

FINANCIAL REPORT

For the year ended 31 December 2020





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Directors Report for the year ended 31 December 2020

The Directors present their report together with the financial statements of Camden R.S.L. Club Limited for the year ended 31 December 2020.

Directors

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

Kevin Hunt	Kenneth Bell	Derek Ramrack
Con Diomis	Penelope Claxton	Michael Cutting
Christopher Metcalfe	Annette Clissold	Danny Jones

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
- 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 2020

Mr Christopher Metcalfe

Member of the Club Board since November, 2013.
Currently employed as a Prison Warden.

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

Member of the Club Board since June, 2018
Currently employed as an Electrician.

Mr Danny Jones

Member of the Club Board since April, 2019.
Currently employed as a Truck Engineer.

Meetings of Directors

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

Attendances were:

	Number eligible	Number attended
Ms Annette Clissold	14	13
Mr Christopher Metcalfe	14	9
Mr Con Diomis	14	14
Mr Danny Jones	14	14
Mr Derek Ramrack	14	14
Mr Kenneth Bell	14	11
Mr Kevin Hunt	14	14
Mr Michael Cutting	14	13
Ms Penelope Claxton	14	11

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 24th day of February 2021, 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 2020, 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 2020 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 2020, 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 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: 1.06, 10 Century Circuit Norwest NSW 2153

Dated this 24th day of February 2021



Auditors Independence Declaration

We declare that, to the best of our knowledge and belief, during the year ended 31 December 2020 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: 
Mr Lionel Cowan

Address: 1.06, 10 Century Circuit Norwest NSW 2153

Dated this 24th day of February 2021



Directors' Declaration for the year ended 31 December 2020

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 2020 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 24th day of February 2021, in accordance with the resolution of the Directors:

Handwritten signature of Kevin Hunt in black ink.

.....
Kevin Hunt
Director

Handwritten signature of Penelope Claxton in black ink.

.....
Penelope Claxton
Director


Statement of Comprehensive Income for the year ended 31 December 2020

	Note	2020 \$	2019 \$
Revenue	2	3,308,426	3,968,712
Other income	2	399,497	17,254
Changes in inventory		2,460	(2,457)
Employee benefits expense	3	(842,791)	(906,639)
Depreciation expense	3	(394,768)	(396,033)
Finance costs	3	(31,515)	(37,277)
Other expenses	3	(1,639,067)	(2,393,912)
Profit (Loss) before income tax		802,242	249,648
Income tax expense	4	-	-
Profit (Loss) attributable to members of the entity		802,242	249,648
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		802,242	249,648


Statement of Financial Position as at 31 December 2020

	Note	2020 \$	2019 \$
CURRENT ASSETS			
Cash and cash equivalents	6	1,251,467	457,265
Trade and other receivables	7	33,089	25,811
Inventories	8	25,932	23,472
Other current assets	9	35,768	40,703
Total current assets		<u>1,346,256</u>	<u>547,251</u>
NON-CURRENT ASSETS			
Property, plant and equipment	10	2,636,000	2,662,539
Intangible assets	11	481,336	582,664
Total non-current assets		<u>3,117,336</u>	<u>3,245,203</u>
TOTAL ASSETS		<u>4,463,592</u>	<u>3,792,454</u>
CURRENT LIABILITIES			
Trade and other payables	12	325,060	351,900
Borrowings	13	152,139	173,997
Short term provisions	14	68,367	59,704
Total current liabilities		<u>545,566</u>	<u>585,601</u>
NON-CURRENT LIABILITIES			
Borrowings	13	275,873	371,486
Long term provisions	14	27,833	23,289
Total non-current liabilities		<u>303,706</u>	<u>394,775</u>
TOTAL LIABILITIES		<u>849,272</u>	<u>980,376</u>
NET ASSETS		<u>3,614,320</u>	<u>2,812,078</u>
EQUITY			
Retained earnings		3,614,320	2,812,078
Total equity		<u>3,614,320</u>	<u>2,812,078</u>


Statement of Changes in Equity for the year ended 31 December 2020

	Retained Earnings
	\$
Balance at 1 January 2019	2,562,430
Profit attributable to members of the entity	249,648
Balance at 31 December 2019	2,812,078
Profit attributable to members of the entity	802,242
Balance at 31 December 2020	3,614,320



