

Narrabri RSL Memorial & Citizens Club Ltd

# ANNUAL REPORT 2019



**Narrabri RSL Memorial & Citizens Club Ltd.**

**Trading as: Club Narrabri.**

**A.C.N 001-030-593**

**A.B.N 41-001-030-593**

**Notice of Annual General Meeting 2019**

Notice is hereby given that the Annual General Meeting of the Club will be held at 6.pm on Thursday, 26th September, 2019 in the Golfie Auditorium.

**BUSINESS:**

- (a) To confirm the minutes of the previous Annual General Meeting.
- (b) To received and consider the Financial Statements, Directors Report and Auditors Report for the year ended 30<sup>th</sup> June 2019.
- (c) To deal with any notice of motion.
- (d) To deal with any other business that the meeting may approve of, and of which due notice has not been given.

All business and notices of motion to be dealt with at the Annual General Meeting shall be handed to the Company Secretary at least 30 days prior to the date of such meeting.

Applications for positions on the Golf Match Committee 2019/20, will be accepted by the Board of Directors until Monday 14<sup>th</sup> October 2019. Interested Golfing members should apply in writing to the CEO.

A copy of the 2019 Annual Report can be viewed on the club's website: [www.narrabrirsl.com.au](http://www.narrabrirsl.com.au)

Paul Gordon  
CEO

## **CLUB NARRABRI**

### **President's Report 2019**

Members,

At the close of my report to you last year, I alluded to the terrible drought that our region is suffering, and the hope that it would soon be over. Well, I was a long way off the mark as the impact both socially and economically, has only increased on our community during the past 12 months.

Thankfully, due to the continued support of our members and the visitors to our town, your club has performed above expectations over the past year. I am very pleased to report that our profit before income tax consideration for the 2018-19 financial year was \$391,852 an increase of \$76,301 on the previous year. Individually, the RSL Club recorded a profit of \$432,788 and the Golfie recorded a loss of (-\$40,936).

The Cash Surplus (Profit before tax with Depreciation added back} is RSL \$872,469 and Golfie (-\$9,389). Given the economic hardship faced by our region, the Board of Directors are very pleased with this outstanding financial result. The Total Equity of the company is an extremely healthy \$8,365,371 which is testament to the prudence of your Board and the expertise of our management team.

Due to the economic uncertainty of this current time, the Board have adopted a relatively conservative approach to capital works over the past year. There have been minor improvements to the RSL premises with replacement of heaters and extra louvres installed in the outdoor gaming area to improve comfort. Further renovation is planned for the lounge, bar & men's bathroom. The major capital improvements have been to the outdoor deck at the Golfie, with cafe blinds and a wood heater installed to make the deck usable all year round. Automatic doors between the lounge and verandah were installed to improve safety and access. Further improvements are planned for the Golfie outdoor area this year, with the installation of a kid's playground planned for the near future.

The success of our club comes about due to the collaboration of our Board, Management, Staff Team, Caterers, Contractors, Golf Sponsors and Volunteers. Their efforts this year during very tough times is greatly appreciated and I thank them all on your behalf.

Our club is the premier hospitality provider in Narrabri, we have ONE GREAT CLUB with TWO FANTASTIC VENUES and we are committed to servicing and supporting the social, sporting and entertainment needs of our town and district. We continue to support many local charities, sports and community organisations through sponsorship, donations and the use of our facilities and golf course. We have hosted and coordinated two drought relief functions this year with many other community fundraisers held at both venues.

I thank you for your support and ask for your continued patronage as we navigate these tough economic times.

**Bruce O'Hara**

**Chairman of the Board**

**NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED**  
**ABN 41 001 030 593**

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**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**DIRECTORS REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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Your directors present their report on the company for the financial year ended 30 June 2019.

**Principal Activities**

The company's principal activities are the operation of a Registered Club. The principal objective of the club is to provide members with amenities within the combined entity.

**Short Term Objectives of the Company**

The company has identified the following short term objectives:

- To provide services to members commensurate with industry needs and regulatory requirements.
- To continue to lobby the government to ensure a fair go for the registered club industry.
- To promote the registered club industry.
- To meet financial viability and accountability requirements.
- To provide workplaces that are compliant with industry standards and the Fair Work Act.
- To continue to improve the members facilities including refurbishment of the clubs buildings in line with the Club's business plan.

