment of impairment and remaining useful lives of property, plant and equipment***

The Directors have considered whether any indicators of impairment exist which would require the performance of an impairment review in respect of the property, plant and equipment owned by the Club. In addition, management has considered whether the useful lives of any such assets should be revised as a result of any anticipated development. Management has determined that as at the year-end date no such indicators exist.

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

The Company has adopted all of the new and revised or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial position of the Group.

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED**  
**A.B.N. 42 001 044 373**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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

**q) Going Concern**

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

In arriving at this position, the directors have had regard to the fact that the company has, or in the directors opinion will have, access to sufficient cash to meet its debts as and when they fall due and fund its ongoing operations for a period of not that less than 12 months from the date of approval of the financial statements.

**r) Comparative Figures**

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED**  
**A.B.N. 42 001 044 373**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 \$	2019 \$
<b>NOTE 2: REVENUE AND OTHER INCOME</b>		
Bar sales	1,178,483	2,280,854
Catering sales	140,815	770,720
Showcase revenue	33,023	73,148
<b>Revenue from sale of goods</b>	<u>1,352,321</u>	<u>3,124,722</u>
Poker machine clearances	35,398,337	41,384,670
Keno and tab commissions	119,274	222,963
Government rebate	34,360	73,928
<b>Revenue from rendering services</b>	<u>35,551,971</u>	<u>41,681,561</u>
Members subscriptions	48,417	40,921
Interest received	155,731	90,640
Sundry income and rebates	63,845	65,498
Government cashflow boost	100,000	-
Payroll tax rebate	118,649	-
Jobkeeper subsidy	2,223,550	-
<b>Other income</b>	<u>2,710,192</u>	<u>197,059</u>
<b>Total revenue and other income</b>	<u>39,614,484</u>	<u>45,003,342</u>

**NOTE 3: RESULT FOR THE YEAR**

The result from ordinary activities before income tax includes the following specific expenses:

Cost of sales	<u>629,019</u>	<u>1,272,902</u>
Cost of rendering services	<u>9,274,724</u>	<u>11,387,786</u>
Donations (CDSE)	<u>593,737</u>	<u>1,125,673</u>
Depreciation and amortisation:	<u>2,893,512</u>	<u>2,915,143</u>

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED**  
**A.B.N. 42 001 044 373**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 \$	2019 \$
<b>NOTE 4: INCOME TAX</b>		
a) The components of tax benefit (expense) comprise:		
Current tax	-	-
Deferred tax	216,790	84,060
	<u>216,790</u>	<u>84,060</u>
b) The prima facie tax payable on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:		
Prima facie tax payable on profit from ordinary activities	2,579,912	1,894,906
Less tax effect of net profit attributed to members	(2,325,799)	(1,832,799)
Adjust for tax effect of:		
- movement in other provisions	(11,672)	6,800
- movement in leave provisions	(25,651)	15,153
	<u>216,790</u>	<u>84,060</u>

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED**  
**A.B.N. 42 001 044 373**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 \$	2019 \$
<b>NOTE 5: DISCONTINUED OPERATIONS</b>		
<b>Operating Losses</b>		
i) Belmore RSL ceased operations on 31 January 2020. The loss from discontinued operations is included in Other Comprehensive Income.	(76,273)	-
ii) Chester Hill Bowling Club ceased operations on 27 October 2020. The loss from discontinued operations is included in Other Comprehensive Income.	(360,559)	-
<b>Sale of Club Property</b>		
i) On 9 December 2020, the Club exchanged contracts for the sale of Curtis Road Chester Hill. The loss on sale is included in Other Comprehensive Income.	(1,687,929)	-
ii) On 12 December 2020, the Club exchanged contracts for the sale of Biara Street Chester Hill. The loss on sale is included in Other Comprehensive Income.	(25,043)	-
iii) On 10 October 2019, the Club exchanged contracts for the sale of Burwood Road Belmore. The gain on sale is included in Other Comprehensive Income.	-	6,276,978
<b>Development Costs</b>		
Development costs which were previously capitalised have been expensed and included in Other Comprehensive Income. It has been determined that the development is unlikely to proceed in the foreseeable future.	-	(3,814,870)
	<u>(2,149,804)</u>	<u>2,462,108</u>

