

**MERIMBULA**  
RSL  **CLUB**

financial report  
**2023/2024**





**MERIMBULA RSL CLUB LIMITED**

ABN 66 000 965 560

**ANNUAL GENERAL MEETING**

To be held in the Merimbula RSL Club on Wednesday, 13th November, 2024, at 7.15pm.

**MEETING AGENDA:**

1. Apologies.
2. Confirmation of Minutes for Annual General Meeting held on 8th November, 2023.
3. To receive and consider the Financial Statement of the Company for the year ended 30th June, 2024, and the Reports by Directors and Auditors thereon.
4. **First Ordinary Resolution:** President's Honorarium.
5. **Second Ordinary Resolution:** Director's Honorarium.
6. **Third Ordinary Resolution:** Expenditure on Directors' food, beverages and other expenses.
7. **Fourth Ordinary Resolution:** Expenditure on Directors' educational and seminar expenses.  
**Note:** The Ordinary Resolutions 1 to 4 are printed on page 1 of this Notice and Notes on the Ordinary Resolutions are printed on page 2 of this Notice.
8. **General Business:** Notice of which was supplied to the Secretary Manager in writing prior to this meeting.

*By order of the Board,*

**M. MUTSCH**  
**Secretary Manager**

*30th September, 2024*

# MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

## ORDINARY RESOLUTIONS

NOTICE is hereby given that at the Annual General Meeting of the MERIMBULA RSL CLUB LIMITED to be held on Wednesday, 13th November, 2024, commencing at 7.15pm, on the Club premises at 52-54 Main Street, Merimbula, New South Wales, the Members will be asked to consider, and if thought fit, pass the following resolutions.

### FIRST ORDINARY RESOLUTION:

#### Item 4 of the Agenda: President's Honorarium:

That pursuant to the Registered Clubs Act 10 (6) (b):

"The Members hereby approve an amount of \$9,000 be paid to the President as an Honorarium for the 2024/25 Financial Year."

### SECOND ORDINARY RESOLUTION:

#### Item 5 of the Agenda: Directors' Honorarium:

That pursuant to the Registered Clubs Act 10 (6) (b):

"The Members hereby approve an amount of \$6,000 to each of the two (2) Vice-Presidents and \$3,000 to each of the four (4) other Directors as a Directors' Honorarium for the 2024/25 Financial Year."

### THIRD ORDINARY RESOLUTION:

#### Item 6 of the Agenda: Directors' Food, Beverages and Other Expenses:

That pursuant to the Registered Clubs Act:

- (a) "The Members hereby approve and agree to reasonable expenditure by the Club until the next Annual General Meeting of the Club for the following activities of Directors:
- (i) The reasonable cost of a meal and beverage for each Director immediately before or immediately after a Board or Committee Meeting where the Meeting corresponds with a normal meal time.
  - (ii) Reasonable expenses incurred by Directors in relation to such duties including the entertainment of special guests to the Club and other promotional activities performed by Directors which activities and the expenses there from are approved by the Board before payment is made on production of receipts, invoices or other documentary evidence of such expenditure.
  - (iii) Reasonable expenditure on food and beverages for Directors and their spouses on one dinner per year and other functions where appropriate and required to represent the Club."
- (b) "The Members acknowledge that the benefits in paragraph (a) above are not available to Members generally but only for those who are Directors of the Club."

### FOURTH ORDINARY RESOLUTION:

#### Item 7 of the Agenda: Directors' Educational and Seminar Expenses:

That pursuant to the Registered Clubs Act:

- (a) "The Members hereby approve and agree to reasonable expenditure by the Club for the professional development and education of Directors until the next Annual General Meeting of the Club and being:
- (i) The reasonable cost of Directors attending the Clubs NSW Annual General Meeting.
  - (ii) The reasonable cost of Directors attending seminars, lectures, trade displays and other similar events as may be determined by the Board from time to time.
  - (iii) The reasonable cost of Directors attending other Registered Clubs or similar types of businesses for the purpose of observing their facilities and methods of operation provided such attendances are approved by the Board as being necessary for the betterment of the Club.
  - (iv) Attendance at functions with spouses where appropriate and required to represent the Club."
- (b) "The Members acknowledge that the benefits in paragraph (a) above are not available to Members generally but only to those who are Directors of the Club and those Members directly involved in the above activities."

## NOTES TO MEMBERS ON ORDINARY RESOLUTIONS

These notes are to be read in conjunction with the proposed Resolutions.

**1. Item 4: President's Honorarium**

The purpose of the first resolution is to seek Members approval in a General Meeting, an Honorarium to the President of no more than \$9,000 for the 2024/25 Financial Year.

**2. Item 5: Directors' Honorarium**

The purpose of the second resolution is to seek Members approval in a General Meeting, the recommended amount of \$6,000 for the two (2) Vice Presidents and \$3,000 for the four (4) Directors pursuant to point (8.6) of the Club's Constitution and 10 (6) (b) of the Registered Clubs Act.

**3. Item 6: Directors' Food, Beverages and Other Expenses**

The third resolution is to have Members in a General Meeting approve reasonable expenditure by the Club in relation to duties performed by the Club's Directors.

**4. Item 7: Directors' Educational and Seminar Expenses**

The fourth resolution is to have Members in a General Meeting approve reasonable expenditure by the Club for Directors to attend seminars, lectures, trade displays and other similar events including the Clubs NSW Annual General Meeting and to visit other clubs to enable the Club's governing body to keep abreast of current trends and developments which may have a significant bearing on the nature and way in which the Club conducts its business.

5. Each of the resolutions must be passed as a whole and cannot be amended from motions from the floor of the meeting or divided into two or more separate resolutions.

6. To be passed, each Ordinary Resolution must receive votes in its favour from not less than a simple majority of those Members, who being entitled to do so, vote in person at the meeting.

*By order of the Board,*

**M. MUTSCH**

**Secretary Manager**

*30th September, 2024*

## MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

# PRESIDENT'S REPORT

Dear Members,

It is my honour to present to you the first annual Presidents Report since being elected to the position following our previous president, Mr Graeme Williams, stepping down following the last AGM.

I should like, on behalf of the Board, Management and I'm sure the greater membership to sincerely thank Graeme for the extraordinary long term commitment and passion for our Club that he has consistently displayed. Graeme joined the Club Board back in 1999, served 9 years as Vice President, and donned the Presidents mantle in 2011. Effectively he has given, to date, some 25 years service to our Club – a remarkable achievement made all the more remarkable in that we have convinced Graeme to continue on the Board in the capacity of a Vice President.

The Board, Management and Staff have all been hard at work over the previous year which has lead to our Club achieving a Net Cash position provided by Operating Activities of \$1,344,719. This enabled us to realise a Net Operating Profit (after Income Tax Expense) of \$752,613. Considering the business environment of the previous year, this is a very sound result.

Our Club currently has no significant debt, sound cash reserves and reasonable cash flow. However, it would be remiss of me not to alert you to the rising costs of doing business. I expect you would all be too aware of the rising cost of living – this is truly noticeable within the hospitality sector and we are not exempt from its effects. Rising costs are but one aspect, albeit an important one, which your Board and Management must grapple with in the coming year. Be assured we are focused on these issues.