The company has adopted the following strategies for achievement of these short term objectives:

- The preparation of a business and strategic plan that identifies the future for the club and the initiatives that will need to be implemented to promote the club.
- The preparation of an annual budget for financial performance and the regular review of the company's performance against the budget by management and directors.
- The review of the company compliance with work health and safety and compliance with employment law including the Fair Work Act.
- Completion of a business plan and development of a master plan.

**Long Term Objectives of the Company**

The company has identified the following long term objectives:

- To ensure a sustainable industry in the local community with the provision of facilities and amenities at the RSL Club and Golfie.
- To diversify the club operations.
- To continue to be financially secure.
- To grow the company operations in accordance with members interests.
- To implement the business plan and master plan.

The company has adopted the following strategies for achievement of these long term objectives:

- The preparation of a business and strategic plan to identify the opportunities and strengths of the company and provide a sustainable industry.
- The preparation of a marketing plan to communicate and promote the industry.
- The preparation of long term budgets that consider the member service needs, infrastructure needs, service delivery, employment costs and maintaining prudent levels of working capital and liquidity in investment of funds surplus to current needs.

**DIRECTORS REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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**Performance Measurement**

The company uses the following key performance indicators to measure performance:

- Profit, after income tax expense for the financial year was \$414,145 (2018: \$333,778).
- Cash flow provided from operating activities for the financial year was \$952,370 (2018: \$918,360).
- Membership for the financial year was 3,389 (2018: 3,695).
- EBITDARD (Earnings Before Interest Tax Depreciation Amortisation Rent and Donations) was 20.62% (2018: 18.98%)
- The company has complied with all Work Health and Safety, Employment and Environmental reviews conducted by external regulatory bodies.

**Directors Information**

**Directors**

The names of the directors in office at any time during, or since the end of, the year and the period that each director has been in office:

Directors Name	Special Responsibilities	Period as Director	Qualifications and Experience
Bruce O'Hara	President	13 years	Licensed Stock and Station Real Estate Agent, Business Owner.
Stephen Johnson	Vice President	15 years	40 years self employed, registered electrician and plumber.
Raymond Kebby	Director	24 years	Welder by trade.
Gary Mason	Director	13 years	20 years as R.A.N engineer, 30 years safety inspector for Work Cover NSW, Justice of the Peace, Past Secretary/Treasurer and current President of Narrabri RSL sub branch.
John Watling	Director	13 years	Retired, Registrar of the Court/Chamber Magistrate/Coroner, Justice of the Peace.
Sally Phelps	Director	3 years	Bookkeeping provider for 28 years, ANZ Bank 7 years, Justice of the Peace. Treasurer of Narrabri RSL sub branch.
Andrew Smart	Director	1 year Resigned 27 June 2019	Business proprietor.

**Company Secretary**

Paul Gordon was appointed the company secretary on 5 December 1988. Paul has over 30 years experience in the registered clubs industry.

**DIRECTORS REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**Meetings of Directors**

During the financial year, 13 meetings of directors (including committees of directors) were held and the attendances by each director during the year were as follows:

	Directors' Meetings	
	Eligible to attend	Number attended
Bruce O'Hara	13	13
Stephen Johnson	13	11
Raymond Kebby	13	13
Gary Mason	13	13
John Watling	13	9
Sally Phelps	13	13
Andrew Smart	13	10

**Membership Details**

The company is incorporated as a company limited by guarantee that requires the members of the company to contribute \$2 per member towards the company liabilities on the winding up of the company. These membership numbers are at 30 June 2019.

Membership Class	Number of Members	Individual Members Contribution on winding up of Company	Total Members Contribution on winding up of Company
Life members	9	\$ 2	\$ 18
Ordinary members	3,380	\$ 2	\$ 6,760
Total	3,389	\$ 2	\$ 6,778

**Auditors' Independence Declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is attached to these financial statements.

Signed in accordance with a resolution of the Board of Directors



Bruce O'Hara  
 Director



Stephen Johnson  
 Director

Dated: 22 August 2019

**AUDITORS' INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATION ACT 2001  
TO THE DIRECTORS OF  
NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED  
ABN 41 001 030 593**

I declare that, to the best of my knowledge and belief, during the financial year to 30 June 2019 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.