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED**  
**A.B.N. 42 001 044 373**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 \$	2019 \$
<b>NOTE 6: CASH AND CASH EQUIVALENTS</b>		
<b>CURRENT</b>		
Cash on hand	2,450,000	2,220,000
Cash at bank	7,619,685	4,460,097
Cash at bank - Notice Saver Account	23,000,000	7,500,000
	<u>33,069,685</u>	<u>14,180,097</u>
<b>NOTE 7: TRADE AND OTHER RECEIVABLES</b>		
<b>CURRENT</b>		
Trade receivables	99,451	23,624
Security deposits	60,953	50,953
Other receivables	119,648	149,601
Sundry debtors	7,353,751	8,906,866
	<u>7,633,803</u>	<u>9,131,044</u>
<b>NOTE 8: INVENTORIES</b>		
<b>CURRENT</b>		
Finished goods - at cost	<u>91,241</u>	<u>117,490</u>
<b>NOTE 9: TAX ASSETS</b>		
<b>CURRENT</b>		
Income tax refundable	<u>22,477</u>	<u>75,045</u>
<b>NON-CURRENT</b>		
Deferred tax assets	<u>573,523</u>	<u>356,734</u>
<b>NOTE 10: OTHER ASSETS</b>		
<b>CURRENT</b>		
Prepayments	<u>242,121</u>	<u>452,975</u>
<b>NON-CURRENT</b>		
Loans to related parties	<u>406,233</u>	<u>-</u>
<b>NOTE 11: INTANGIBLE ASSETS</b>		
Poker machine licences - at cost	5,550,438	5,550,438
Add revaluation increment	21,866,229	21,866,229
Poker machine licences - at directors valuation	<u>27,416,667</u>	<u>27,416,667</u>

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED**  
**A.B.N. 42 001 044 373**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**NOTE 12: PROPERTY, PLANT AND EQUIPMENT**

	2020 \$	2019 \$
Club land and buildings		
At independent valuation	18,085,456	25,617,881
Investment Property		
At independent valuation	17,172,358	17,920,000
Property improvements	314,944	437,391
Less accumulated depreciation	(17,775)	(6,766)
	297,169	430,625
Leasehold improvements - at cost	3,050,801	2,257,393
Less accumulated depreciation	(213,437)	(95,812)
	2,837,364	2,161,580
Plant and equipment - at cost	6,469,905	6,933,653
Less accumulated depreciation	(3,177,409)	(3,072,695)
	3,292,496	3,860,958
Furniture, fixtures and fittings - at cost	444,518	730,424
Less accumulated depreciation	(324,578)	(515,774)
	119,940	214,650
Poker machines and related equipment - at cost	9,811,355	10,310,555
Less accumulated depreciation	(6,569,617)	(6,130,386)
	3,241,738	4,180,169
Motor vehicles - at cost	234,138	623,811
Less accumulated depreciation	(84,405)	(235,151)
	149,733	388,661
Total property, plant and equipment	45,196,254	54,774,523

Pursuant to Section 41J of the Registered Clubs Act, the club land and buildings located at 25 Anglo Road, Campsie NSW are classified as core property of the club for the financial year ended 31 December 2020.



**CAMPSIE RSL SUB-BRANCH CLUB LIMITED**  
**A.B.N. 42 001 044 373**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**NOTE 12: PROPERTY, PLANT AND EQUIPMENT (continued)**