Cash Flow Statement for the year ended 31 December 2020

	Note	2020 \$	2019 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from members and customers		4,814,596	4,628,925
Payments to suppliers and employees		(3,627,854)	(4,090,978)
Net cash provided by operating activities	15b	<u>1,186,742</u>	<u>537,947</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		9,450	6,727
Payment for property, plant and equipment		(279,825)	(108,301)
Net cash used in investing activities		<u>(270,375)</u>	<u>(101,574)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of borrowings		(122,165)	(286,386)
Proceeds from borrowings		-	77,454
Net cash used in financing activities		<u>(122,165)</u>	<u>(208,932)</u>
Net increase (decrease) in cash held		794,202	227,441
Cash at the beginning of the year		457,265	229,824
Cash at the end of the year	15a	<u>1,251,467</u>	<u>457,265</u>



Notes to the Financial Statements for the year ended 31 December 2020

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 2020.

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 2020

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 2020

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.



Notes to the Financial Statements for the year ended 31 December 2020

(e) Financial Instruments (continued)

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.

(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.



Notes to the Financial Statements for the year ended 31 December 2020

(I) Leases

AASB 16: Leases came into effect for years commencing on or after 1 January 2019 and has now been adopted by the company. This standard replaced the existing accounting requirements for leases under AASB 117: Leases. Under the previous standard, leases were classified based on their nature as either finance leases, which were recognised on the Statement of Financial Position, or operating leases which were not recognised on the Statement of Financial Position. AASB 16 Leases removed the distinction with all leases to be recognised on the Statement of Financial Position regardless of their nature.

The company's accounting for operating leases as a lessee results in the recognition of a right-of-use (ROU) asset and an associated liability on the Statement of Financial Position. The liability represents the present value of future lease payments, with the exception of short-term leases and low value assets. Where applicable, an interest expense is recognised on the lease liabilities, and a depreciation charge is recognised for the ROU assets.

NOTE 2 REVENUE	2020	2019
	\$	\$
Operating activities		
Bar sales	766,969	1,041,742
Bingo	11,412	22,434
Cash Housie	2,891	14,922
Caterer's rent	70,579	81,011
Coffee machine	3,188	707
Commissions	29,697	27,104
Competition and sundry income	10,163	5,820
Club Keno	50,374	68,935
Green fees	21,510	27,826
Line dancing	980	5,092
Members subscriptions	24,881	22,007
Poker machine clearances (net)	2,098,149	2,342,554
Raffles	97,822	150,027
Rebates Received	16,622	21,621
TAB	102,833	136,217
Vending Machine Income	356	693
Total operating revenue	<u>3,308,426</u>	<u>3,968,712</u>
Other Income		
Gaming GST rebate	17,181	17,180
Government grants - Covid-19 stimulus	372,500	-
Insurance recoveries	9,753	-
Interest received	63	74
Total Other Income	<u>399,497</u>	<u>17,254</u>
Total Income	<u>3,707,923</u>	<u>3,985,966</u>



Notes to the Financial Statements for the year ended 31 December 2020

	2020	2019
	\$	\$
NOTE 3 PROFIT BEFORE INCOME TAX		
(a) Expenses		
Employee benefits expense		
Wages and salaries	766,760	976,682
Annual leave provision	9,280	(89,366)
Long service leave provision	3,927	(57,046)
Fringe benefits tax	-	1,832
Superannuation	62,824	74,537
Total employee benefits expense	842,791	906,639
Depreciation and amortisation expense		
Plant and equipment	183,224	217,037
Motor vehicles	-	1,018
Leasehold improvements	110,546	76,980
Right of Use asset	100,998	100,998
Total depreciation and amortisation expense	394,768	396,033
Finance costs		
Interest bank	387	914
Interest other	2,560	2,253
Interest hire purchases loans	4,696	6,059
Interest lease liability	23,872	28,051
Total finance costs	31,515	37,277
Auditor's remuneration		
Auditing the accounts	10,700	10,008
Other expenses		
Advertising	8,429	17,176
Bingo expenses	22,402	51,344
Cash housie expenses	2,960	27,520
Cleaning	39,646	56,059
Community development	25,666	29,332
Cost of sales	326,437	427,599
Courtesy bus	-	582
Director's expenses	13,861	23,080
Entertainment expenses	55,774	232,368
Fines & penalties	-	80
Hire of equipment	24,986	26,464
Insurance	68,360	61,830
Motor vehicle expenses	-	607
Payroll tax	-	7,940
Poker machine license tax	306,332	364,065
Poker machine maintenance	17,742	20,311
Printing & stationery	11,552	8,216
Promotions	34,534	26,532
Raffle expenses	74,031	145,867
Repairs & maintenance	102,032	160,418
Security	220	1,900
Staff Training	3,937	11,219
Telephone	6,928	7,419



