

GLADESVILLE RSL AND COMMUNITY CLUB LIMITED
ABN 12 000 977 926

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

GLADESVILLE RSL AND COMMUNITY CLUB LIMITED
ABN 12 000 977 926

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FOR THE YEAR ENDED 31 DECEMBER 2023

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GLADESVILLE RSL AND COMMUNITY CLUB LIMITED
ABN 12 000 977 926

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

The directors present their report, together with the financial statements of the Company, being Gladesville RSL and Community Club Limited ('the Company') for the financial year ended 31 December 2023.

Directors

The names of the directors in office at any time during, or since the end of the year were:

Names	Occupation	Appointed
J. Butt - President	Retired – Public Servant	30 November 1993
R. Mavin - Vice President	Retired – Fleet Manager	23 November 2016
J. Robertson	Public Servant, Company Director Mediator	19 March 2000
L. Cornwell	Accounts Manager	22 April 2009
M. Lyndon	Public Servant	28 October 2015
P. Astridge OAM	Retired Managing Director & Local Gov. Councillor	22 January 2020
L. Shepherd	Managing Director	9 November 2022
S. Langdon	Business Owner	15 July 2023

L. Shepherd resigned as a director on 10 July 2023. P.Astridge OAM passed away on the 10 February 2024.

Company secretary

H. Olyayani has been the company secretary since 14 March 2023.

Principal activities

The principal activity of the the Company during the financial year remained unchanged and was that of a licensed club and operator of the Gladesville RSL Youth Club.

No significant change in the nature of these activities occurred during the year.

Short term objectives

The short term organisational objective is to ensure profitability while maintaining current debt levels through the provisions of high quality facilities within a secure, friendly and professional environment for our members and guests. This will allow the company to continue supporting the needs of our community.

Long term objectives

The long term organisational objective is to provide enhanced facilities to members and guests. The Board of Directors' and Management will continue to review our progress and amend where necessary.

Strategy for achieving the objectives

The primary strategies for achieving these objectives is sound financial management through the use of relevant budgets and cash flows that are continually monitored and measured with key performance indicators (KPIs) and ratio analysis.

How principal activities assisted in achieving the objectives

The principal activities assisted in achieving its objectives by generating revenue to fund first class facilities to members.

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

Performance measures and key performance indicators ('KPIs')

A number of KPIs are analysed in order to measure the performance of the business. These include EBITDA, gross profits percentages, expenses to sales percentages, current ratio, debt and other ratios. These results are incorporated into a financial report that is reviewed by Management and the Board of Directors monthly.

Dividends

The Company is limited by guarantee and is prohibited from paying dividends.

Operating results

The loss of the Company amounted to \$ (4,021,178) (2022: \$ 441,641 profit).

Significant changes in state of affairs

There have been no significant changes in the state of affairs of entities in the Company during the year.

Events after the reporting date

No 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

Disclosure of information in relation to likely developments in the operations of the Company and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the company.

Environmental issues

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Meetings of directors

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

Directors' Meetings	
Number eligible to attend	Number attended
J. Butt - President	12
J. Robertson	11
R. Mavin - Vice President	12
L. Cornwell	11
M. Lyndon	12
P. Astridge OAM	12
L. Shepherd	6
S. Langdon	6

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

Indemnification and insurance of officers and auditors

During the financial year the company paid a premium to insure certain officers of the company. The officers of the company covered include the Directors and General Manager. The liabilities covered include the costs incurred in defending civil or criminal proceedings that may be brought against officers in their capacity as officers of the company. Disclosure of the premium amount and nature of liabilities covered is prohibited by a confidentiality clause in the policy.

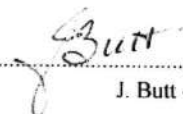
Except for the above, the company has not, during or since the end of the financial year, in respect of any person who is or has been an officer or auditor of the company or of a related body corporate:

- indemnified or made any relevant agreement for indemnifying against a liability, including costs and expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against a liability for the costs or expenses to defend legal proceedings.

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 4 of the financial report.