**CROWE CENTRAL NORTH**



**Kylie Ellis**  
**Audit Partner**  
Registered Company Auditor (ASIC RAN 483424)  
90 Rusden St  
ARMIDALE NSW 2350

Dated: 22 August 2019

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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**NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED**  
**ABN 41 001 030 593**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	Note	2019 \$	2018 \$
Sales revenue	2	<b>1,297,337</b>	1,310,678
Cost of goods sold		<b>(547,813)</b>	(533,132)
Gross profit		<b>749,524</b>	777,546
Other revenue	2	<b>3,082,403</b>	2,891,664
Administration expenses		<b>(202,478)</b>	(250,951)
Advertising expenses		<b>(116,097)</b>	(114,106)
Depreciation, amortisation and impairments	3	<b>(471,228)</b>	(458,904)
Employee benefits expenses		<b>(1,377,917)</b>	(1,287,103)
Gaming expenses		<b>(518,777)</b>	(489,621)
Occupancy expenses		<b>(502,372)</b>	(494,193)
Other expenses		<b>(264,573)</b>	(277,232)
Profit/(loss) on sale of assets		<b>13,367</b>	18,451
<b>Profit before income tax expense</b>		<b>391,852</b>	315,551
Income tax revenue	1(a), 4	<b>22,292</b>	18,227
<b>Profit after income tax expense</b>		<b>414,144</b>	333,778
<u>Other comprehensive income</u>			
Other comprehensive income for the year, net of tax		-	-
<b>Total comprehensive income for the year</b>		<b>414,144</b>	333,778
Total comprehensive income attributable to members of the entity		<b>414,144</b>	333,778

**NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED**  
**ABN 41 001 030 593**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2019**

	Note	2019 \$	2018 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	3,272,277	2,637,091
Trade and other receivables	6	19,074	8,600
Inventories	7	63,659	71,273
Assets held for sale	8	<u>72,738</u>	<u>-</u>
<b>TOTAL CURRENT ASSETS</b>		<b><u>3,427,748</u></b>	<b><u>2,716,964</u></b>
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	9	5,066,240	5,297,905
Deferred tax asset	10	176,426	154,134
Intangible assets	11	<u>1,099,775</u>	<u>1,099,775</u>
<b>TOTAL NON CURRENT ASSETS</b>		<b><u>6,342,441</u></b>	<b><u>6,551,814</u></b>
<b>TOTAL ASSETS</b>		<b><u>9,770,189</u></b>	<b><u>9,268,778</u></b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	464,102	424,876
Financial liabilities	13	-	18,250
Provisions	14	594,281	534,652
Other liabilities	15	<u>10,298</u>	<u>14,239</u>
<b>TOTAL CURRENT LIABILITIES</b>		<b><u>1,068,681</u></b>	<b><u>992,017</u></b>
<b>NON CURRENT LIABILITIES</b>			
Provisions	14	-	9,355
Other liabilities	15	<u>36,137</u>	<u>16,179</u>
<b>TOTAL NON CURRENT LIABILITIES</b>		<b><u>36,137</u></b>	<b><u>25,534</u></b>
<b>TOTAL LIABILITIES</b>		<b><u>1,104,818</u></b>	<b><u>1,017,551</u></b>
<b>NET ASSETS</b>		<b><u>8,665,371</u></b>	<b><u>8,251,227</u></b>
<b>EQUITY</b>			
Retained earnings		<u>8,665,371</u>	<u>8,251,227</u>
<b>TOTAL EQUITY</b>		<b><u>8,665,371</u></b>	<b><u>8,251,227</u></b>

**NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED**  
**ABN 41 001 030 593**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	Retained Earnings \$	Total \$
<b>Balance at 01 July 2017</b>	7,917,449	7,917,449
Profit after income tax expense	333,778	333,778
Total other comprehensive income for the year	-	-
<b>Balance at 30 June 2018</b>	<u>8,251,227</u>	<u>8,251,227</u>
Profit after income tax expense	414,144	414,144
Total comprehensive income for the year	-	-
<b>Balance at 30 June 2019</b>	8,665,371	8,665,371

**NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED**  
**ABN 41 001 030 593**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	Note	2019 \$	2018 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		<b>4,804,700</b>	4,616,483
Payments to suppliers and employees		<b>(3,850,694)</b>	(3,699,037)
Interest received		<b>20,656</b>	19,141
Income tax paid		<b>(22,292)</b>	(18,227)
Net cash provided by (used in) operating activities		<b>952,370</b>	918,360
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		<b>14,638</b>	24,540
Purchase of property, plant and equipment		<b>(313,571)</b>	(342,452)
Purchase of financial assets		<b>-</b>	23,928
Net cash used in investing activities		<b>(298,933)</b>	(293,984)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of financial liabilities		<b>(18,250)</b>	(26,769)
Net cash provided by financing activities		<b>(18,250)</b>	(26,769)
Net increase in cash held		<b>635,186</b>	597,607
Cash at the beginning of the financial year		<b>2,637,091</b>	2,039,484
Cash at the end of the financial year	5 (a)	<b>3,272,277</b>	2,637,091

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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**Note 1: Statement of Significant Accounting Policies**

**Basis of Preparation**

The financial statements cover Narrabri RSL Memorial & Citizens Club Limited as an individual entity. Narrabri RSL Memorial & Citizens Club Limited is a public company limited by guarantee, incorporated and domiciled in Australia.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for not-for-profit oriented entities.

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 have been rounded to the nearest dollar.

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

The financial statements were authorised for issue on 22 August 2019 by the directors of the company.

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**Accounting Policies**

**(a) Revenue**

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvements in those goods.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

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

**(b) Income Tax**

The income tax expense (income) 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. 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 outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Deferred tax assets and liability are calculated at the tax rates that are expected to apply for 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.

The mutuality principle has been applied to the income tax calculation of the Club.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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**Note 1: Statement of Significant Accounting Policies**

**(c) Current and non-current classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchange or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled with 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

**(d) Cash and Cash Equivalents**

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

**(e) Inventories**

Inventory is recorded on a first in first out (FIFO) basis. Inventories are measured at the lower of cost and net realisable value.

**(f) 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.

**Property**

Freehold land and buildings are shown at cost less subsequent depreciation for buildings.

**Plant and 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 expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining the recoverable amounts.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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**Note 1: Statement of Significant Accounting Policies**

**Depreciation**

The depreciable amount of all fixed assets including building and capitalised leased assets, but excluding freehold land, is depreciated on a prime cost basis over their useful lives to the company commencing from the time the asset is held ready for use.

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

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Plant and equipment	13 - 40%
Furniture, fixtures and fittings	7.5 - 33%
Carpet and curtains	20 - 30%
Restaurant and kitchen equipment	15 - 33%
Poker machines	20 - 50%

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

An assets' carrying amount is written down immediately to its recoverable amount if the assets' 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 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.

**(g) Intangibles**

**Poker Machine Entitlements**

The poker machine entitlements shown in the accounts represent licences purchased by the club. The company holds other poker machine entitlements that potentially have a market value. If the company were to be wound up or the number of entitlements were in excess of requirements then the poker machine entitlements would be able to be sold at the prevailing market price. Poker machine entitlements are intangible assets classified with an indefinite life. The intangible asset is subject to annual impairment testing to the higher of fair value less related costs to sell and value in use.

**Water Licences**

The water licences held by the club are recorded at cost. The water licences are subject to annual impairment testing to the higher of fair value less related costs to sell and value in use.

**(h) Impairment of Assets**

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use to the asset's carrying value. Any excess of the asset's carrying value of 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 receivable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for intangible assets with indefinite lives.

**(i) Trade and Other Payables**

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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**Note 1: Statement of Significant Accounting Policies**

**(j) 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.

**(k) Employee Benefits**

*Short-term employee benefits*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

*Other long-term employee benefits*

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are recognised in non-current liabilities, provided there is an unconditional right to defer settlement of the liability. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government or commercial bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

*Defined contribution superannuation expense*

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

**(l) Goods and Services Tax**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case it is recognised as part of the cost of the acquisition of the asset or as part 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 ATO 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 ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

Commitments and contingencies are disclosed on a gross basis.

**(m) Comparative Figures**

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

**(n) Membership Subscriptions**

The accrual method of accounting has been adopted whereby subscriptions received in advance are brought into account as a liability of the Club.



**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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**Note 1: Statement of Significant Accounting Policies**

**(o) Critical Accounting Estimates and Judgements**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets

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

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Employee benefits provision

As discussed in note 1 (k), the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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**Note 1: Statement of Significant Accounting Policies**

**(p) Changes in accounting policy, disclosures, standards and interpretations**

New and amended standards and interpretations

The company has applied AASB 9 for the first time. The nature and effect of the changes as a result of the adoption of AASB 9 are described below. The impact of adoption of AASB 9 is not considered material.