Notes to the Financial Statements for the year ended 31 December 2020

	2020	2019
NOTE 3 PROFIT BEFORE INCOME TAX (CONTINUED)	\$	\$
Utilities	90,597	114,242
Other expenses	388,797	536,522
Total other expenses	<u>1,625,223</u>	<u>2,358,692</u>
Loss on disposal of property, plant and equipment	<u>3,144</u>	<u>25,212</u>
NOTE 4 INCOME TAX EXPENSE		
Prima facie tax on profit from ordinary activities before income tax at 26% (27.5% 2019)	208,583	73,332
Tax effect of permanent differences	(133,998)	(61,531)
Tax effect of timing differences	(20,689)	1,815
Tax effect of taxable (profit)/loss carried forward to future income years	(53,896)	(13,616)
Income tax expense	<u>-</u>	<u>-</u>
NOTE 5 KEY MANAGEMENT PERSONNEL COMPENSATION		
Key Management Personnel Compensation	142,146	269,245
	<u>142,146</u>	<u>269,245</u>
NOTE 6 CASH AND CASH EQUIVALENTS		
Current		
Cash on hand	85,879	91,590
Cash on deposit	1,165,588	365,675
	<u>1,251,467</u>	<u>457,265</u>
NOTE 7 TRADE AND OTHER RECEIVABLES		
Current		
GST refundable	17,002	17,333
Other receivables	16,087	8,478
	<u>33,089</u>	<u>25,811</u>
NOTE 8 INVENTORIES		
Bar trading stock	25,932	23,472
	<u>25,932</u>	<u>23,472</u>
NOTE 9 OTHER ASSETS		
Current		
Prepayments	35,768	40,701
	<u>35,768</u>	<u>40,701</u>
NOTE 10 PROPERTY, PLANT AND EQUIPMENT		
Land & building at cost	242,053	242,053
Car park at cost	225,144	225,144
	<u>242,053</u>	<u>242,053</u>
Plant & equipment at cost	2,532,244	2,624,360
Less accumulated depreciation	(1,910,923)	(1,989,160)
	<u>621,321</u>	<u>635,200</u>



Notes to the Financial Statements for the year ended 31 December 2020

NOTE 10 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)	2020	2019
	\$	\$
Leasehold improvements at cost	3,097,693	2,999,807
Less accumulated depreciation	<u>(1,550,211)</u>	<u>(1,439,665)</u>
	<u>1,547,482</u>	<u>1,560,142</u>
Total property, plant and equipment	<u>2,636,000</u>	<u>2,662,539</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	242,053	225,144	635,200	-	1,560,142	2,662,539
Additions	-	-	181,940	-	97,885	279,825
Disposal	-	-	(12,594)	-	-	(12,594)
Depreciation	-	-	(183,225)	-	(110,545)	(293,770)
Closing balance	242,053	225,144	621,321	-	1,547,482	2,636,000

NOTE 11 INTANGIBLE ASSETS

Non-current

Borrowing costs	4,440	4,440
Less: accumulated amortisation	(4,063)	(3,733)
Poker machine entitlements at cost	177,963	177,963
Right of Use Asset	504,992	504,992
Less: accumulated depreciation	<u>(201,996)</u>	<u>(100,998)</u>
	<u>481,336</u>	<u>582,664</u>

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 2020 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	109,894	134,583
GST payable	38,477	36,737
PAYG payable	11,458	16,289
Other creditors	<u>165,231</u>	<u>164,291</u>
	<u>325,060</u>	<u>351,900</u>