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

Director: 
J. Butt - President

Director: 
R. Mavin - Vice President

Dated: 27-3-24



The Board of Directors
Gladesville R.S.L. & Community Club Limited
4 Linsley Street
GLADESVILLE NSW 2111

Dear Board Members

**Lead Auditor's Independence Declaration to the Directors of
Gladesville R.S.L. & Community Club Limited**

In relation to our audit of the financial report of Gladesville R.S.L. & Community Club Limited for the year ended 31 December 2023, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

V J RYAN & CO
Chartered Accountants

Level 5
255 George Street
SYDNEY NSW 2000

Peter D Wyer
Partner

Dated at Sydney:

GLADESVILLE RSL AND COMMUNITY CLUB LIMITED
ABN 12 000 977 926

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023

	2023	2022
Note	\$	\$
REVENUE		
Sale of Goods	1,007,510	568,738
Gaming Revenue	4,744,357	4,897,288
Member Subscriptions	-	709
Rental Income	180,299	3,253
Bank Interest	7,907	5,374
JobKeeper Funding	3,722	10,567
Youth Club Activities	33,935	41,540
Bingo, Raffles & Promotions	76,876	59,446
Commissions	70,000	45,129
	<u>6,124,606</u>	<u>5,632,044</u>
EXPENDITURE		
Cost of Sales	(410,257)	(231,014)
Direct Costs Attributable to Trading Revenue	(1,748,724)	(1,633,833)
Administrative, Member, Facility and Other Expense	(2,799,356)	(2,299,905)
	<u>(4,958,337)</u>	<u>(4,164,752)</u>
PROFIT BEFORE DEPRECIATION, FINANCE COSTS AND INCOME TAX EXPENSE		
	1,166,269	1,467,292
Scrapping of Development Costs	(3,885,080)	-
Depreciation	(1,158,296)	(927,824)
Finance Costs	(144,071)	(97,827)
	<u>(4,021,178)</u>	<u>441,641</u>
(LOSS) / PROFIT BEFORE INCOME TAX		
Income tax (expense)	5	-
	<u>(4,021,178)</u>	<u>441,641</u>
LOSS / (PROFIT) FOR THE YEAR		
	<u>(4,021,178)</u>	<u>441,641</u>
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified subsequently to profit or loss	-	-
Items that will be reclassified to profit or loss when specific conditions are met	-	-
	<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		
	<u>(4,021,178)</u>	<u>441,641</u>

The accompanying notes form part of these financial statements.

GLADESVILLE RSL AND COMMUNITY CLUB LIMITED
ABN 12 000 977 926

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

	2023	2022
Note	\$	\$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	7 1,493,635	1,152,671
Trade and other receivables	8 17,903	39,665
Inventories	9 31,654	18,784
Other assets	10 115,749	176,234
TOTAL CURRENT ASSETS	1,658,941	1,387,354
NON-CURRENT ASSETS		
Property, plant and equipment	12 10,732,983	15,025,178
Intangible assets	11 534,003	534,003
TOTAL NON-CURRENT ASSETS	11,266,986	15,559,181
TOTAL ASSETS	12,925,927	16,946,535
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	13 277,956	721,388
Borrowings	14 166,668	2,367,286
Provisions	15 261,073	313,456
TOTAL CURRENT LIABILITIES	705,697	3,402,130
NON-CURRENT LIABILITIES		
Trade and other payables	13 429,895	232,023
Borrowings	14 2,495,988	-
Provisions	15 10,105	6,962
TOTAL NON-CURRENT LIABILITIES	2,935,988	238,985
TOTAL LIABILITIES	3,641,685	3,641,115
NET ASSETS	9,284,242	13,305,420
EQUITY		
Member's Funds	-	-
Reserves	16,767	16,767
Retained earnings	9,267,475	13,288,653
TOTAL EQUITY	9,284,242	13,305,420

The accompanying notes form part of these financial statements.

GLADESVILLE RSL AND COMMUNITY CLUB LIMITED
ABN 12 000 977 926

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023

2023

	Ordinary Shares	Retained Earnings	Asset Realisation Reserve	Total
	\$	\$	\$	\$
Balance at 1 January 2023	-	13,288,653	16,767	13,305,420
Loss for the year	-	(4,021,178)	-	(4,021,178)
Other comprehensive income				
Mortality Fund	-	-	-	-
Balance at 31 December 2023	-	9,267,475	16,767	9,284,242

2022

	Ordinary Shares	Retained Earnings	Asset Realisation Reserve	Total
	\$	\$	\$	\$
Balance at 1 January 2022	-	12,847,012	16,767	12,863,779
Profit for the year	-	441,641	-	441,641
Other comprehensive income				
Mortality Fund	-	-	-	-
Balance at 31 December 2022	-	13,288,653	16,767	13,305,420

The accompanying notes form part of these financial statements.