Several amendments and interpretations apply for the first time in 2019, but do not have an impact on the financial statements of the company.

AASB 9 *Financial Instruments*

AASB 9 *Financial Instruments* replaces AASB 139 *Financial Instruments: Recognition and Measurement* for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The company has applied AASB 9 retrospectively, with the initial application date of 1 January 2018. AASB 9 has not resulted in changes in the carrying amount of the company's financial instruments due to changes in classification and measurement categories.

Given the general quality of the company's trade receivables, there will be no material impact on the introduction of an expected-loss impairment method.

Accounting Standards and Interpretations issued but not yet effective

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the company for the annual reporting period ending 30 June 2019. The directors have not early adopted any of these new or amended standards and interpretations. The directors are in the process of assessing the impact of AASB 15 *Revenue from Contracts with Customers* (effective 1 January 2019), AASB 1058 *Income of Not-for-Profit Entities* (effective 1 January 2019) and AASB 16 *Leases* (effective 1 January 2019) and its amendments to the extent relevant to the financial statements of the company.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	Note	2019 \$	2018 \$
<b>Note 2: Revenue</b>			
Sales revenue:			
Bar trading		<u>1,297,337</u>	<u>1,310,678</u>
Total sales revenue		<u>1,297,337</u>	<u>1,310,678</u>
Other revenue:			
Commissions received		12,655	15,338
Donations		12,714	22,239
Golf income		154,145	153,726
Interest received		20,656	19,141
Member subscriptions		69,723	74,008
Poker machine revenue		2,555,193	2,343,684
Rental revenue for property investment		9,500	9,880
TAB, Keno and promotions income		234,706	218,405
Other revenue		<u>13,111</u>	<u>35,243</u>
Total other revenue		<u>3,082,403</u>	<u>2,891,664</u>
Total revenue		<u>4,379,740</u>	<u>4,202,342</u>
<b>Note 3: Profit for the Year</b>			
(a) Significant expenses:			
Cost of sales		547,813	533,132
Depreciation		471,228	458,904
Electricity		178,796	151,337
Poker machine duty		394,299	352,696
Repairs and maintenance		150,671	184,477
Salaries and wages		1,176,640	1,129,244
Superannuation		123,310	116,553
<b>Note 4: Income Tax Revenue/Expense</b>			
(a) The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:			
Prime facie tax payable on profit from ordinary activities before income tax at 27.5% (2018: 27.5%)		107,759	86,777
Less tax effect of:			
- Non-deductible and non-assessable items		<u>(130,051)</u>	<u>(105,004)</u>
		<u>(22,292)</u>	<u>(18,227)</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	Note	2019 \$	2018 \$
<b>Note 5: Cash and Cash Equivalents</b>			
Cash on hand		142,978	143,891
Cash at bank		1,279,579	1,209,643
Deposits at call		<u>1,849,720</u>	<u>1,283,557</u>
	5(a)	<u>3,272,277</u>	<u>2,637,091</u>
 (a) Reconciliation of cash and cash equivalents			
Cash and cash equivalents 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:			
Cash and cash equivalents		<u>3,272,277</u>	<u>2,637,091</u>
		<u>3,272,277</u>	<u>2,637,091</u>
 <b>Note 6: Trade and Other Receivables</b>			
CURRENT			
Trade receivables		<u>19,074</u>	<u>8,600</u>
		<u>19,074</u>	<u>8,600</u>
 <b>Note 7: Inventories</b>			
CURRENT			
Stock on hand		<u>63,659</u>	<u>71,273</u>
		<u>63,659</u>	<u>71,273</u>
 <b>Note 8: Assets held for sale</b>			
CURRENT			
		<u>72,738</u>	<u>-</u>

