

Camden R.S.L. Club Limited A.C.N. 001 684 804

FINANCIAL REPORT

For the year ended 31 December 2018



A handwritten signature in black ink, appearing to be 'Kevin Hunt', is written over a horizontal line.

Kevin Hunt - Director

Dated this 27th day of February 2019.

FINANCIAL REPORT

For the year ended 31 December 2018





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Directors Report for the year ended 31 December 2018

The Directors present their report together with the financial statements of Camden R.S.L. Club Limited for the year ended 31 December 2018.

Directors

The Directors in office at the time of signing this report are:

Kevin Hunt	Kenneth Bell	Penelope Claxton
Robert Sherack	Con Diomis	Derek Ramrack
Christopher Metcalfe	Annette Clissold	Michael Cutting (Appointed June 2018)

Directors have been in office since the start of the year unless otherwise stated.

Principal Activities

The principal activities of the company during the course of the financial year was the operation of a registered club.

Short Term Objectives

The short term objectives of the entity are to:

- To make capital improvements to the club's interior adding a modern look and feel to the facilities
- Repay existing bank debt
- Continue to improve services provided to members
- Review and monitor club expenses
- Service the local community

Long Term Objectives

The long term objectives of the entity are to:

- Provide improved amenities and services to members
- Operate profitably in a difficult economic environment
- Position the club financially to ensure its longevity

Strategies Adopted

To achieve these objectives, the entity has adopted the following strategies:

- Increased repairs and maintenance expenditure to maintain and improve facilities
- Replaced and convert a number of poker machines to provide a modern gaming environment
- Reduced core debt resulting in a reduction in interest charges
- Implementation of a stringent tender process for all major services
- Achieve an increased focus on customer service

Information on Directors

Mr Kevin Hunt

President

Member of the Club Board since March, 2006.

Currently employed as a Specialist Parts Interpreter.

Ms Penelope Claxton

Senior Vice President

Member of the Club Board since April, 2017.

Currently employed as a Registered Nurse.

Mr Kenneth Bell

Junior Vice President

Member of the Club Board since April, 2012.

Retired, formerly employed as a Tiler.



Directors Report for the year ended 31 December 2018

Mr Christopher Metcalfe

Member of the Club Board since November, 2013.

Currently employed as a Prison Warden.

Mr Robert Sherack

Member of the Club Board since April, 2012.

Retired, formerly employed as a Coal Miner and Haulage Contractor.

Mr Con Diomis

Member of the Club Board since April, 2015.

Currently employed as a Key Account Manager.

Ms Annette Clissold

Member of the Club Board since April, 2017.

Currently employed as a Bus Driver.

Mr Derek Ramrack

Member of the Club Board since June 2017.

Retired, formerly employed as a Bank Manager.

Mr Michael Cutting

Appointed to the Club Board in June 2018.

Currently employed as an Electrician.

Meetings of Directors

During the financial year, 14 meetings of directors were held.

Attendances were:

	Number eligible to attend	Number attended
Ms Annette Clissold	14	13
Mr Christopher Metcalfe	14	11
Mr Con Diomis	14	12
Mr Derek Ramrack	14	11
Mr Kenneth Bell	14	12
Mr Kevin Hunt	14	14
Mr Michael Cutting	6	6
Ms Penelope Claxton	14	14
Mr Robert Sherack	14	11
Mr Russell Owen	7	6

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* has been received and included in the financial report.

Signed at Camden this 27th day of February 2019, in accordance with the resolution of the Directors:

Kevin Hunt

Penelope Claxton



Independent Auditor's Report to the members of Camden R.S.L. Club Limited

Opinion

We have audited the accompanying financial report of Camden R.S.L. Club Limited which comprises the statement of financial position as at 31 December 2018, the statement of comprehensive income, statement of changes in equity and cash flow statement 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 financial report of Camden R.S.L. 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 2018 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards 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 Entity in accordance with 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Those charged with governance are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 31 December 2018, 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.



BOYD
AUDIT

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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 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 the financial report.