GLADESVILLE RSL AND COMMUNITY CLUB LIMITED
ABN 12 000 977 926

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

	2023	2022
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from Members & Visitors	5,983,117	5,494,397
Payments to Suppliers and Employees	(5,232,922)	(4,515,952)
Interest Received	7,907	5,374
Interest paid	(144,071)	(97,827)
Rent Received	180,299	3,253
Net Cash Provided by Operating Activities	794,330	889,245
	19	
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for Property, Plant and Equipment	(748,736)	(4,352,117)
Net Cash (used in) Investing Activities	(748,736)	(4,352,117)
Repayment of borrowings	(204,630)	(280,657)
Proceeds from borrowings	500,000	-
Net cash (used in) financing activities	295,370	(280,657)
Net increase/(decrease) in cash and cash equivalents held	340,964	(3,743,529)
Cash and cash equivalents at beginning of year	1,152,671	4,896,200
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	1,493,635	1,152,671
	7	

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1 Corporate Information

The financial report covers Gladesville RSL and Community Club Limited ('the Company'). Gladesville RSL and Community Club Limited is a Company, incorporated and domiciled in Australia.

The Company prepares the financial statements based on the currency of the primary economic environment in which the entity operates (functional currency). The financial statements are presented in Australian dollars which is the Company's functional and presentation currency.

Comparatives are consistent with prior years, unless otherwise stated.

2 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the *Australian Accounting Standards - Simplified Disclosures* (including *Australian Accounting Interpretations* adopted by the *Australian Accounting Standards Board (AASB)* and the *Corporations Act 2001*. The Company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements, except for the cash flow information 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. *Australian Accounting Standards* 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 stated otherwise. All amounts are presented in Australian dollars and have been rounded to the nearest dollar.

3 Summary of Material Accounting Policies

(a) Revenue

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

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.

Gaming revenue

Gaming revenue is the net difference between gaming wins and losses, and is recognised at a point in time upon the outcome of the game.

Beverage revenue

Beverage revenue is recognised at a point in time as the goods are provided.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

3 Summary of Material Accounting Policies (Continued)

(a) Revenue (Continued)

Youth Club

Revenue from Youth club activities is recognised at a point in time when the customer participates in the class.

Subscriptions

Subscription revenue is recognised on a receipts basis.

Other income

Interest revenue is recognised as it accrues. The gain or loss on disposal of an asset is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal and is included as revenue at the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed. All other income is recognised on an accruals basis when the Company is entitled to it.

(b) Income Tax

The Company is subject to income tax on its investment income and on the income derived from non-members, less all allowable deductions applicable to this assessable income. Income derived from members is not subject to income tax in accordance with the principle of mutuality.

It is therefore inappropriate to compare income tax payable with net income disclosed in the Statement of Profit or Loss and Other Comprehensive Income. There are no material temporary differences.

(c) Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash on hand and at bank, together with short-term deposits with an original maturity of six months or less that are readily convertible to known cash amounts subject to insignificant risk of changes in value.

(d) Leases

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.

(e) Trade and other receivables

The collectability of debts are assessed at the reporting date and specific provision is made for any impairments.

(f) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned to inventories on an average cost basis.

(g) Property, plant and equipment

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

Freehold land and buildings

Freehold land and buildings are shown at cost, less subsequent depreciation for buildings. In periods when the freehold land and buildings are not subject to an independent valuation, the Board conduct their own valuations and assessments to ensure the carrying amount of land and buildings is not materially different to the fair value.

Costs incurred on the development of property are capitalised on the basis that probable economic benefits will be derived. These amounts are carried at cost, less any recognised impairment losses. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

3 Summary of Material Accounting Policies (Continued)

(g) Property, plant and equipment (Continued)

Plant, equipment and poker machines

These assets 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 these assets is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised. A formal assessment of recoverable amount is made when impairment indicators are present.

Depreciation

Depreciation is calculated on a combination of prime cost and diminishing value basis over the estimated useful life of the asset as follows:

Fixed asset class	Useful life
Buildings	40 years
Bar Plant & Equipment	5 to 25 years
Leasehold improvements	5-25 years
Poker machines	3-5 years

The estimated useful lives, residual values and depreciation methods are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

(h) Intangible assets

Intangible assets are stated at cost. Intangible assets have indefinite useful lives and are not amortised. The useful life of intangibles are reviewed at each financial year end and adjusted if appropriate.