To my fellow Directors and Management, I personally thank you for the support and commitment you have shown during the year. The Board continues to operate effectively in a unified manner.

As always the Club is proud to continue in supporting the Merimbula RSL Sub-Branch.

To those Members who have lost loved ones during the year, please accept my condolences.

Finally, to all our valued members, Board, Management and Staff, I wish you good health and happiness for the following year.

Best regards,

**Phil Cheek**  
**President**

# MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

## SECRETARY MANAGER'S REPORT

Dear Members,

I am pleased to present my report for the year ended 30 June, 2024.

It was another successful year for the Merimbula RSL Club recording a before-tax profit of \$919,207. This pleasing result was not without its challenges but enabled the Club to continue to provide for our members and community through numerous club activities such as members draws, raffles, entertainment and promotions.

### EBITDA COMPARATIVE FIGURES:

	2024	2023
Trading Profit (before Income Tax)	919,207	1,787,248
<i>Add:</i>		
Depreciation	786,309	763,158
Income Tax	166,594	0
<i>Minus:</i>		
Interest Earned	(253,894)	(177,193)
	<b>1,618,216</b>	<b>2,373,213</b>
<b>EBITDA %</b>	<b>11.77%</b>	<b>16.90%</b>

The Merimbula RSL Club membership base increased to 8,472 members in 2024, the most in the history of the Club. This is a great achievement as members are the backbone of our Club and we look to welcome more members as this year progresses.

Also, through ClubGRANTS, your club has made financial donations of \$102,172 to over 40 community organisations. In addition, we have supported many other organisations with in-kind and voucher donations.

Next year is shaping up to be a difficult year. The Club Industry, like all industries has challenging times ahead as competition increases, the political and regulatory environment is ever evolving and cost of living continues to climb. But rest assured your Club will navigate these challenges and continue to provide a safe and enjoyable experience at our venue.

To the Club's Managers, Department Heads and Supervisors that perform their duties to maintain our friendly staff approach and who, at times, do not receive the accolades they deserve, a grateful thank you. To all staff behind the scenes and in front of house, we all appreciate your contribution immensely and please be assured that it is not taken for granted. Well done.

To the Board, led by Chairman Phil Cheek, thank you for efforts and commitment to the Club and our members throughout the year.

I offer my condolences to those that lost loved ones during the year and sincerely thank all our members for your continued support and patronage during the past twelve months.

See you at the Club soon.

**MICHAEL MUTSCH**  
Secretary Manager

# MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

## DIRECTORS' REPORT

Your Directors present their report on the company for the year ended 30th June, 2024.

### Directors:

Names of Directors in office at any time during or since the end of the year are: Mr Allan F. Browning, Mr Philip J. Cheek, Mr John F. Finn, Mr Ian J. Powell, Mr David J. Rankin, Ms Hannah L. Rossi, Mr Graeme N. Williams.

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

### Company Secretary:

The following person held the position of Company Secretary at the end of the financial year.

Mr Michael Mutsch – Diploma in Club Management. Mr Mutsch has worked for the Merimbula R.S.L Club for the past (28) twenty eight years in a Management role. Mr Mutsch was appointed Company Secretary on 4th September, 1998.

### Principal Activities:

The principal activities of the Company in the course of the year were that of a Registered Club. There were no significant changes in the nature of the company's activities during the year.

### Short Term Objectives:

The short term objectives remain constant with the emphasis on revenue of gaming, beverage sales, provision of meals and entertainment to members and their guests. The Medium term strategies are centred on the identification of threats to our Club and industry which is monitored through our most recent "Risk Analysis and Strategic Plan."

### Long Term Objectives:

In the long term, the Company's primary objective is to investigate and implement successful alternate revenue streams that complement the Club's core business whilst still maintaining the principle activities of the company.

The Company adopts current registered club industry practices and strategies to ensure that the short and long term objectives are met.

### Measurement of Performance:

The Company assesses its performance in terms of its achievement of strategic and financial objectives with reference to:

- the quality of the service and facilities provided to members;
- the ability to generate strong cash flows from its operating activities;
- the trading and overall financial result; and
- the stability of the statement of financial position with respect to the Company's liquidity.

### Result:

The net profit after providing for income tax expense is made up as follows:

Net Profit before Income Tax Expense	\$919,207
<b>Minus: Income Tax Expense</b>	<b>(\$166,594)</b>
Net Operating Profit	<u>\$752,613</u>



# MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

## DIRECTORS' REPORT *(continued)*

### Review of Operations:

The Clubs net operating profit before income tax expense for the year was \$919,207 which decreased by \$868,041 on the 22/23 financial year. The Clubs main sources of revenue came from food, beverage and gambling operations which serviced the social requirements of the members and visitors.

### Significant Changes in State of Affairs:

No significant changes in the state of affairs of the Company occurred during the financial year.

### After Balance Date Event:

No matters or circumstances have arisen since the end of the financial year which significantly affect the operations of the Company.

### Members' Details and Guarantee:

The number of registered members of the Club as at the 30th June 2024 is 8,472 (last year 8,220) consisting of 105 Service Members, 8,366 Club Members and 1 Honorary Life Member.

As a Company Limited by guarantee, every member of the Company has undertaken to contribute an amount not exceeding \$2.00 on the event of the Company being wound up. Such contribution will only be required in the event that assets of the Company are insufficient to meet the payments of the debt and liabilities of the Company at the time of winding up, including the costs, charges and expenses of the winding up. The amount will be payable by all existing members at the time of winding up and those members ceasing membership one year prior to that date.

### Additional Information on Directors:

**Mr Allan F. Browning:** Garden Centre owner, member of House and Catering Committees, Service Board member since 30/8/10, no other Directorships held.

**Mr Philip J. Cheek:** Retired, President and member of the Finance, House and Catering Committees, Service Board Member since 24/10/12, no other Directorships held.

**Mr John F. Finn:** Retired, member of Finance and Strategic Planning Committees, Service Board member since 29/10/08, no other Directorships held.

**Mr Ian J. Powell:** Retired, member of the Finance and House Committees, Club Board Member since 25/10/17, no other Directorships held.

**Mr David J. Rankin:** Retired, member of the House and Catering Committees, Club Board Member since 28/7/14, no other Directorships held.

**Ms Hannah L. Rossi:** Manager for The Commonwealth Bank, member of the House and Strategic Planning Committees, Club Board Member since 28/8/17, no other Directorships held.

**Mr Graeme N. Williams:** CPA, Retired, member of the Catering, Finance and Strategic Planning Committees, Service Board Member since 27/10/99, no other Directorships held.

Each Director is a financial Member of the Merimbula RSL Club Limited.

# MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

## DIRECTORS' REPORT *(continued)*

### Meetings of Directors:

During the financial year 33 meetings of Directors (including committees) were held. Attendances were:

	<i>Directors' Meetings:</i>		<i>Committee Meetings:</i>	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Allan F. Browning .....	13	13	20	19
Philip J. Cheek .....	13	13	20	20
John F. Finn .....	13	12	12	11
Ian J. Powell .....	13	13	16	15
David J. Rankin .....	13	13	8	8
Hannah L. Rossi .....	13	10	4	3
Graeme N. Williams .....	13	13	14	14

### Auditor's Independence Declaration:

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act, 2001, is set out in the following page of the financial report.