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Name of Firm: Boyd Audit
Chartered Accountants

Name of Auditor: 
Mr Lionel Cowan

Address: Suite 24, 4 Station Street Fairfield NSW 2165

Dated this 27th day of February 2019



BOYD
AUDIT

Auditors Independence Declaration

We declare that, to the best of our knowledge and belief, during the year ended 31 December 2018 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.

Name of Firm: Boyd Audit
Chartered Accountants

Name of Auditor:

Lionel Cowan

Address: Suite 24, 4 Station Street Fairfield NSW 2165

Dated this 27th day of February 2019

T 02 9726 7700
F 02 9728 3130
ABN 34 676 410 895

Office address
Suite 24, 4 Station Street
Fairfield NSW 2165

Post address
PO Box 146
Fairfield NSW 1860



Directors' Declaration for the year ended 31 December 2018

The Directors of the company declare that:

1. The financial statements and notes are in accordance with the *Corporations Act 2001*, and
 - (a) comply with Accounting Standards and the *Corporations Regulations 2001*, and
 - (b) give a true and fair view of the company's financial position at 31 December 2018 and of its performance and cash flows 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.

Signed at Camden this 27th day of February 2019, in accordance with the resolution of the Directors:

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Kevin Hunt
Director

A handwritten signature in black ink, appearing to be 'P. Claxton', written over a horizontal dotted line.

Penelope Claxton
Director



Statement of Comprehensive Income for the year ended 31 December 2018

	Note	2018 \$	2017 \$
Revenue	2	3,982,021	3,963,888
Changes in inventory		6,130	(1,637)
Employee benefits expense	3	(904,856)	(867,971)
Depreciation expense	3	(344,071)	(353,126)
Finance costs	3	(11,383)	(23,847)
Other expenses	3	(2,642,578)	(2,540,322)
Profit (Loss) before income tax		85,263	176,985
Income tax expense	4	-	-
Profit (Loss) attributable to members of the entity		85,263	176,985
Other comprehensive income after income tax			
Net gain on revaluation of non-current assets		-	-
Net gain (loss) on revaluation of financial assets		-	-
Other comprehensive income for the year net of tax		-	-
Total comprehensive income for the year		-	-
Total comprehensive income (loss) attributable to members		85,263	176,985



Statement of Financial Position as at 31 December 2018

	Note	2018 \$	2017 \$
CURRENT ASSETS			
Cash and cash equivalents	6	229,824	195,708
Trade and other receivables	7	19,438	17,740
Inventories	8	25,929	19,799
Other current assets	9	42,019	38,502
Total current assets		317,210	271,749
NON-CURRENT ASSETS			
Property, plant and equipment	10	2,881,212	2,968,687
Intangible assets	11	179,602	180,432
Total non-current assets		3,060,814	3,149,119
TOTAL ASSETS		3,378,024	3,420,868
CURRENT LIABILITIES			
Trade and other payables	12	343,235	330,541
Borrowings	13	189,863	257,124
Short term provisions	14	209,160	196,556
Total current liabilities		742,258	784,221
NON-CURRENT LIABILITIES			
Borrowings	13	53,092	148,290
Long term provisions	14	20,244	11,190
Total non-current liabilities		73,336	159,480
TOTAL LIABILITIES		815,594	943,701
NET ASSETS		2,562,430	2,477,167
EQUITY			
Retained earnings		2,562,430	2,477,167
Total equity		2,562,430	2,477,167



Statement of Changes in Equity for the year ended 31 December 2018

	Retained Earnings \$
Balance at 1 January 2017	2,300,182
Profit attributable to members of the entity	176,985
Balance at 31 December 2017	2,477,167
Profit attributable to members of the entity	85,263
Balance at 31 December 2018	2,562,430



Cash Flow Statement for the year ended 31 December 2018

	Note	2018 \$	2017 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from members and customers		4,447,927	4,555,908
Payments to suppliers and employees		(3,990,492)	(3,922,226)
Net cash provided by operating activities	15b	457,435	633,682
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		23,727	-
Payment for property, plant and equipment		(277,895)	(197,247)
Net cash used in investing activities		(254,168)	(197,247)
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of borrowings		(328,034)	(359,266)
Proceeds from borrowings		158,883	-
Net cash used in financing activities		(169,151)	(359,266)
Net increase (decrease) in cash held		34,116	100,206
Cash at the beginning of the year		195,708	95,502
Cash at the end of the year	15a	229,824	195,708



Notes to the Financial Statements for the year ended 31 December 2018

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is for Camden R.S.L. Club Limited as an individual entity, incorporated and domiciled in Australia. Camden R.S.L. Club Limited is a company limited by guarantee.