During the financial year the Directors authorised the listing of the vacant land at Old Gunnedah Rd Narrabri for sale. This assets represents a non core asset of the Club, and as a result of the sales listing this asset has been transferred from Property, Plant & Equipment to Assets Held for Sale. This asset is carried at cost, being the lower of cost and estimated fair value less costs to sell.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	Note	2019 \$	2018 \$
<b>Note 9: Property, Plant &amp; Equipment</b>			
Land and Buildings (at cost)			
Freehold land		<u>977,000</u>	<u>1,049,738</u>
Buildings		<u>4,080,982</u>	<u>4,071,682</u>
Less: Accumulated depreciation		<u>(965,593)</u>	<u>(842,433)</u>
		<u>3,115,389</u>	<u>3,229,249</u>
Capital works in progress		<u>57,116</u>	<u>-</u>
Total Land and Buildings		<u>4,149,505</u>	<u>4,278,987</u>
Plant, Equipment & Fittings (at cost)			
Plant and equipment		<u>1,246,560</u>	<u>1,166,941</u>
Less: Accumulated depreciation		<u>(1,004,403)</u>	<u>(904,061)</u>
		<u>242,157</u>	<u>262,879</u>
Furniture, fixture and fittings		<u>282,358</u>	<u>285,995</u>
Less: Accumulated depreciation		<u>(271,165)</u>	<u>(266,104)</u>
		<u>11,193</u>	<u>19,891</u>
Carpet and curtains		<u>100,042</u>	<u>100,042</u>
Less: Accumulated depreciation		<u>(93,326)</u>	<u>(89,578)</u>
		<u>6,716</u>	<u>10,464</u>
Restaurant and kitchen equipment		<u>838,007</u>	<u>837,728</u>
Less: Accumulated depreciation		<u>(608,930)</u>	<u>(586,161)</u>
		<u>229,077</u>	<u>251,567</u>
Motor Vehicles		<u>108,179</u>	<u>108,179</u>
Less: Accumulated depreciation		<u>(88,821)</u>	<u>(78,329)</u>
		<u>19,358</u>	<u>29,850</u>
Poker machines		<u>1,743,015</u>	<u>1,713,068</u>
Less: Accumulated depreciation		<u>(1,334,781)</u>	<u>(1,268,801)</u>
		<u>408,234</u>	<u>444,267</u>
Total Plant, Equipment and Fittings		<u>916,735</u>	<u>1,018,918</u>
Total Property, Plant & Equipment		<u>5,066,240</u>	<u>5,297,905</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

Note	2019 \$	2018 \$
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(a) Movements in carrying amounts

Movements in carrying amount for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land and Buildings \$	Plant and Equipment \$	Total \$
Balance at the beginning of the year	4,278,987	1,018,918	5,297,905
Additions	9,300	247,158	256,458
Capital work in progress	57,116	-	57,116
Disposals	-	(1,273)	(1,273)
Transfers to assets held for sale	(72,738)	-	(72,738)
Depreciation expense	<u>(123,160)</u>	<u>(348,068)</u>	<u>(471,228)</u>
Carrying amount at the end of the year	<u>4,149,505</u>	<u>916,735</u>	<u>5,066,240</u>

**Note 10: Tax Assets**

NON CURRENT

Deferred tax asset - opening balance	154,134	135,907
Charge to statement of profit or loss and other comprehensive income	<u>22,292</u>	<u>18,227</u>
	<u>176,426</u>	<u>154,134</u>

**Note 11: Intangible Assets**

Poker machine entitlements (at cost)	678,415	678,415
Less: accumulated impairment losses	<u>-</u>	<u>-</u>
	<u>678,415</u>	<u>678,415</u>
Water licences	421,360	421,360
Less: accumulated impairment losses	<u>-</u>	<u>-</u>
	<u>421,360</u>	<u>421,360</u>
	<u>1,099,775</u>	<u>1,099,775</u>

(a) Movements in carrying amounts

	Poker Machine Entitlements \$	Water Licences \$	Total \$
Balance at the beginning of the year	678,415	421,360	1,099,775
Additions	-	-	-
Additions via business combination	-	-	-
Disposals	-	-	-
Impairment losses	<u>-</u>	<u>-</u>	<u>-</u>
Carrying amount at the end of the year	<u>678,415</u>	<u>421,360</u>	<u>1,099,775</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

Note	2019	2018
	\$	\$

**Poker Machine Entitlements**

Poker machine entitlements are assessed as having an indefinite useful life. The measurement and recognition criteria is outlined in Note 1(g) to the financial statements.

Poker machine entitlements have been impairment tested using calculations of the higher of fair value, less costs to realise, and value in use. The directors believe that the carrying amount of poker machine entitlements are not impaired and annual impairment testing was conducted at 30 June 2019.

**Water Licences**

The water licence is assessed as having an indefinite useful life. The measurement and recognition criteria is outlined in Note 1(g) to the financial statements

The directors believe that the carrying amount of the water licence is not impaired and annual impairment testing will be conducted at each reporting date.