This report is made in accordance with a resolution of the directors on 30th September, 2024.

**G.N. WILLIAMS, Director**

**P.J. CHEEK, Director**

**MERIMBULA RSL CLUB LIMITED**

ABN 66 000 965 560

**AUDITOR'S INDEPENDENCE DECLARATION**

Under Section 307C of the Corporations Act 2001 to the Directors of Merimbula RSL Club Limited. I declare that, to the best of my knowledge and belief, during the year ended 30th June, 2024, there have been:

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

**RICHARD C PARBERY FCPA**  
Registered Company Auditor (1864)

*30th September, 2024*  
101 Main Street, Merimbula, NSW 2548

## MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

# DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. The Financial Statements and Notes for the year ended 30th June, 2024 are in accordance with the Corporations Act 2001.
  - (a) Comply with Australian Accounting Standards – Simplified Disclosures; and
  - (b) Give a true and fair view of the financial position of the Company as at 30th June, 2024 and of its performance for the year ended on that date.
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 the resolution of the Board of Directors and is signed for and on behalf of the Directors by:

**G.N. WILLIAMS, Director**  
**P.J. CHEEK, Director**

*Dated at Merimbula,  
30th September, 2024*

## BOARD OF DIRECTORS 2023/24



*Back from left: Ian Powell, Dave Rankin, Michael Mutsch (Secretary Manager), John Finn, Hannah Rossi; Front from left: Allan Browning (Vice President), Phil Cheek (President), Graeme Williams (Vice President)*

MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

**STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME**

*For the year ended 30th June, 2024*

2023 \$		Note	2024 \$
<b>14,044,868</b>	<b>Revenue</b>	1(c)	<b>13,803,428</b>
177,193	Finance Income		253,894
(2,749,108)	Cost of Sales		(2,919,611)
(4,904,663)	Employees Expenses		(5,380,474)
(50,188)	Financial Expenses		(53,535)
(2,495)	Members' Amenities		(5,756)
(87,779)	Property Expenses		(89,014)
(763,158)	Depreciation		(786,309)
(1,404,853)	Poker Machine Tax		(1,245,795)
(409,304)	Promotions		(440,901)
(309,535)	Electricity and Gas		(341,476)
(246,581)	General Insurance		(237,097)
(27,030)	Printing, Postage and Stationery		(28,579)
(256,487)	Repairs and Maintenance		(293,411)
(166,249)	TAB Expense		(168,845)
(1,057,383)	Other Expenses		(1,147,312)
<b>1,787,248</b>	Operating Profit before Income Tax	2	<b>919,207</b>
0	Other Comprehensive Income		0
<b>1,787,248</b>	<b>Profit for the Year</b>		<b>919,207</b>
(532,704)	Income Tax Attributable to Profit	4	(166,594)
<b>1,254,544</b>	Profit Attributable to Members of the Company		<b>752,613</b>

*The accompanying Notes form part of the above Statement*

# MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

## STATEMENT OF FINANCIAL POSITION

As at 30th June, 2024

2023 \$		Note	2024 \$
	<b>Current Assets:</b>		
6,543,240	Cash	6	6,351,722
2,730	Receivables	7	1,749
(523,593)	Deferred Tax	4A	(556,127)
174,893	Inventories	8	167,533
243,343	Other	9	258,711
<b>6,440,613</b>	<b>Total Current Assets</b>		<b>6,223,588</b>
	<b>Non Current Assets:</b>		
13,579,537	Property, Plant and Equipment	10	13,956,346
<b>13,579,537</b>	<b>Total Non Current Assets</b>		<b>13,956,346</b>
<b>20,020,150</b>	<b>Total Assets</b>		<b>20,179,934</b>
	<b>Current Liabilities:</b>		
1,262,376	Payables	11	655,908
892,530	Provisions	12 & 12a	880,893
30,650	Income in Advance	13	31,800
363,594	Current Tax Liabilities	14	389,048
<b>2,549,150</b>	<b>Total Current Liabilities</b>		<b>1,957,649</b>
	<b>Non Current Liabilities:</b>		
78,485	Provisions	12	76,874
59,628	Income in Advance	13	59,911
<b>138,113</b>	<b>Total Non Current Liabilities</b>		<b>136,785</b>
<b>2,687,263</b>	<b>Total Liabilities</b>		<b>2,094,434</b>
<b>17,332,887</b>	<b>Net Assets</b>		<b>18,085,500</b>
	<b>Members' Funds:</b>		
336,242	Reserves	17	336,242
16,996,645	Retained Profits		17,749,258
<b>17,332,887</b>	<b>Total Members' Funds</b>		<b>18,085,500</b>

*The accompanying Notes form part of the above Statement of Financial Position*

# MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

## STATEMENT OF CHANGES IN EQUITY

For the year ended 30th June, 2024

2023 \$		2024 \$
16,078,343	Total Equity at the beginning of the Financial Year	17,332,887
1,254,544	Operating surplus attributable to the members of the Company	752,613
<b>17,332,887</b>	<b>Total Equity at the end of the Financial Year</b>	<b>18,085,500</b>

## STATEMENT OF CASH FLOWS

For the year ended 30th June, 2024

2023 \$		Note	2024 \$
	<b>Cash Flow from Operating Activities:</b>		
13,919,584	Receipts from Customers		13,614,761
(11,611,844)	Payments to Suppliers and Employees		(12,574,620)
46,558	Members' Subscriptions		43,983
203,015	Interest Received		260,595
<b>2,557,313</b>	<b>Net Cash provided by Operating Activities</b>	<b>5</b>	<b>1,344,719</b>
	<b>Cash Flow from Investing Activities:</b>		
209,156	Payment for Property, Plant and Equipment		(1,271,523)
(2,464,695)	Payment for Property Club Renovations		(264,714)
<b>(2,255,539)</b>	<b>Net Cash used in Investing Activities</b>		<b>(1,536,237)</b>
	<b>Cash Flow from Financing Activities:</b>		
0	Repayments of Borrowings		0
<b>0</b>	<b>Net Cash used in Financing Activities</b>		<b>0</b>
<b>301,774</b>	<b>Net (Decrease)/Increase in Cash held</b>		<b>(191,518)</b>
<b>6,241,466</b>	<b>Cash at Beginning of Financial Year</b>		<b>6,543,240</b>
<b>6,543,240</b>	<b>Cash at End of Financial Year</b>	<b>6</b>	<b>6,351,722</b>

The accompanying Notes form part of the above Cash Flow Statement

# MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

## NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE, 2024

### 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 Australian Accounting Standards – Simplified Disclosures of 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.

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.

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

The prior year financial report was prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements. The transition from the previous financial reporting framework to Australian Accounting Standards – Simplified Disclosures has not affected the Clubs reported financial position, financial performance and cashflows.

The financial statements were authorised for issue on 30th September, 2024 by the directors of the company.

#### **Accounting Policies:**

##### **Critical accounting estimates and judgements**

Management is required to make judgements, estimates and assumptions about reported amounts of assets, liabilities, Incomes and expenses that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods if the revision affects both current and future periods.