Camden R.S.L. Club Limited has elected to early adopt the pronouncements AASB 1053: Application of tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements for the annual reporting period beginning 01 January 2018.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

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. They have been consistently applied, unless otherwise stated.

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

Accounting Policies

(a) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

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

(b) Inventories

Inventories are measured at the lower of cost and current replacement cost.

(c) Plant & Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the company commencing from the time the asset is held ready for use. Depreciation is recognised in profit or loss.

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

Class of Asset	Depreciation Rates
Plant and Equipment	9 - 40%
Motor Vehicle	20%
Leasehold Improvements	2.5%



Notes to the Financial Statements for the year ended 31 December 2018

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Plant & Equipment (continued)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

(d) 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 the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore 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 directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax 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, based on tax rates enacted or substantively enacted at reporting date. 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.

Current tax assets and liabilities are offset where a legally enforceable right of set-off 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 legally enforceable right of set-off exists, 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.

The directors have adopted a conservative stance in relation to the likelihood of realisation of future income tax benefits in relation to timing differences and have therefore not recognised them as an asset.



Notes to the Financial Statements for the year ended 31 December 2018

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Finance instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as: (i) the amount at which the financial asset or financial liability is measured at initial recognition; (ii) less principal repayments; (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and (iv) less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

(iii) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Fair Value

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

Impairment

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



Notes to the Financial Statements for the year ended 31 December 2018

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) 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 comprehensive income.

Where the future economic benefits of the asset are not primarily dependent upon on the assets ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an assets class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

(g) Employee Benefits

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

(h) Cash and Cash Equivalents

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

(i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the 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 in the balance sheet are shown inclusive of GST.

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

(j) Intangibles

Poker Machine Entitlements

Poker machine entitlements have been determined to be intangible assets with an indefinite useful life and are carried at purchase price including related costs of acquisition less any impairment.

(k) Critical Accounting Estimates and Judgments

Impairment

The company assesses impairment at each reporting date by evaluation of conditions and events specific to the company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

(l) Going Concern

The financial statements have been prepared on the basis of a going concern, which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The Club has generated a profit of \$85,263 in the current financial year, the Club as at 31st December 2018 has a net working capital deficit of **\$425,048**. The directors believe that the going concern basis is appropriate given that the Club is forecast to meet all financial commitments as a result of projected improved financial performance.



Notes to the Financial Statements for the year ended 31 December 2018

(I) Going Concern (Continued)

After considering the above, the directors consider that the Club will be able to fulfil all obligations as and when they fall due. Accordingly, no adjustment has been made to the financial report relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Club not continue as a going concern.

	2018	2017
	\$	\$
NOTE 2 REVENUE		
Operating activities		
Bar sales	1,028,822	979,949
Bingo	21,436	21,922
Cash Housie	13,857	11,879
Caterer's rent	81,315	78,395
Coffee machine	664	264
Commissions	28,333	21,130
Competition and sundry income	7,736	1,409
Gaming GST rebate	17,180	17,180
Grants received	-	15,000
Green fees	27,494	26,126
Interest received	31	-
Club Keno	57,726	60,979
Line dancing	4,122	4,275
Members subscriptions	21,448	21,470
Poker machine clearances (net)	2,415,992	2,460,715
Raffles	134,129	136,853
Rebates Received	13,513	-
TAB	108,223	104,842
Wage rebates received	-	1,500
Total revenue	<u>3,982,021</u>	<u>3,963,888</u>
NOTE 3 PROFIT BEFORE INCOME TAX		
(a) Expenses		
Employee benefits expense		
Wages and salaries	764,825	780,019
Annual leave provision	8,797	(12,347)
Long service leave provision	12,861	(12,865)
Employee expense payments	25,933	22,571
Fringe benefits tax	24,353	22,329
Superannuation	68,087	68,264
Total employee benefits expense	<u>904,856</u>	<u>867,971</u>
Depreciation and amortisation expense		
Plant and equipment	262,961	269,971
Motor vehicles	7,391	9,856
Leasehold improvements	73,719	73,299
Total depreciation and amortisation expense	<u>344,071</u>	<u>353,126</u>
Finance costs		
Interest bank	2,671	8,414
Interest other	2,247	2,417
Interest hire purchases loans	6,465	13,016
Total finance costs	<u>11,383</u>	<u>23,847</u>