	2020 \$	2019 \$
<b>Movement in Carrying Amounts</b>		
Movement in the carrying amounts for each class of property, plant and equipment between the beginning and end of the current financial year are set out below:		
<u>Club Land and Buildings</u>		
Carrying amount at the beginning of year	25,617,881	36,020,000
Disposals	(6,942,550)	(9,685,475)
Depreciation Expense	(589,875)	(716,644)
Carrying amount at end of year	<u>18,085,456</u>	<u>25,617,881</u>
<u>Investment Property</u>		
Carrying amount at the beginning of year	17,920,000	17,920,000
Disposal	(747,642)	-
Carrying amount at end of year	<u>17,172,358</u>	<u>17,920,000</u>
<u>Property Improvements</u>		
Carrying amount at the beginning of year	430,625	-
Additions	149,756	437,391
Disposal	(265,437)	-
Depreciation Expense	(17,775)	(6,766)
Carrying amount at end of year	<u>297,169</u>	<u>430,625</u>
<u>Leasehold Improvements</u>		
Carrying amount at the beginning of year	2,161,580	1,551,715
Additions	793,408	691,164
Depreciation Expense	(117,625)	(81,299)
Carrying amount at end of year	<u>2,837,363</u>	<u>2,161,580</u>

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED**  
**A.B.N. 42 001 044 373**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**NOTE 12: PROPERTY, PLANT AND EQUIPMENT (continued)**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<u>Plant and Equipment</u>		
Carrying amount at the beginning of year	3,860,958	4,036,147
Additions	563,102	842,797
Disposals	(370,219)	(220,026)
Depreciation Expense	(761,345)	(797,960)
Carrying amount at end of year	<u>3,292,496</u>	<u>3,860,958</u>
<u>Furniture, Fixtures and Fittings</u>		
Carrying amount at the beginning of year	214,649	235,195
Additions	5,904	94,611
Disposals	(41,061)	(55,719)
Depreciation Expense	(59,552)	(59,438)
Carrying amount at end of year	<u>119,940</u>	<u>214,649</u>
<u>Poker Machines and Equipment</u>		
Carrying amount at the beginning of year	4,180,169	4,130,476
Additions	397,007	1,423,149
Disposals	(62,759)	(195,878)
Depreciation Expense	(1,272,680)	(1,177,578)
Carrying amount at end of year	<u>3,241,737</u>	<u>4,180,169</u>
<u>Motor Vehicles</u>		
Carrying amount at the beginning of year	388,661	331,434
Additions	59,333	132,685
Disposal	(223,600)	-
Depreciation Expense	(74,660)	(75,458)
Carrying amount at end of year	<u>149,734</u>	<u>388,661</u>
<u>Totals</u>		
Carrying amount at beginning of year	54,774,524	64,224,967
Additions	1,968,510	3,621,797
Disposals	(8,653,267)	(10,157,098)
Depreciation Expense	(2,893,512)	(2,915,143)
Carrying amount at end of year	<u>45,196,254</u>	<u>54,774,524</u>

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED**  
**A.B.N. 42 001 044 373**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**NOTE 13: TRADE AND OTHER PAYABLES**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>CURRENT</b>		
Unsecured liabilities:		
Trade payables	1,139,319	1,989,934
Accrued expenses	133,158	42,373
CDSE scheme	(244,496)	124,681
Fringe benefits tax	473,005	(5,251)
Goods and services tax	955,504	316,852
Payroll tax	28,358	58,097
Poker machine duty	3,128,515	1,170,630
Members subscriptions in advance	106,593	108,393
	<u>5,719,956</u>	<u>3,805,709</u>

**NOTE 14: BORROWINGS**

<b>CURRENT</b>		
Finance lease liability within 1 year	<u>-</u>	<u>22,863</u>

**NOTE 15: PROVISIONS**

<b>Short-term</b>		
Employee entitlements	960,483	1,174,966
Gaming provisions	82,829	344,378
	<u>1,043,312</u>	<u>1,519,344</u>
<b>Long-term</b>		
Employee entitlements	490,612	424,028
Mortality fund	95,350	96,550
	<u>585,962</u>	<u>520,578</u>

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**NOTE 16: CASH FLOW INFORMATION**