Judgements made by management that have significant effects on the financial statements and estimates with a significant risk of material adjustment in the next period are disclosed where applicable, in the relevant notes to the financial statements:

**Estimations of useful lives of non-current assets** – The useful life of property, plant and equipment and lease assets, (where useful life is greater than the lease term) is initially assessed at the date the asset is ready for use and reassessed at each reporting date based on the use of the assets and the period over which economic benefits will be derived from the asset. There is uncertainty in relation to the assessment of the life of the asset including factors such as the rate of wear and tear and technical obsolescence. The estimates and judgements involved may impact the carrying value of the non-current assets and the depreciation and amortisation charges recorded in the statement of profit or loss and other comprehensive income should they change.



# MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

## NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### Accounting Policies:

(a) **Inventories:** Inventories are measured at the lower of cost and net realisable value.

(b) **Property, Plant and Equipment:**

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

1. **Property:**

Freehold land and buildings are shown at cost less subsequent depreciation for buildings. It is the policy of the economic entity to have an independent valuation every three years, by external independent valuer, with annual appraisals being made by Directors – refer Note 10.

2. **Plant and Equipment:**

Plant and Equipment are measured on the cost basis and are therefore carried at cost, less where applicable, accumulated depreciation and any accumulated impairment.

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. A formal assessment of recoverable amount is made when impairment indicators are present – refer Note 1(m).

Plant and equipment 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.

3. **Depreciation:**

The depreciable amount of all fixed assets including building and capitalised lease assets but excluding freehold land, is depreciated on a straight line basis over the asset's useful life to the entity commencing from the time the asset is available for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

<i>Class of Fixed Asset:</i>	<i>Depreciation Rate:</i>
Buildings	2.5% to 5%
Plant and Equipment	10% to 22.5%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

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

(c) **Revenue Recognition:**

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

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

**Donations:**

Donations and bequests are recognised as revenue when received.

## MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(c) **Revenue from contracts with customers:**

*For current year:*

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.

**Specific revenue streams:**

The revenue recognition policies for the principal revenue streams of the Company are:

**Sales Revenue:**

Sale revenue includes bar sales, poker machine income, catering income, Keno and TAB income. All of the services and goods for these revenue items are provided to customers at the time of the sale and income is accounted for at that time. If deposits are held for any of these revenue items a liability is booked until the service or goods have been provided to the customer and then for as income.

**Membership Income:**

Membership income is received in advance for the period of membership paid for. A liability is booked for membership income if received in advance with the income spread over the membership period paid for.

**Other Income:**

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

# MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

## NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### (1c) Revenue from continuing operations:

2023 \$	Revenue from contracts with customers	2024 \$
6,999,608	Poker Machine Takings	6,324,538
4,068,769	Catering	4,238,369
2,592,914	Bar and Bottleshop	2,788,975
39,656	Members' Subscriptions	42,549
155,643	Keno	154,195
0	Vending Commission	560
89,984	Other Income	92,461
42,792	TAB Commission	47,819
<b>13,989,366</b>	<b>Total Operating Revenue</b>	<b>13,689,466</b>
	<b>Revenue recognised on receipt (not enforceable or no sufficiently specific performance obligations)</b>	
8,094	Rent Received	7,304
47,408	Sale of Assets	106,658
<b>55,502</b>	<b>Total Non Operating Revenue</b>	<b>113,962</b>
<b>14,044,868</b>	<b>TOTAL REVENUE</b>	<b>13,803,428</b>

#### Disaggregation of Revenue from Contracts with Customers:

Revenue from contracts with customers has been disaggregated into revenue recognised at a point in time and over time which is only applicable to membership subscriptions, and the following table shows this breakdown:

	Timing of Revenue Recognition	
13,949,710	– At a point in time	13,646,917
39,656	– Over time – Membership Subscriptions	42,549
<b>13,989,366</b>	<b>Revenue from Contracts with Customers</b>	<b>13,689,466</b>
	<b>Finance Income:</b>	
177,193	Interest received	253,894

### (d) Employee Provisions:

#### Short-term employee provisions:

Provision is made for the company's obligation for short-term employee benefits. Short-term employees benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employee render the related service, including wages, salaries and sick leave. Short-term employees benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

#### Other long-term employee provisions:

Provision is made for employees long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payment to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations.

## MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(d) **Employee Provisions:** *(continued)*

Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as a part of employee benefits expense.

The company's obligations for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlements for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

**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 are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(e) **Income Tax:**

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses. Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss. Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of offset exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of offsets exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(f) **Cash and Cash Equivalents:**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdraft.

Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

## MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(g) **Trade Receivables:**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Trade receivables are due for settlement no more than 30 days from the date of recognition. Collectability of trade debtors is reviewed on an on-going basis. Debts which are known to be uncollectable are written off. A provision for doubtful receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the statement of comprehensive income.

When a trade receivable for which an impairment allowance had been recognised becomes uncollectable in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

(h) **Trade and other Payables:**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date.

(i) **Members' Subscriptions in Advance:**

Subscriptions received in advance for the financial year have been carried forward as a current or non-current liability.

(j) **Comparative Figures:**

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

(k) **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 Tax 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 are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from or payable to the taxation authority is included with other receivables or payables in the statement of financial position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from or payable to the taxation authority are presented as operating cash flows.

(l) **Financial Instruments:**

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument. On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

**Financial assets:**

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

**Classification:**

On initial recognition, the Company has only ever held financial assets categorised as at "amortised cost" financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

## MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

### **NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

#### ***Amortised cost:***

Assets measured at amortised cost are financial assets where:

- the business is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal interest on the principal amount outstanding.

The company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position. Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provisions for impairment.

Interest income, losses and impairment are recognised in profit and loss. Gain or loss on derecognition is recognised in profit or loss.

#### ***Impairment of financial assets:***

Impairment of financial assets is recognised on an expected credit loss (ECL) for financial assets measured at amortised cost. When determining whether the credit risk for financial assets has increased significant 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.

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held).

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.

#### ***Trade receivables:***

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default. The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expenses. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

#### ***Other financial assets measured at amortised cost:***

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

#### ***Financial Liabilities:***

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised costs using the effective rate method. The financial liabilities of the Company comprise trade payables, bank and other loans and finance lease liabilities.

## MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(m) **Impairment of Assets:**

At each reporting date, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of Profit or Loss and other Comprehensive Income.

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.

(n) **Retirement Benefit Obligations:**

***Defined contribution superannuation benefits:***

All employees of the company receive defined contribution superannuation entitlements, for which the company pays the fixed superannuation guarantee contribution (currently 11% of the employees average ordinary salary) to the employees superannuation fund of choice. All contributions in respect of employees' defined contribution entitlements are recognised as an expense when they become payable.

The company's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the company's statement of financial position.

# MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

## NOTE 2: CLASSIFICATION OF INCOME AND EXPENSES BY FUNCTION

2023 \$	<b>(a) Profit from ordinary activities before Income Tax expense:</b>	2024 \$
4,158,568	Poker Machines	3,537,618
725,502	Bar and Bottle Shop	731,249
105,140	Catering and Coffee Shop	(96,939)
560,770	Other Income	705,440
<b>5,549,980</b>		<b>4,877,368</b>
	<b>(b) Operating Profit has been determined after charging as expenses:</b>	
1,888,649	Indirect Labour and Overheads	1,977,845
50,188	Financial Expenses	53,535
2,495	Members' Amenities	5,756
246,620	Property Expenses	278,684
393,799	Depreciation	382,066
1,180,981	Administration Expenses	1,260,275
<b>3,762,732</b>		<b>3,958,161</b>
<b>1,787,248</b>	<b>Profit from ordinary activities before Income Tax Expense</b>	<b>919,207</b>
	<b>(c) Trading Profit from Poker Machines has been determined after:</b>	
<b>6,999,608</b>	Crediting as Income	<b>6,324,538</b>
	<b>Charging as Expenses:</b>	
73,496	CMS Costs	77,326
1,404,853	Poker Machine Tax	1,245,795
423,841	Direct Labour	435,307
16,474	Payroll Tax	18,380
7,535	Workers' Compensation	22,242
37,972	Superannuation	43,096
62,400	Electricity	62,400
92,000	Repairs and Maintenance	95,325
409,304	Promotions	440,901
313,165	Depreciation	346,148
<b>2,841,040</b>		<b>2,786,920</b>
<b>4,158,568</b>		<b>3,537,618</b>
	<b>Trading Profit from Bar and Bottle Shop has been determined after:</b>	
<b>2,592,914</b>	Crediting as Income	<b>2,788,975</b>
	<b>Charging as Expenses:</b>	
1,029,028	Cost of Goods Sold	1,161,688
607,323	Direct Labour	641,252
25,755	Payroll Tax	28,990
10,186	Workers' Compensation	18,501
59,198	Superannuation	66,731
54,000	Electricity	54,000
29,011	Discounts and Promotions	28,410
21,709	Bar Requirements	29,097
2,045	Bar Laundry	1,800
11,842	Freight Inwards	8,278
17,315	Staff Uniforms	18,979
<b>1,867,412</b>		<b>2,057,726</b>
<b>725,502</b>		<b>731,249</b>



## MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

### NOTE 2: CLASSIFICATION OF INCOME AND EXPENSES BY FUNCTION *(continued)*

2023 \$	Trading Profit/(Loss) from Catering and Coffee Shop has been determined after:	2024 \$
<b>4,068,769</b>	Crediting as Income	<b>4,238,369</b>
	<b>Charging as Expenses:</b>	
1,720,080	Cost of Goods Sold	1,757,923
1,711,600	Direct Labour	1,953,257
22,299	Cleaning	19,715
67,686	Electricity and Gas	79,872
5,591	Freight Inwards	5,886
5,646	General	8,416
4,308	Laundry	5,593
32,776	Discounts and Promotions	36,996
74,777	Payroll Tax	93,555
80	Printing and Stationary	0
65,646	Replacements	65,728
172,371	Superannuation	212,631
23,135	Workers' Compensation	36,201
1,440	Telephone	1,440
56,194	Depreciation	58,095
<b>3,963,629</b>		<b>4,335,308</b>
<b>105,140</b>		<b>(96,939)</b>
	<b>Other Income:</b>	
39,656	Members' Subscriptions	42,549
8,094	Rent Received	7,304
177,193	Interest Received	253,894
155,643	Keno Commission	154,195
42,792	TAB Commission	47,819
89,984	Other Income	93,021
47,408	Profit on Sale of Fixed Asset	106,658
<b>560,770</b>		<b>705,440</b>
	<b>(d) Indirect Labour and Overheads:</b>	
646,081	Administration Wages	671,244
381,783	Door Wages	395,684
74,597	Security Wages	80,202
224,466	Cleaning Wages	237,551
77,226	Courtesy Bus Wages	79,185
80,286	Payroll Tax	86,142
55,470	Workers' Compensation	50,133
91,138	Staff and Directors' Training	97,171
63,015	Staff Meals	70,343
194,587	Superannuation	210,190
<b>1,888,649</b>		<b>1,977,845</b>

# MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

## NOTE 2: CLASSIFICATION OF INCOME AND EXPENSES BY FUNCTION *(continued)*

2023 \$	<b>Financial Expenses:</b>	2024 \$
50,188	Bank Charges	53,535
<b>50,188</b>		<b>53,535</b>
	<b>Members' Amenities:</b>	
1,431	ANZAC Day Expenses	2,186
0	Members' Cards	2,202
1,064	Members' Reports	1,218
0	Mortality Payment	150
<b>2,495</b>		<b>5,756</b>
	<b>Property Expenses:</b>	
158,841	General Maintenance and Repairs	189,670
87,779	Rates – Bega Valley Shire	89,014
<b>246,620</b>		<b>278,684</b>
	<b>Depreciation:</b>	
282,252	Freehold Buildings and Carpark	282,252
111,547	Plant and Equipment	99,814
<b>393,799</b>		<b>382,066</b>
	<b>Administration Expenses:</b>	
3,095	Accountancy	3,096
73,541	Advertising	95,678
42,525	Audit	42,526
33,783	General Cleaning	25,465
0	Consulting	2,350
9,993	Courtesy Bus	11,051
16,119	Directors' Expenses	18,971
73	Discounts and Promotions	88
95,846	Donations	102,172
125,449	Electricity and Gas	145,204
4,412	Float Variances	3,176
2,906	Freight Inwards	1,345
3,270	Fringe Benefits Tax	3,985
38,069	General Expenses	41,597
246,581	General Insurance	237,097
434	Legal Expenses	3,118
73,105	Licences and Permits	84,603
27,030	Printing, Postage and Stationery	28,579
33,000	President's and Directors' Allowance	33,000
51,479	Security	57,309
73,776	Sky Channel/Foxtel	82,353
166,249	TAB Expenses	168,845
8,289	Telephones	7,454
51,957	Waste Removal	61,213
<b>1,180,981</b>		<b>1,260,275</b>

# MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

## NOTE 2: CLASSIFICATION OF INCOME AND EXPENSES BY FUNCTION *(continued)*

2023 \$	NOTE 3: AUDITOR'S REMUNERATION	2024 \$
	Amounts received or due and receivable by the Auditor for:	
42,525	Audit	42,525
3,095	Tax Preparation	3,096
155	Other Services	155
<b>45,775</b>		<b>45,776</b>

## NOTE 4: INCOME TAX EXPENSE

The components of tax expense comprises:

156,137	Current Tax	134,060
376,567	Deferred Tax	32,534
<b>532,704</b>		<b>166,594</b>

The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows.

Prima facie tax payable on profit from ordinary activities, after adjusting for the non-taxable components attributed to members, before income tax at 25% (2023: 25%).