(i) Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information. Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

(j) Impairment of non-financial assets

At the end of each reporting period, the Company assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, (being the higher of the asset's fair value less costs to sell and value in use), to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Impairment testing is performed annually for intangible assets with indefinite lives.

(k) Trade and other payables

Trade and other payables represent the liabilities for goods and services received by the company during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(l) Employee Entitlements

Provision is made for entitlements accruing to employees in relation to wages, salaries, annual leave, long service leave and other benefits where the Company has a present obligation to pay resulting from employees' services provided up to reporting date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

3 Summary of Material Accounting Policies (Continued)

(l) Employee Entitlements (Continued)

- Wages, salaries and annual leave – Liabilities for employee benefits for wages, salaries and annual leave are expected to be settled within 12 months of year-end. The provision has been calculated at current wage and salary rates including related on-costs. Sick leave is expensed as incurred.
- Long Service Leave – The liability for employee benefits for long service leave represents the present value of the estimated future cash outflows to be made resulting from employees' services provided up to reporting date. The portion of the long service leave liability not expected to be settled within 12 months is discounted using the rates applicable to national government securities at reporting date, which most closely match the terms of maturity of the related liability.
- Superannuation – Superannuation contributions by the Company on a defined basis to an employee superannuation fund are charged as expenses when incurred. The Company has no legal obligation to provide benefits to employees on retirement.

(m) 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.

(n) Provisions

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

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

(o) 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.

(p) Critical accounting estimates and judgments

The Board evaluates estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company. Estimates and underlying assumptions are reviewed on an ongoing basis.

GLADESVILLE RSL AND COMMUNITY CLUB LIMITED
ABN 12 000 977 926

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

4 Expenses

(a) Employee Benefits Expense

	2023	2022
	\$	\$
Salaries and Wages	1,730,330	1,411,292
Workers Compensation	37,497	18,741
Superannuation	236,226	205,674
Total	2,004,053	1,635,707

5 Income Tax Expense

(a) Reconciliation of income tax to accounting profit:

Accounting Profit	(4,021,178)	441,641
Tax	25.00 %	25.00 %
At the Statutory Rate of 25% (2022: 25%)	(1,005,295)	110,410
Mutuality Adjustments	1,005,295	(110,410)
	-	-

GLADESVILLE RSL AND COMMUNITY CLUB LIMITED
ABN 12 000 977 926

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

6 Auditors' Remuneration

	2023	2022
	\$	\$
Remuneration of the auditor - V J Ryan & Co for:		
- auditing or reviewing the financial statements	30,250	30,250
- other services – Tax Compliance & Accounting Services	2,850	-
	<u>33,100</u>	<u>30,250</u>

7 Cash and Cash Equivalents

Cash on hand	250,000	200,000
Cash at Bank	206,454	193,129
Short Term Deposits	1,037,181	759,542
	<u>1,493,635</u>	<u>1,152,671</u>

8 Trade and Other Receivables

CURRENT

GST receivable	-	39,296
Trade Debtors	17,903	369
	<u>17,903</u>	<u>39,665</u>

9 Inventories

CURRENT

At cost:

Bar Stock	31,654	18,784
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10 Other Assets

CURRENT

Prepayments	115,749	176,234
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11 Intangible Assets

Poker Machine Entitlements At Cost	534,003	534,003
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GLADESVILLE RSL AND COMMUNITY CLUB LIMITED
ABN 12 000 977 926

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

12 Property, Plant and Equipment

	2023	2022
	\$	\$
Youth Club Development Work in Progress		
Youth Club Building	10,098	3,889,832
	<u>10,098</u>	<u>3,889,832</u>
Club Development Work in Progress		
Club Renovation Building in Progress	1,800	3,793,438
	<u>1,800</u>	<u>3,793,438</u>
Freehold Land & Building		
Freehold Land & Building	984,102	984,102
Accumulated depreciation	(604,330)	(582,163)
	<u>379,772</u>	<u>401,939</u>
Freehold Improvements		
At cost	7,527,728	4,168,808
Accumulated depreciation	(525,019)	(285,120)
	<u>7,002,709</u>	<u>3,883,688</u>
Administrative Furniture, Plant & Equipment		
At cost	148,139	130,572
Accumulated depreciation	(106,431)	(84,964)
	<u>41,708</u>	<u>45,608</u>
Poker Machines		
At cost	4,180,240	3,950,450
Accumulated depreciation	(3,415,099)	(2,946,537)
	<u>765,141</u>	<u>1,003,913</u>
Youth Centre Plant & Equipment		
At cost	141,556	141,556
Accumulated depreciation	(89,595)	(80,086)
	<u>51,961</u>	<u>61,470</u>
Members Amenities		
At cost	459,174	457,030
Accumulated depreciation	(134,093)	(74,510)
	<u>325,081</u>	<u>382,520</u>
Bar Plant & Equipment		
At cost	586,801	291,801
Accumulated depreciation	(127,785)	(76,661)
	<u>459,016</u>	<u>215,140</u>