Notes to the Financial Statements for the year ended 31 December 2018

	2018	2017
	\$	\$
NOTE 3 PROFIT BEFORE INCOME TAX (continued)		
Auditor's remuneration		
Auditing the accounts	<u>9,100</u>	<u>9,610</u>
Other expenses		
Advertising	45,686	44,341
Bingo expenses	47,157	46,105
Cash housie expenses	39,424	40,263
Cleaning	64,779	67,681
Community development	34,855	28,333
Cost of sales	425,858	407,501
Director's expenses	11,197	17,192
Entertainment expenses	253,309	234,320
Hire of equipment	34,418	52,129
Insurance	86,813	82,116
Legal fees	-	2,535
Motor vehicle expenses	5,853	2,653
Payroll tax	6,994	8,579
Poker machine license tax	374,477	391,097
Poker machine maintenance	28,783	20,244
Printing & stationery	13,104	11,127
Raffle expenses	170,722	184,204
Rent expense on operating leases	107,500	103,273
Repairs & maintenance	196,060	161,374
Security	4,795	1,653
Staff training	12,725	13,943
Telephone	5,640	5,391
Utilities	125,331	93,046
Other expenses	540,426	502,667
Total other expenses	<u>2,635,906</u>	<u>2,521,767</u>
Profit / (Loss) on disposal of property, plant and equipment	<u>2,428</u>	<u>(8,945)</u>
NOTE 4 INCOME TAX EXPENSE		
Prima facie tax on profit from ordinary activities before income tax at 27.5%	23,447	48,671
Tax effect of permanent differences	(30,366)	(45,164)
Tax effect of timing differences	1,204	831
Tax effect of taxable (profit)/loss carried forward to future income years	5,715	(4,338)
Income tax expense	<u>-</u>	<u>-</u>
NOTE 5 KEY MANAGEMENT PERSONNEL COMPENSATION		
Key Management Personnel Compensation	<u>137,944</u>	<u>134,677</u>
	<u>137,944</u>	<u>134,677</u>
NOTE 6 CASH AND CASH EQUIVALENTS		
Current		
Cash on hand	72,332	121,261
Cash on deposit	157,492	74,447
	<u>229,824</u>	<u>195,708</u>