1,787,248	Operating Profit before Tax	919,207
(39,656)	<b>Less:</b> Members' Subscriptions	(42,549)
(177,189)	Direct Members' Income	(215,523)
(478,322)	Non Apportionable Items	(615,074)
<b>1,092,081</b>		<b>46,061</b>
1,321,865	<b>Add:</b> Non Allowable, Non Apportionable and Part Apportionable Expenses	1,671,550
<b>2,413,946</b>		<b>1,717,611</b>
1,341,431	Portion attributable Non Members	1,013,048
405,091	<b>Add:</b> Non Apportionable Items	501,713
<b>1,746,522</b>		<b>1,514,761</b>
(875,205)	<b>Less:</b> Non Apportionable and Part Apportionable Expense	(978,523)
(246,768)	Tax Loss Prior Years	0
<b>624,549</b>	<b>Tax (Loss)/Profit</b>	<b>536,238</b>

# MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

## NOTE 4A: DEFERRED TAX ASSET

2023 \$      The amount and nature of the deferred tax liability for the financial year ended 30th June, 2024, is:      2024 \$

### Deferred tax assets and liabilities for each type of temporary difference

#### Deferred Tax Assets:

534,510	Provision for Annual Leave and Sick Leave	493,597
431,229	Provision for Long Service Leave	453,121
83,936	Audit Accrual and Wage Accrual	98,357
<b>1,049,675</b>		<b>1,045,075</b>
(466,370)	Adjustment for Member Component	(428,690)
<b>583,305</b>		<b>616,385</b>

#### Deferred Tax Liabilities:

4,818,556	Property, Plant and Equipment	4,816,703
<b>4,818,556</b>		<b>4,816,703</b>
(2,140,885)	Adjustment for Member Component	(1,975,812)
<b>2,677,671</b>		<b>2,840,891</b>

### Deferred tax amounts recognised in income tax expense

#### Deferred Tax Assets:

133,628	Provision for Annual Leave and Sick Leave	123,399
107,807	Provision for Long Service Leave	113,280
20,984	Audit Accrual and Wage Accrual	24,589
<b>262,419</b>		<b>261,268</b>
(116,594)	Adjustment for Member Component	(107,172)
<b>145,825</b>		<b>154,096</b>

#### Deferred Tax Liabilities:

1,204,639	Property, Plant and Equipment	1,204,176
<b>1,204,639</b>		<b>1,204,176</b>
(535,221)	Adjustment for Member Component	(493,953)
<b>669,418</b>		<b>710,223</b>
(523,593)	<b>Net Deferred Tax Asset/(Liability)</b>	<b>(566,127)</b>

# MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

## NOTE 5: CASH FLOW INFORMATION

2023 \$		2024 \$
	<b>1. Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax:</b>	
1,254,544	Profit from Ordinary Activities after Income Tax	752,613
	<b>Non-Cash Flows in Operating Profit:</b>	
763,157	Depreciation	786,309
(47,408)	(Profit)/Loss on Sale of Asset	(106,658)
	<b>Changes in Assets and Liabilities:</b>	
(1,771)	(Increase)/Decrease in Debtors	981
385,349	(Increase)/Decrease in Other Assets	17,166
(8,558)	(Increase)/Decrease in Inventories	7,360
27,685	Increase/(Decrease) in Creditors and Accruals	26,549
177,413	Increase/(Decrease) in Provisions	(141,035)
6,902	Increase/(Decrease) in Advance Subscriptions	1,434
<b>2,557,313</b>		<b>1,344,719</b>

## NOTE 6: CASH

130,000	Cash on Hand	130,000
413,942	Cash at Bank – Current Account	378,641
30,009	– TAB Account	40,643
22,089	– Keno Account	28,045
1,848,210	– 'At Call' Cash Deposit Account	1,477,374
4,098,990	– Term Deposit	4,297,019
<b>6,543,240</b>		<b>6,351,722</b>

### Reconciliation of Cash:

Cash at the end of the Financial Year as shown in the Statement of Cash Flows is reconciled to items in the **Statement of Financial Position** as follows:

6,543,240	Cash	6,351,722
<b>6,543,240</b>		<b>6,351,722</b>

## NOTE 7: RECEIVABLES

2,730	Trade Debtors	1,749
2,730		<b>1,749</b>

## NOTE 8: INVENTORIES

83,671	Trading Stock – Bar	77,922
79,227	– Dining Room	77,843
11,995	Staff Uniforms	11,768
<b>174,893</b>		<b>167,533</b>

## MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

### NOTE 9: OTHER

2023 \$		2024 \$
243,343	Prepayments	258,711
<b>243,343</b>		<b>258,711</b>

### NOTE 10: PROPERTY, PLANT AND EQUIPMENT

16,509,643	Freehold Land and Improvements at cost 52-54 Main Street, Merimbula	16,774,357
(6,074,909)	Less: Depreciation	(6,341,008)
<b>10,434,734</b>		<b>10,433,349</b>
1,534,849	Freehold Carpark	1,534,849
(170,948)	Less: Depreciation	(187,101)
<b>1,363,901</b>		<b>1,347,748</b>
64,402	Motor Vehicle at cost	64,402
(64,402)	Less: Depreciation	(64,402)
<b>0</b>		<b>0</b>
7,570,510	Plant and Equipment at cost	7,708,480
(5,789,608)	Less: Depreciation	(5,533,231)
<b>1,780,902</b>		<b>2,175,249</b>
<b>13,579,537</b>		<b>13,956,346</b>

#### 1. Movements in Carrying Amounts:

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

Economic Entity:	Freehold Land and Buildings		Plant and Equipment		Total	
	\$'000		\$'000		\$'000	
	2023	2024	2023	2024	2023	2024
Balance at the beginning of year	9,616	11,798	1,893	1,781	11,509	13,579
<b>Add:</b> Additions	2,464	265	397	898	2,861	1,163
<b>Less:</b> Depreciation	(282)	(282)	(481)	(504)	(763)	(786)
Disposals	0	0	(28)	0	(28)	0
<b>Carrying amount at the end of year</b>	<b>11,798</b>	<b>11,781</b>	<b>1,781</b>	<b>2,175</b>	<b>13,579</b>	<b>13,956</b>

An independent revaluation of land and buildings was undertaken on 30th June, 2024, by Mr M.E. Rix A.PI. Registered Valuer No. 67215. The revaluation was undertaken as part of a policy to value land and buildings every three years and was based on fair value as part of a going concern basis. The valuation revealed a fair value as a going concern of \$11,500,000.

### NOTE 11: PAYABLES

#### Unsecured Liabilities

1,258,008	Creditors – Trade	649,936
4,368	Bonus Points Unredeemed	5,972
<b>1,262,376</b>		<b>655,908</b>

## MERIMBULA RSL CLUB LIMITED

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### NOTE 12: EMPLOYEE PROVISIONS

2023 \$		2024 \$
965,091	Opening Balance at the beginning of the Financial Year	965,740
437,961	Additional provisions raised during year	437,044
(437,312)	Amount used	(456,065)
<b>965,740</b>	<b>Balance at the finish of the Financial Year</b>	<b>946,719</b>

#### Analysis of Total Provisions:

##### (a) Current

534,510	Annual Leave and Sick Leave Entitlements	493,597
352,745	Long Service Leave Entitlements	376,248
<b>887,255</b>		<b>869,845</b>

##### (b) Non-Current

78,485	Long Service Leave Entitlements	76,874
<b>78,485</b>		<b>76,874</b>

#### Employee Provision:

Employee Provisions represent amounts accrued for annual leave, sick leave and long service leave. The current portion for this provision includes the total amount accrued for annual leave entitlements, sick leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service.