	2020	2019
	\$	\$
<b>16 (a) Reconciliation of cash flow from operations with profit after income tax:</b>		
Profit after income tax	8,816,497	6,400,413
Loss on discontinued operations	436,832	-
Non-cash flows in profit:		
Depreciation and amortisation	2,893,512	2,915,143
Loss on disposal of assets	154,247	210,729
Changes in assets and liabilities:		
Decrease/(increase) in receivables	(1,497,241)	3,297
Decrease/(increase) in inventories	26,249	20,007
Decrease/(increase) tax assets	(164,221)	(71,158)
Decrease/(increase) in other assets	(195,379)	20,908
Increase/(decrease) in payables	1,914,248	815,544
Increase/(decrease) in provisions	(410,648)	606,127
Net cash provided by (used in) operating activities	<u>11,974,096</u>	<u>10,921,010</u>

**16 (b) Reconciliation of cash**

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash	<u>33,069,685</u>	<u>14,180,097</u>
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**NOTE 17: POKER MACHINE ENTITLEMENTS**

The company acknowledges that poker machine entitlements have a value. The value of these entitlements is the market value determined by the trading of such entitlements. The current market value is estimated by the directors to be \$73,503 for each entitlement. The club currently has three hundred and seventy three (373) poker machine entitlements.

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED**  
**A.B.N. 42 001 044 373**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**NOTE 18: RELATED PARTY TRANSACTIONS**

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

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

**Key Management Personnel**

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

<u>Compensation by category</u>	<b>2020</b>	<b>2019</b>
	\$	\$
<b><i>Directors:</i></b>		
Directors honorariums and expenses	65,286	130,120
<b><i>Senior Management:</i></b>		
Short term employment benefits	3,303,227	2,201,030
Post employment benefits	160,314	161,481
Total Remuneration	<u>3,528,826</u>	<u>2,492,631</u>

**Directors**

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

**Senior Management**

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

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED**  
**A.B.N. 42 001 044 373**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**NOTE 19: CONTINGENT LIABILITIES**

***Mortality Fund***

A contingent liability exists in respect of members of the company who are entitled to benefits under the company's mortality fund. An amount of \$95,350 has been provided for in the financial report (refer Note 15) to meet this obligation. The number of members entitled at year end were 360 (2019: 364).

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

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

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

**NOTE 21: EVENTS SUBSEQUENT TO REPORTING DATE**

There are no other matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company as at 31 December 2020.

**NOTE 22: MEMBERS GUARANTEE**

The company is limited by guarantee. If the company is wound up, the Articles of Association state that each member is required to contribute a maximum of \$2 each towards meeting the outstanding obligations of the company. At 31 December 2020 the number of members was 24,221 (2019: 21,799).

**NOTE 23: COMPANY DETAILS**

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

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED**  
**A.B.N 42 001 044 373**

**DIRECTORS' DECLARATION**

In accordance with a resolution of the directors of Campsie RSL Sub-Branch Club Limited, we state that:

In the opinion of the directors:

- a. the financial statements and notes of Campsie RSL Sub-Branch Club Limited for the financial year ended 31 December 2020 are 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 performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and Corporations Regulations 2001;
- b. there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the board

Director  Mr Neville Moloney

Director  Mr Gordon Brian

**Dated: 27 April 2021 at Chester Hill**

**CAMPSIE RSL SUB-BRANCH CLUB LIMITED**  
**A.B.N. 42 001 044 373**

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

We have audited the accompanying financial report of Campsie RSL Sub-Branch Club Limited, which comprises the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

***Directors' responsibility for the financial report***

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

***Auditor's responsibility***

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

***Independence***

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Campsie RSL Sub-Branch Club Limited, would be in the same terms if given to the directors as at the time of this auditor's report.



**CAMPSIE RSL SUB-BRANCH CLUB LIMITED**  
**A.B.N. 42 001 044 373**

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

***Auditor's Opinion***

In our opinion, the financial report of Campsie RSL Sub-Branch Club Limited is in accordance with the Corporations Act 2001, including:

- (i). Giving a true and fair view of the financial position of Campsie RSL Sub-Branch Club Limited as at 31 December 2020 and of its financial performance for the year ended on that date; and
- (ii). complying with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Regulations 2001.

**D.A STRATI & ASSOCIATES**  
Certified Practising Accountants

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

**Domenic Strati**  
**Brighton Le Sands**

**27 April 2021**