**Notes to the Financial Statements** for the year ended 31 December 2018

	2018 \$	2017 \$				
NOTE 7 TRADE AND OTHER RECEIVABLES						
Current						
GST refundable	19,438	17,730				
Other receivables	-	10				
	<u>19,438</u>	<u>17,740</u>				
NOTE 8 INVENTORIES						
Bar trading stock	25,929	19,799				
	<u>25,929</u>	<u>19,799</u>				
NOTE 9 OTHER ASSETS						
Current						
Prepayments	42,019	38,502				
	<u>42,019</u>	<u>38,502</u>				
NOTE 10 PROPERTY, PLANT AND EQUIPMENT						
Land & building at cost	<u>242,053</u>	<u>239,074</u>				
Car park at cost	<u>225,144</u>	<u>225,144</u>				
Plant & equipment at cost	2,601,278	2,481,938				
Less accumulated depreciation	(1,821,584)	(1,660,311)				
	<u>779,694</u>	<u>821,627</u>				
Motor vehicles at cost	41,098	41,098				
Less accumulated depreciation	(18,925)	(11,534)				
	<u>22,173</u>	<u>29,564</u>				
Leasehold improvements at cost	2,974,833	2,942,244				
Less accumulated depreciation	(1,362,685)	(1,288,966)				
	<u>1,612,148</u>	<u>1,653,278</u>				
Total property, plant and equipment	<u>2,881,212</u>	<u>2,968,687</u>				
(a) Movements in carrying amounts						
Movement in carrying amounts for each class of property, plant and equipment						
	Land & Buildings	Car Park	Plant & Equipment	Motor Vehicles	Leasehold Improvements	TOTAL
	\$	\$	\$	\$	\$	\$
Opening balance	239,074	225,144	821,627	29,564	1,653,278	2,968,687
Additions	2,979	-	242,327	-	32,589	277,895
Disposal	-	-	(21,299)	-	-	(21,299)
Depreciation	-	-	(262,961)	(7,391)	(73,719)	(344,071)
Closing balance	242,053	225,144	779,694	22,173	1,612,148	2,881,212
NOTE 11 INTANGIBLE ASSETS						
Non-current						
Borrowing costs					4,041	3,813
Less: accumulated amortisation					(2,402)	(1,344)
Poker machine entitlements at cost					177,963	177,963
					<u>179,602</u>	<u>180,432</u>



Notes to the Financial Statements for the year ended 31 December 2018

	2018	2017
	\$	\$
NOTE 11 INTANGIBLE ASSETS (continued)		
Reconciliation of Poker Machine Entitlements		
Opening balance	177,963	177,963
Additions	-	-
Disposal	-	-
Amortisation charge	-	-
Impairment loss	-	-
Closing balance	<u>177,963</u>	<u>177,963</u>
(a) Measurement		
Impairment testing as at 31 December 2018 confirmed that there was no impairment of the acquired poker machine entitlements. Poker machine entitlements are stated at cost less any impairment losses.		
NOTE 12 TRADE AND OTHER PAYABLES		
Current		
Trade creditors	98,161	102,107
GST payable	42,387	39,013
PAYG payable	14,893	12,467
Other creditors	187,794	176,954
	<u>343,235</u>	<u>330,541</u>
NOTE 13 BORROWINGS		
Current		
Business loans	25,784	30,060
Hire purchase liabilities	50,667	56,942
Other Borrowings	113,412	170,122
	<u>189,863</u>	<u>257,124</u>
Non-current		
Business loans	-	25,102
Hire purchase liabilities	32,410	43,017
Other Borrowings	20,682	80,171
	<u>53,092</u>	<u>148,290</u>
	<u>242,955</u>	<u>405,414</u>
NOTE 14 PROVISIONS		
Current		
Employee benefits	209,160	196,556
	<u>209,160</u>	<u>196,556</u>
Non current		
Employee benefits	20,244	11,190
	<u>20,244</u>	<u>11,190</u>



Notes to the Financial Statements for the year ended 31 December 2018

2018
\$ **2017**
\$

NOTE 15 CASH FLOW INFORMATION

a) Reconciliation of Cash

Cash on deposit	157,492	74,447
Cash on Hand	72,332	121,261
	229,824	195,708

b) Reconciliation of net cash used in operations with profit after Income

Tax		
Profit/(Loss) after income tax	85,263	176,985
Non-cash flows in profit		
Depreciation	344,071	353,126
(Profit) on disposal of assets	(2,428)	-
Loss on disposal of assets	-	8,945
Hire purchase interest	6,465	13,016
Amortisation	1,057	1,009
Changes in assets and liabilities		
(Increase) decrease in current receivables	(1,698)	11,581
(Increase) decrease in inventory	(6,130)	1,637
(Increase) decrease in other assets	(3,517)	(7,048)
(Decrease) increase in current payables	12,694	99,644
(Decrease) increase in current provisions	12,604	(30,030)
(Decrease) increase in non current provisions	9,054	4,817
Net cash received from (used in) operating activities	457,435	633,682

NOTE 16 CONTRIBUTED EQUITY

The company is limited by guarantee and in the event of the company being wound up the liability of each member (both during the time they are members and within one year afterwards) is limited to \$20. There were 4,653 members at 31 December 2018 (4,043 at 31 December 2017).