GLADESVILLE RSL AND COMMUNITY CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

12 Property, Plant and Equipment (Continued)

	2023	2022
	\$	\$
Occupancy Furniture Plant & Equipment		
At cost	3,171,612	2,540,005
Accumulated depreciation	(1,507,991)	(1,234,885)
	<u>1,663,621</u>	<u>1,305,120</u>
Kitchen Furniture Plant & Equipment		
At cost	131,784	131,784
Accumulated depreciation	(99,708)	(89,274)
	<u>32,076</u>	<u>42,510</u>
Total Property, Plant and Equipment	<u>10,732,983</u>	<u>15,025,178</u>

The company had capitalised costs to the value of \$3,889,832 in relation to obtaining a DA and associated finance to build a retirement village on the site of the Youth Club.

It was agreed subsequently by the board that the company would obtain a better financial return from building an apartment block which is currently under construction on the same Youth Club site. This is viewed as a seerate project and as a result the Board have agreed to write off all costs associated with the retirement village as an impairment loss during the year.

(a) 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:

	Youth Club Building Development Work in Progress	Freehold Land & Building	Freehold Improvements	Occupancy Furniture Plant & Equipment
	\$	\$	\$	\$
Year ended 31 December 2023				
Carrying amount	3,889,832	401,939	3,883,688	1,305,120
Additions	10,098	-	3,358,919	631,607
Depreciation expense	-	(22,167)	(239,898)	(273,106)
Impairment loss	(3,889,832)	-	-	-
Transfers to Assets	-	-	-	-
Balance at the end of the year	<u>10,098</u>	<u>379,772</u>	<u>7,002,709</u>	<u>1,663,621</u>

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2023

12 Property, Plant and Equipment (Continued)

(a) Movements in Carrying Amounts (Continued)

	Bar Plant & Equipment \$	Kitchen Furniture Plant & Equipment \$	Members Amenities \$	Youth Centre Plant & Equipment \$
Year ended 31 December 2023				
Carrying amount				
Additions	215,140	42,510	382,520	61,470
Depreciation expense	295,000	-	2,145	-
Impairment loss	(51,124)	(10,434)	(59,584)	(9,509)
Transfers to Assets	-	-	-	-
	-	-	-	-
Balance at the end of the year	459,016	32,076	325,081	51,961

	Administrative Furniture, Plant & Equipment \$	Poker Machines \$	Club Renovation Building in Progress \$	Total \$
Year ended 31 December 2023				
Carrying amount				
Additions	45,608	1,003,913	3,793,438	15,025,178
Depreciation expense	17,568	229,790	1,800	4,546,927
Impairment loss	(21,468)	(468,562)	-	(1,155,852)
Transfers to Assets	-	-	-	(3,889,832)
	-	-	(3,793,438)	(3,793,438)
Balance at the end of the year	41,708	765,141	1,800	10,732,983

(b) Valuation

The Club premises at 4-6 Linsley Street, Gladesville was assessed at \$11,500,000 on the basis of fair value of land and improvements under AASB116: Property, Plant and Equipment on 17 October 2014 by Australian Valuation Group Pty Ltd completed by Aaron Campbell AAPI, MRICS, Certified Practising Valuer, Registered Valuer No. 30207. The property at 8 Western Crescent, Gladesville was assessed at \$11,050,000 at market value "as is" on 18 December 2018 by Alex Bourne a Certified Practising Valuer of CBRE Valuations Pty Ltd. These valuations have not been reflected in the financial statements as the properties are included at cost.