Notes to the Financial Statements for the year ended 31 December 2020

NOTE 13 BORROWINGS	2020	2019
Current	\$	\$
Business loans	-	(375)
Hire purchase liabilities	30,535	39,642
Lease liability	117,468	114,048
Other Borrowings	4,136	20,682
	<u>152,139</u>	<u>173,997</u>
Non-current		
Hire purchase liabilities	32,687	63,216
Lease Liability	243,186	308,270
	<u>275,873</u>	<u>371,486</u>
	<u>428,012</u>	<u>545,483</u>
NOTE 14 PROVISIONS		
Current		
Employee benefits	68,367	59,704
	<u>68,367</u>	<u>59,704</u>
Non current		
Employee benefits	27,833	23,289
	<u>27,833</u>	<u>23,289</u>
NOTE 15 CASH FLOW INFORMATION		
a) Reconciliation of Cash		
Cash on deposit	1,165,588	365,675
Cash on Hand	85,879	91,590
	<u>1,251,467</u>	<u>457,265</u>
b) Reconciliation of net cash used in operations with profit after Income Tax		
Profit/(Loss) after income tax	802,242	249,648
Non-cash flows in profit		
Depreciation	394,768	396,032
Loss on disposal of assets	3,144	25,212
Hire purchase interest	4,696	6,059
Amortisation	331	1,333
Changes in assets and liabilities		
(Increase) decrease in current receivables	(7,609)	(6,373)
(Increase) decrease in inventory	(2,460)	2,457
(Increase) decrease in other assets	4,936	1,318
(Decrease) increase in current payables	(26,514)	8,665
(Decrease) increase in current provisions	8,663	(149,450)
(Decrease) increase in non current provisions	4,543	3,045
Net cash received from (used in) operating activities	<u>1,186,740</u>	<u>537,945</u>



Notes to the Financial Statements for the year ended 31 December 2020

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 5,337 members at 31 December 2020 (5,247 at 31 December 2019).

NOTE 17 CAPITAL AND LEASING COMMITMENTS

(a) Hire purchase commitments

	2020 \$	2019 \$
Payable		
- Within twelve months	30,535	39,642
- Between one & two years	32,687	63,216
- Between two & five years	-	-
Minimum HP payments	<u>63,222</u>	<u>102,858</u>
Future finance charges	<u>(3,757)</u>	<u>(8,446)</u>
Total HP liability	<u>59,465</u>	<u>94,412</u>

(b) Lease of land

Asset - Right of Use		
- later than five years	<u>302,996</u>	<u>403,994</u>
	<u>302,996</u>	<u>403,994</u>
Payable - Minimum lease payments		
- not later than 12 months	117,468	114,048
- between 12 months and five years	243,186	308,270
- later than five years	-	-
Total Lease Liability	<u>360,654</u>	<u>422,318</u>

The lease is on a six year agreement, ending 31 December 2023, paid monthly, with a yearly 3% increase. The values shown in this note are exclusive of GST.

NOTE 18 FINANCIAL RISK MANAGEMENT

Financial risk management policies

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	1,251,467	457,265
Loans and Receivables	<u>33,089</u>	<u>25,811</u>
Total Financial Assets	<u>1,284,556</u>	<u>483,076</u>


Notes to the Financial Statements for the year ended 31 December 2020

	2020	2019
	\$	\$
NOTE 18 FINANCIAL RISK MANAGEMENT (CONTINUED)		
Financial Liabilities		
Financial Liabilities at amortised cost		
- Trade and other payables	325,060	351,900
- Borrowings	428,012	545,483
Total Financial Liabilities	<u>753,072</u>	<u>897,383</u>

NOTE 19 COMPANY DETAILS

The registered office of the company is:

Camden RSL Club Limited
 23 Cawdor Road
 CAMDEN NSW 2570


Bar Trading Account for the year ended 31 December 2020

	2020	2019
	\$	\$
Sales	766,969	1,041,742
Less: Cost of Goods Sold		
Opening stock	23,472	25,929
Purchases	326,437	427,599
Closing stock	(25,932)	(23,472)
	<u>323,977</u>	<u>430,056</u>
Gross profit - bar trading	442,992	611,686
<i>Gross profit margin</i>	<i>57.76%</i>	<i>58.72%</i>
Add Other Income		
Rebates Received	16,622	21,621
	<u>16,622</u>	<u>21,621</u>
Less Other Direct Expenses		
Cleaning & laundry	1,031	2,289
Depreciation	7,305	5,101
Insurance	29,210	26,420
Staff amenities	1,610	2,200
Stocktaking expenses	5,400	4,050
Superannuation	23,592	21,499
Training	3,937	11,219
Uniform - staff	687	-
Wages	284,540	281,706
	<u>357,312</u>	<u>354,484</u>
Net profit from bar trading	102,302	278,823
<i>Net profit as a percentage of sales</i>	<i>13.34%</i>	<i>26.77%</i>