NOTE 17 CAPITAL AND LEASING COMMITMENTS

(a) Hire purchase commitments

Payable		
- Within twelve months	50,667	56,942
- Between one & two years	32,410	43,017
- Between two & five years	-	-
Minimum HP payments	83,077	99,959
Future finance charges	(6,329)	(5,923)
Total HP liability	76,748	94,036



Notes to the Financial Statements for the year ended 31 December 2018

NOTE 18 FINANCIAL RISK MANAGEMENT

Financial risk management policies

2018

\$

2017

\$

The company's financial instruments consist mainly of deposits with banks, accounts payable, loans and leases.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

Financial Assets

Cash & Cash Equivalents

229,824

195,708

Loans and Receivables

19,438

17,740

Total Financial Assets

249,262

213,448

Financial Liabilities

Financial Liabilities at amortised cost

- Trade and other payables

343,235

330,541

- Borrowings

242,955

405,414

Total Financial Liabilities

586,190

735,955

NOTE 19 COMPANY DETAILS

The registered office of the company is:

Camden RSL Club Limited

23 Cawdor Road

CAMDEN NSW 2570

**COMPILATION REPORT
TO CAMDEN R.S.L CLUB LTD**

Scope

We have compiled the accompanying general purpose financial statements of Camden R.S.L Club Ltd, which comprise the statement of financial position as at 31 December 2018, the statement of comprehensive income for the year then ended, the statement of changes in equity for the year then ended, the statement of cash flows for the year then ended, a summary of significant accounting policies, and other explanatory notes to the financial statements. These financial statements have been prepared in accordance with Australian Accounting Standards described in Note 1 to the financial statements.

The Responsibility of the Directors

The directors are solely responsible for the information contained in the special general purpose financial statements and have determined that the basis of accounting used is appropriate to meet their needs and for the purpose that the financial statements were prepared.

Our Responsibility

On the basis of the information provided by the directors we have compiled the accompanying general purpose financial statements in accordance with the basis of accounting adopted and *APES 315: Compilation of Financial Information*.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the directors provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The general purpose financial statements were compiled exclusively for the benefit of the directors. We do not accept responsibility to any other person for the contents of the special general purpose financial statements

Kelly + Partners (South West Sydney)



Adam Quinn

Suites 1-8 Kellicar Lane, Campbelltown, NSW

Dated this 6th day of February 2019



Bar Trading Account for the year ended 31 December 2018

	2018	2017
	\$	\$
Sales	1,028,822	979,949
Less: Cost of Goods Sold		
Opening stock	19,799	21,436
Purchases	425,858	407,501
Closing stock	(25,929)	(19,799)
	<u>419,728</u>	<u>409,138</u>
Gross profit - bar trading	609,094	570,811
<i>Gross profit margin</i>	<i>59.20%</i>	<i>58.25%</i>
Add Other Income		
Rebates Received	13,513	-
	<u>13,513</u>	<u>-</u>
Less Other Direct Expenses		
Cleaning & laundry	4,270	3,926
Depreciation	4,788	5,336
Insurance	27,709	25,700
Staff amenities	-	57
Stocktaking expenses	3,400	3,000
Superannuation	27,298	24,172
Training	12,725	13,943
Wages	310,596	304,805
	<u>390,786</u>	<u>380,939</u>
Net profit from bar trading	231,821	189,872
<i>Net profit as a percentage of sales</i>	<i>22.53%</i>	<i>19.38%</i>