GLADESVILLE RSL AND COMMUNITY CLUB LIMITED
ABN 12 000 977 926

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

13 Trade and Other Payables

	2023	2022
	\$	\$
CURRENT		
Trade Creditors & Accruals	154,324	668,207
GST payable	84,813	-
PAYG Payable	32,293	29,265
Poker Machine Points	5,150	22,501
Gladesville Reward Vouchers	1,376	1,415
	<u>277,956</u>	<u>721,388</u>
NON-CURRENT		
Trade Creditors	429,895	232,023
	<u>429,895</u>	<u>232,023</u>

14 Borrowings

CURRENT

CBA Renovation Loan	166,668	2,287,657
CBA Development Loan	-	79,629
	<u>166,668</u>	<u>2,367,286</u>

NON-CURRENT

CBA Working Capital	500,000	-
CBA Renovation Loan	1,995,988	-
	<u>2,495,988</u>	<u>-</u>

Summary of borrowings

The CBA renovation loan was renewed during the year and now matures on the 28 February 2026 and is payable in full at this date. Repayments of \$41,667 are paid quarterly at the reset date with the variable interest rate set at the BBSY plus any interest rate risk amount determined by the bank. The working capital loan is a variable interest only loan for a term of three years (2026) with monthly payments at 6.96% interest rate.

Defaults and breaches

During the current and prior year, there were no defaults or breaches on any of the loans.

15 Provisions

CURRENT

Provision for Long Service Leave	116,156	148,926
Provision for Annual Leave	144,917	164,530
	<u>261,073</u>	<u>313,456</u>

NON-CURRENT

Provision for Long Service Leave	10,105	6,962
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

16 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 \$ 1 each towards meeting any outstanding and obligations of the Company. At 31 December 2023 the number of members was 8,324 (2022: 5,150).

17 Key Management Personnel Disclosure

The key management personnel include the directors as disclosed in the Directors' Report together with the General Manager.

Short-term employee benefits	<u>213,474</u>	<u>304,490</u>
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18 Contingencies

There exists a contingent liability relating to Members' entitlements under the Mortality Fund. As at 31 December 2023 the full potential of such claims upon the death of members amounts to \$18,253 (2022: \$18,400).

19 Cash Flow Information

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

	2023	2022
	\$	\$
Profit / (Loss) for the year	(4,021,178)	441,641
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	1,155,853	925,954
- impairment of property, plant and equipment	3,885,080	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	46,720	(129,022)
- (increase)/decrease in other assets	60,484	(68,907)
- (increase)/decrease in inventories	(12,870)	(1,593)
- increase/(decrease) in trade and other payables	(270,519)	(296,413)
- increase/(decrease) in provisions	(49,240)	17,585
Cashflows from operations	<u>794,330</u>	<u>889,245</u>

20 Events after the end of the Reporting Period

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.

21 Core and Non Core Property

Pursuant to Section 41E of the Registered Clubs Act for the financial year ended 31 December 2023.

- a) The following property is core property of the Club;
 - i) 4-6 Linsley Street Gladesville NSW.
- b) The following property is non core property of the Club;
 - i) 8 Western Crescent Gladesville NSW.

GLADESVILLE RSL AND COMMUNITY CLUB LIMITED

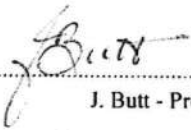
ABN 12 000 977 926

DIRECTORS' DECLARATION

The directors of Gladesville RSL and Community Club Limited ("the Company") declare that:

1. The financial statements and notes, as set out on pages 5 to 19, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards - Simplified Disclosure and the *Corporations Regulations 2001*; 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.

Director 
J. Butt - President
27-3-24

Director 
R. Mavin - Vice President

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

GLADESVILLE R.S.L. & COMMUNITY CLUB LIMITED

(A Company Limited by Guarantee)

A.B.N. 12 000 977 926

Opinion

We have audited the financial report of Gladesville R.S.L. & Community Club Limited ("the Company") which comprise the Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2023, the Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity, Notes to the Financial Statements, other explanatory information, and Directors' Declaration.

In our opinion, the accompanying financial report of Gladesville R.S.L. & Community Club Limited is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the company's financial position as at 31 December 2023 and its performance for the financial year ended on that date; and
- (ii) complying with Australian Accounting Standards -Simplified Disclosures and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Gladesville R.S.L. & Community Club Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

GLADESVILLE R.S.L. & COMMUNITY CLUB LIMITED

(A Company Limited by Guarantee)

A.B.N. 12 000 977 926

Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We 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 our 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

GLADESVILLE R.S.L. & COMMUNITY CLUB LIMITED

(A Company Limited by Guarantee)

A.B.N. 12 000 977 926

-
- 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 company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company 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.

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

V.J. Ryan & Co

V J RYAN & CO
Chartered Accountants

Level 5
255 George Street
SYDNEY NSW 2000



Peter D Wyer
Partner

Dated at Sydney *27 March 2024*