Based on past experiences, the company does not expect the full amount of annual leave, sick leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

### NOTE 12a: LINK PROVISION

5,275	Link Provision	11,048
<b>5,275</b>		<b>11,048</b>

### NOTE 13: INCOME IN ADVANCE

#### (a) Current

30,650	Members' Fees	31,800
<b>30,650</b>		<b>31,800</b>

#### (b) Non Current

59,628	Members' Fees for future years after 2023/24	59,911
<b>59,628</b>		<b>59,911</b>

### NOTE 14: CURRENT TAX LIABILITIES

169,564	Goods and Services Tax and Withholding Tax	324,409
91,512	Poker Machine Tax	91,251
102,518	Income Tax	(26,612)
<b>363,594</b>		<b>389,048</b>

# MERIMBULA RSL CLUB LIMITED

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## NOTE 15: FINANCIAL RISK MANAGEMENT

### (a) Financial Risk Management:

The entity's financial instruments consist mainly of deposits with the banks, accounts receivable and payables. The entity relies on this working capital as its source of funds. The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial reports, are as follows:

2023 \$	Financial Assets	Note	2024 \$
466,040	Cash at Bank	6	447,329
5,947,200	Short Term Deposit	6	5,774,393
130,000	Cash on Hand	6	130,000
2,730	Trade Debtors	7	1,749
<b>6,545,970</b>	<b>Total Financial Assets</b>		<b>6,353,471</b>
	<b>Financial Liabilities:</b>		
1,262,376	Trade Creditors	11	655,908
363,594	Current Tax Liabilities	14	389,048
<b>1,625,970</b>	<b>Total Financial Liabilities</b>		<b>1,044,956</b>

## NOTE 16: FAIR VALUE MEASUREMENTS

The company has the following assets, as set out in the table below, that are measured at fair value on a recurring basis after their initial recognition. The company does not subsequently measure any liabilities at fair value on a recurring basis and has no assets or liabilities that are measured at fair value on a non-recurring basis.

### Recurring fair value measurements:

	Property, Plant and Equipment	
11,798,635	Freehold Land and Improvements	11,781,097
1,780,902	Plant and Equipment	2,175,249
<b>13,579,537</b>		<b>13,956,346</b>

For freehold land and buildings, the fair values are based on a directors' valuation taking into account an external independent valuation performed in previous years, which used comparable market data for similar properties.

## NOTE 17: RESERVES

43,413	Revaluation Reserve	43,413
292,829	Capital Profit Reserve	292,829
<b>336,242</b>		<b>336,242</b>

## NOTE 18: MEMBERS' LIABILITY

The number of registered members of the Club as at the 30th June, 2024 is 8,472 (last year 8,220) consisting of 105 Service Members, 8,366 Club Members and 1 Honorary Life Member.

As a Company Limited by Guarantee, every member of the Company has undertaken to contribute an amount not exceeding \$2.00 on the event of the Company being wound up. Such contribution will only be required in the event that assets of the Company are insufficient to meet the payments of the debt and liabilities of the Company at the time of winding up, including the costs, charges and expenses of the winding up. The amount will be payable by all existing members at the time of winding up and those members ceasing membership one year prior to that date.



## MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

### NOTE 19: RELATED PARTY TRANSACTIONS

(a) **Directors:**

The names of persons who were directors of the company at any time during the year are: Mr Allan F. Browning, Mr Philip J. Cheek, Mr John F. Finn, Mr Ian J. Powell, Mr David J. Rankin, Ms Hannah L. Rossi and Mr Graeme N. Williams.

(b) **Director Remuneration:**

The directors did not receive any remuneration from the company during the year other than any approved honorarium and reimbursement of out of pocket expenses that have been fully substantiated except for Mr David Rankin who received benefits for the provision of Accounting Services.

(c) **Transactions with directors and director related entities:**

There were no transactions with directors, other than those at normal commercial terms and conditions, and other benefits approved by the members at the annual general meeting.

(d) **Other transactions with related parties:**

There were no other transactions with related parties.

### NOTE 20: BANK GUARANTEE

At the request of the company, the Merimbula RSL Club Ltd bank is holding a bank guarantee in favour of the Totalisator Agency Board of NSW to the value of \$5,000.

### NOTE 21: KEY MANAGEMENT PERSONNEL

The Company is run by the Board of Directors. All major business decisions are made by the Board. The day to day business of the Company is run by the employees of the Company. As all major business decisions are made by the Board, no key management personnel disclosure are deemed appropriate.

### NOTE 22: CAPITAL MANAGEMENT

Management controls the capital of the entity to ensure that adequate cash flows are generated to fund its mentoring programs and that returns from investments are maximised within tolerable risk parameters. The finance committee ensures that the overall risk management strategy is in line with this objective.

The finance committee operates under policies approved by the Board of Directors. Risk management policies are approved and reviewed by the Board on a regular basis. These include credit risk policies and future cash flow requirements.

The entity's capital consists of financial liabilities, supported by financial assets.

Management effectively manages the entity's capital by assessing the entity's financial risks and responding to changes in these risks and in the market. These responses may include the consideration of debt levels.

There have been no changes to the strategy adopted by management to control the capital of the entity since the previous year. The strategy of the entity is to maintain a gearing ratio below 10%.

At the years ending 30th June, 2023 and 30th June, 2024 there was no net debt.

### NOTE 23: STATEMENT OF OPERATIONS BY SEGMENTS

The company operates in the Licensed Registered Clubs' sector within New South Wales.

## MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

### NOTE 24: COMPANY DETAILS

The registered office of the company is:

Merimbula RSL Club Limited,  
52-54 Main Street,  
MERIMBULA NSW 2548  
Unlisted Company Limited by Guarantee.

### NOTE 25: DISPOSAL OF CLUB PROPERTY – CORE OR NON CORE

That pursuant to Section 41J(2) of the Registered Clubs Act for the financial year ended 30th June, 2024:

- (a) The following properties are core property of the Club:
- (i) 52-54 Main Street
  - (ii) Carpark corner Alice and Main Street
- (b) The following properties are non-core property of the Club:
- Nil
- (i) Section 41J(2) of the Registered Clubs Act requires the Financial 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.
  - (ii) Core property is any real property owned or occupied by the Club that comprises
    - (a) the defined premises of the Club; or
    - (b) any facility provided by the Club for use of its members and their guests; or
    - (c) 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.
  - (iii) 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.
  - (iv) The significance of the distinction between core property and non-core property is that the Club cannot dispose of any core property unless:
    - (a) the property has been valued by a registered valuer within the meaning of the Valuers Act 2003; and
    - (b) 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;
    - (c) any sale is by way of public auction or open tender conducted by any independent real estate agent or auctioneer.
  - (v) These disposal provisions and what constitutes a disposal for the purpose of section 41J are to some extent modified by regulation made under the Registered Clubs Act and by section 41J itself. For example, the requirements in paragraph 4 above do not apply to:  
Core property that is being leased or licensed for a period not exceeding 10 years on terms that have been the subject of a valuation by a registered valuer; Core property that is leased or licensed to a telecommunications provider for the purpose of a telecommunication tower.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MERIMBULA RSL CLUB LIMITED

## Report on the Audit of the Financial Report

### Opinion:

We have audited the financial report of the Merimbula RSL Club Limited (the company), which comprises the statement of financial position as at 30th June, 2024, 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.