Poker Machine Trading Account for the year ended 31 December 2018

	2018	2017
	\$	\$
Net poker machine clearances	2,415,992	2,460,715
Less Direct Expenses		
CMS	28,670	28,426
Community development	34,855	28,333
Depreciation	219,350	224,799
Insurance	27,242	25,266
Poker machine licence tax	374,477	391,097
Poker machine maintenance	28,783	20,244
Superannuation	18,380	16,409
Wages - Gaming Machine Attendant	206,459	187,498
	<u>938,216</u>	<u>922,072</u>
Net profit from poker machine trading	<u>1,477,776</u>	<u>1,538,643</u>
<i>Profit as a percentage of net poker machine clearances</i>	<i>61.17%</i>	<i>62.53%</i>



Detailed Profit & Loss Account for the year ended 31 December 2018

	2018	2017
	\$	\$
INCOME		
Net profit from bar trading	231,821	189,872
Net profit from poker machine trading	1,477,776	1,538,643
Bingo	21,436	21,922
Cash Housie	13,857	11,879
Caterers rent	81,315	78,395
Club Keno	57,726	60,979
Coffee machine	664	264
Commission received	28,333	21,130
Competitions and sundry income	7,736	1,409
Gaming GST rebate	17,180	17,180
Grants received	-	15,000
Green fees	27,494	26,126
Interest income	31	-
Line dancing	4,122	4,275
Members subscriptions	21,448	21,470
Profit on disposal of assets	2,428	-
Raffles	134,129	136,853
TAB	108,223	104,842
TABSyd	(105,431)	(93,405)
Wage rebates received	-	1,500
Total income	2,130,288	2,158,334
EXPENSES		
Accountancy	34,000	34,000
Advertising	45,686	44,341
AGM expenses	8,138	8,904
Annual leave provision	8,797	(12,347)
Anzac day expenses	14,337	13,553
Audit fees	9,100	9,610
Amortisation expenses	1,057	1,009
Amortisation of leasehold improvements	73,719	73,299
Bank charges	3,638	4,703
Bingo expenses	47,157	46,105
Bowlers expenses	2,629	2,550
Cash housie expenses	39,424	40,263
Cleaning	60,509	63,755
Computer expenses	7,535	9,251
Dacom	12,535	12,289
Depreciation	46,214	49,692
Directors expenses	11,197	17,192
Donations	500	-
Drinks - trade	1,171	1,345
Employee expense payments	25,933	22,571
Entertainment & function expenses	253,309	234,320
Fees & licences	15,103	13,081
Fox sports	35,600	34,572
Fringe benefits tax	24,353	22,329
First aid supplies	325	1,727



Detailed Profit & Loss Account for the year ended 31 December 2018

	2018	2017
	\$	\$
Expenses (continued)		
Gas kitchen	22,203	17,399
General expenses	13,202	7,861
Hire - plant & equipment	34,418	52,129
Hire purchase charges	6,465	13,016
Honorariums	15,646	16,000
House purchases	49,103	46,986
Insurance - general	31,862	31,150
Interest - bank	2,671	8,414
Interest - insurance	2,247	2,417
Legal expenses	-	2,535
Long service leave provision	12,861	(12,865)
Loss on disposal of fixed assets	-	8,945
Members expenses	108,401	94,259
Motor vehicle expenses	5,853	2,653
Payroll tax	6,994	8,579
Postage & shipping	217	391
Printing & stationery	13,104	11,127
Raffle expenses	170,722	184,204
Rates & taxes	15,939	13,982
Rent	107,500	103,273
Repairs & maintenance	142,119	109,413
Repairs & maintenance - greens	53,941	51,961
Security	4,795	1,653
Sky channel	19,585	19,097
Sports pick	3,160	2,066
Sponsorships	1,205	454
Subscriptions & memberships	12,825	10,377
Superannuation	22,409	27,683
Telephone	5,640	5,391
Uniforms	4,871	11,923
Utilities	125,331	93,046
Wages - general	200,587	188,248
Wages - doorman & receptionist	47,183	79,696
Wages - training	-	19,772
Total expenses	2,045,025	1,981,349
Net (loss) profit before income tax expense	85,263	176,985
Income tax expense	-	-
Net profit (loss) after income tax expense	85,263	176,985
<i>Net profit/(loss) as a percentage of income</i>	<i>4.00%</i>	<i>8.20%</i>