Poker Machine Trading Account for the year ended 31 December 2020

	2020	2019
	\$	\$
Net poker machine clearances	2,098,149	2,342,554
Less Direct Expenses		
CMS	20,076	28,764
Community development	25,666	29,332
Depreciation	137,426	176,533
Insurance	28,718	25,975
Poker machine licence tax	306,332	364,065
Poker machine maintenance	17,742	20,311
Superannuation	16,242	16,252
Wages - Gaming Machine Attendant	195,897	212,959
	<u>748,099</u>	<u>874,191</u>
Net profit from poker machine trading	<u>1,350,050</u>	<u>1,468,363</u>
<i>Profit as a percentage of net poker machine clearances</i>	<i>64.34%</i>	<i>62.68%</i>



Detailed Profit & Loss Account for the year ended 31 December 2020

	2020 \$	2019 \$
TRADING INCOME		
Net profit from bar trading	102,302	278,823
Net profit from poker machine trading	1,350,050	1,468,363
Bingo	11,412	22,434
Cash Housie	2,891	14,922
Caterers rent	70,579	81,011
Club Keno	50,374	68,935
Coffee machine	3,188	707
Commission received	29,697	27,104
Competitions and sundry income	10,163	5,820
Green fees	21,510	27,826
Line dancing	980	5,092
Members subscriptions	24,881	22,007
Raffles	97,822	150,027
TAB	102,833	136,217
TABSyd	(94,821)	(125,310)
Vending Machine	356	693
Total trading income	1,784,217	2,184,671
OTHER INCOME		
Covid-19 - ATO Cashflow Boost	100,000	-
Covid-19 - ATO Jobkeeper	259,500	-
Covid-19 - NSW Small Business Grant	13,000	-
Gaming GST rebate	17,181	17,180
Insurance recoveries	9,753	-
Interest income	63	74
Total Other Income	399,497	17,254
EXPENSES		
Accountancy	26,650	40,920
Advertising	8,429	17,176
AGM expenses	-	9,221
Annual leave provision	9,280	(89,366)
Anzac day expenses	-	8,695
Audit fees	10,700	10,008
Amortisation expenses	331	1,333
Amortisation of leasehold improvements	110,546	76,980
Bank charges	2,942	3,615
Bingo expenses	22,402	51,344
Bowlers expenses	1,665	1,700
Cash housie expenses	2,960	27,520
Cleaning	38,615	53,770
Computer expenses	4,892	7,276
Courtesy bus	-	582
Dacom	11,635	11,682
Depreciation	38,493	36,421
Depeciation - Right of Use	100,998	100,998
Directors expenses	13,861	23,080
Donations	-	1,000
Drinks - trade	408	1,056
Employee expense payments	-	-
Entertainment & function expenses	55,774	232,368



Detailed Profit & Loss Account for the year ended 31 December 2020

	2020 \$	2019 \$
Expenses (continued)		
Fees & licences	4,973	12,726
Fines & penalties	-	80
Fox sports	28,274	36,662
Fringe benefits tax	-	1,832
First aid supplies	-	49
Gas kitchen	15,791	20,320
General expenses	5,330	1,979
Hire - plant & equipment	24,986	26,464
Hire purchase charges	4,696	6,059
Honorariums	-	1,200
House purchases	25,603	38,081
Insurance - general	10,432	9,435
Interest - bank	387	914
Interest - insurance	2,560	2,253
Interest - Lease Liability	23,872	28,051
Long service leave provision	3,927	(57,046)
Loss on disposal of fixed assets	3,144	25,212
Members expenses	99,251	118,576
Motor vehicle expenses	-	607
Payroll tax	-	7,940
Postage & shipping	1,430	167
Printing & stationery	11,552	8,216
Promotions	34,534	26,532
Raffle expenses	74,031	145,867
Rates & taxes	17,613	16,674
Recruitment	-	3,500
Repairs & maintenance	58,969	108,900
Repairs & maintenance - greens	43,063	51,518
Security	220	1,900
Sky channel	11,421	19,584
Sports pick	-	3,885
Sponsorships	(500)	-
Subscriptions & memberships	8,176	13,416
Sub-branch expenses	318	1,218
Superannuation	22,990	36,786
Telephone	6,928	7,419
Uniforms	-	1,663
Utilities	90,597	114,242
Wages - general	222,121	394,350
Wages - doorman & receptionist	64,202	87,667
Total expenses	1,381,472	1,952,277
Net (loss) profit before income tax expense	802,242	249,648
Income tax expense	-	-
Net profit (loss) after income tax expense	802,242	249,648
<i>Net profit/(loss) as a percentage of income</i>	<i>44.96%</i>	<i>11.43%</i>