In our opinion, the accompanying financial report of the Merimbula RSL 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 the 30th June, 2024, and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards – Simplified Disclosure Requirements and the Corporations Regulations 2001.

### Basis for Opinion:

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

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Merimbula RSL 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 Audit opinion. However, our statutory audit does not cover all details of dissection of financial data.

### Information other than the Financial Report and Auditor's Report Thereon:

The directors are responsible for the other information. The other information comprises the information included in the company's financial report for the year ended 30th June, 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### 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 Disclosure Requirements and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

## MERIMBULA RSL CLUB LIMITED

ABN 66 000 965 560

# INDEPENDENT AUDITOR'S REPORT *(continued)*

To the Members of the Merimbula RSL Club Ltd.

### Responsibilities of the Directors' for the Financial Report: *(continued)*

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 Responsibility 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 scepticism 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, misrepresentation, 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.
- 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 transaction 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.

**MERIMBULA RSL CLUB LIMITED**

ABN 66 000 965 560

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

To the Members of the Merimbula RSL Club Ltd.

***Matters Relating to the Electronic Presentation of the Audited Financial Report:***

The auditor's report relates to the financial report of the Merimbula RSL Club Ltd for the financial year ended 30 June, 2024 included on the company's website. The directors are responsible for the integrity of the company's website. We have not been engaged to report on the integrity of the company's website. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may be hyperlinked to/from these statements. If users of this report are concerned with the inherent risk arising from electronic data communications, they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited report presented on this website.

**Richard C.Parbery FCPA**

Registered Company Auditor (1864)

101 Main Street  
Merimbula, NSW 2548  
*30th September, 2024*

## MERIMBULA RSL CLUB LIMITED

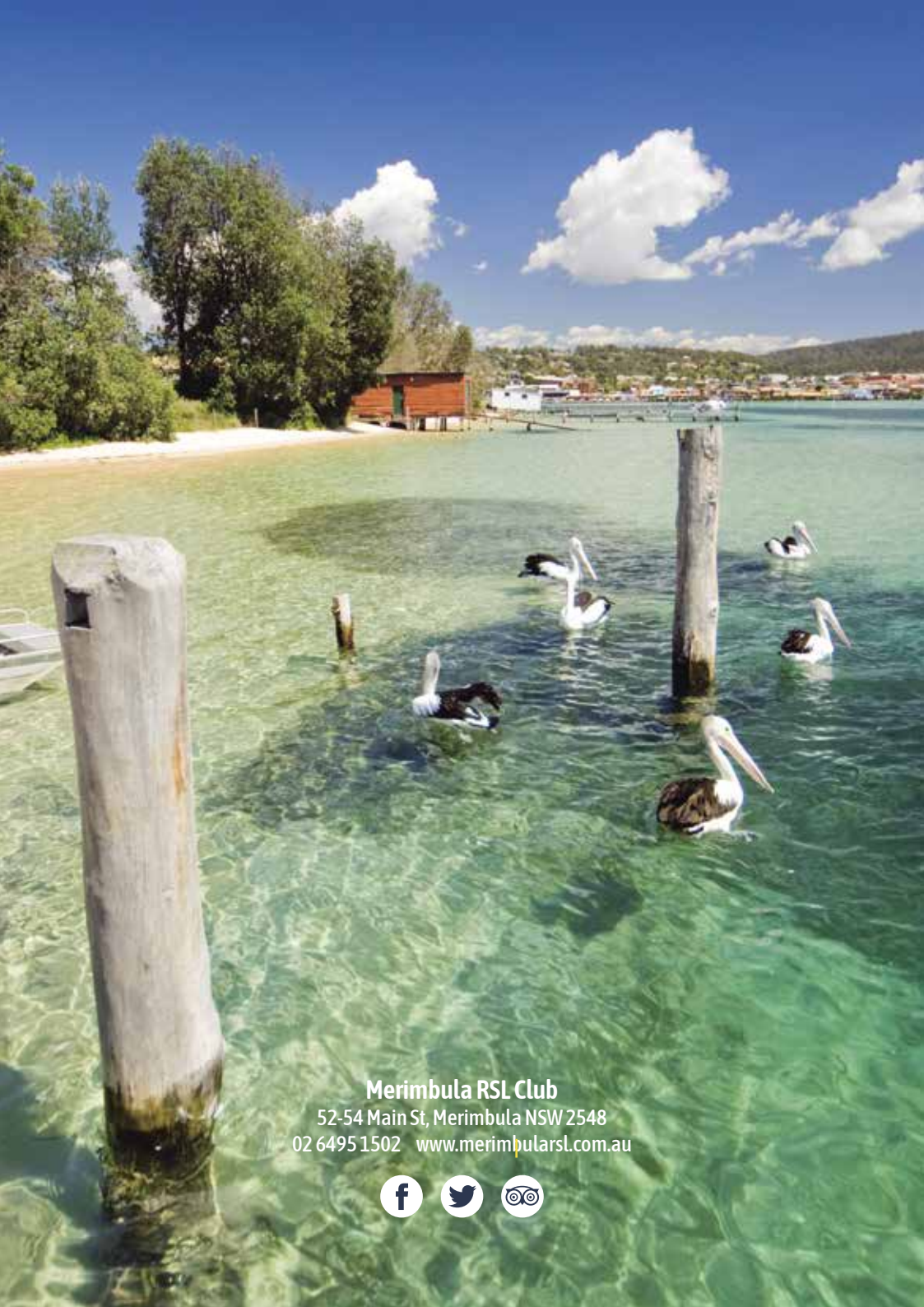
ABN 66 000 965 560

# DONATIONS

For the year ended 30th June, 2024

Animal Welfare League NSW	Merimbula Pambula R.L.F.C
Bega A P & H Society Inc	Merimbula Public School
Bega High School	Merimbula RSL Social Committee
Bega Valley Shire Council	Merimbula Sharks Basketball Association
Bemboka Garden Club	Merimbula Tennis Club
Bemboka Soccer Club	Merimbula Tourist Information Centre
Bega Valley Meals on Wheels	Pambula Lions Club
Cancer Patients Foundation	Pambula Rotary
Candelo AH & DF Association	Pearls Place Community Inc
Diggers Football Club	Potoroo Palace
Eden Community Access Centre Inc	Sapphire Coast Netball Association
Eden Tennis Club	Sapphire Coast Orchid Club Inc
Eden Tourism Inc	Sapphire Coast Outriggers Canoe Club
Eric Donaldson Scholarship - Penny Rickards	Sapphire Coast Turf Club
Far South Coast Classic Car Club	Southern Valley Folk Club
Hunter Valley Bus Tragedy	Southern Women's Group
Kiah Rural Fire Service	Wintersun Festival
Marine Rescue Merimbula	Wolumla Football Club
Merimbula B.G & L.A Club	Wolumla Public School P&C
Merimbula Grasshoppers Soccer Club	
Merimbula Jazz Festival	<b>Total: \$102,172.00</b>





## Merimbula RSL Club

52-54 Main St, Merimbula NSW 2548  
02 6495 1502 [www.merimbularsl.com.au](http://www.merimbularsl.com.au)