**Note 12: Trade and Other Payables**

CURRENT

Unsecured liabilities;

Trade payables

246,819

223,672

Sundry payables and accrued expenses

217,283

201,204

464,102

424,876

**Note 13: Financial Liabilities**

CURRENT

Secured liabilities:

Credit card

-

8,833

Lease liability

-

9,417

-

18,250

NON-CURRENT

-

-

Total Borrowings

-

18,250

(a) Total current and non-current secured liabilities:

Credit card

-

8,833

Lease liability

-

9,417

-

18,250

The Club has a corporate credit card facility with Westpac Banking Corporation for \$40,000. At balance date the unused portion of this facility was \$40,000.

Lease liabilities are secured by the underlying assets.

The Australian and New Zealand Banking Corporation have provided a guarantee of \$5,000 (2018: \$5,000) to TAB Limited for the Clubs TAB operations.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	Note	2019 \$	2018 \$
<b>Note 14: Provisions</b>			
CURRENT			
Provision for employee benefits		<u>594,281</u>	<u>534,652</u>
NON-CURRENT			
Provision for employee benefits		<u>-</u>	<u>9,355</u>
<b>Provision for employee benefits</b>			
A provision has been recognised for employee entitlements relating to annual and long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits has been included in Note 1 to this report.			
<b>Note 15: Other Liabilities</b>			
CURRENT			
Subscriptions received in advance		<u>10,298</u>	<u>14,239</u>
		<u>10,298</u>	<u>14,239</u>
NON-CURRENT			
Subscriptions received in advance		<u>36,137</u>	<u>16,179</u>
		<u>36,137</u>	<u>16,179</u>
<b>Note 16: Capital Commitments</b>			
(a) Finance Lease Commitments			
Payable - minimum lease payments:			
- not later than 12 months		<u>-</u>	<u>9,417</u>
Minimum lease payments	13 (a)	<u>-</u>	<u>9,417</u>

The company has entered into a number of lease agreements to purchase Electronic Gaming Machines and Golf Equipment, over varying terms of 2 -3 years each.

(b) Capital Expenditure Commitments

As at 30 June 2019, the company had not engaged in any capital commitments.

**Note 17: Events After the End of the Reporting Period**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.



**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	Note	2019 \$	2018 \$
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**Note 18: Financial Risk Management**

The company's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable 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 and cash equivalents	5	<u>3,272,277</u>	<u>2,637,091</u>
		<u>3,272,277</u>	<u>2,637,091</u>

**Financial liabilities**

Financial liabilities at amortised cost:			
Trade and other payables	12	<u>464,102</u>	<u>424,876</u>
Financial liabilities	13	<u>-</u>	<u>18,250</u>
		<u>464,102</u>	<u>443,126</u>

**Note 19: Related Party Transactions**

Key Management Personnel

The totals of remuneration paid to key management personnel (KMP) during the year are as follows:

Key management personnel compensation		<u>494,165</u>	<u>442,310</u>
No. of key management personnel		<u>5</u>	<u>4</u>

Other Related Parties

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

Transactions with related parties were:

Stephen Johnson - during the year the Club operated a charge back agreement between the Southern Cross Motel. Stephen Johnson is a director of the company. Net transactions for the year totalled \$14,179 (2018: \$17,113).

Bruce O'Hara - during the year the Club purchased products from Narrabri Ag Supplies. Bruce O'Hara is a director of the company. Net Transactions for the year totalled \$3,454 (2018: \$3,084).

Paul Gordon - during the year Paul rented a house in Maitland Street owned by the Club.

**Note 20: Sub Committees**

The economic entity which the Narrabri RSL Memorial & Citizens Club Limited comprises the activities of the Club and the RSL Sporting Body. The directors are of the opinion that it is impractical to consolidate the activities of the RSL Sporting Club with those of the Narrabri RSL Memorial & Citizens Club Limited on the basis of materiality. At 30 June 2019, the sub committee has net assets \$34,704 (2018: \$39,234) and deficit of \$4,530 (2018: \$3,109 profit).

**Note 21: Company Details**

The club is incorporated and domiciled in Australia as a company limited by guarantee.

The registered office and principal place of business is:

Narrabri RSL Memorial & Citizens Club Ltd  
 7-11 Maitland Street  
 NARRABRI NSW 2390

**NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED**  
**ABN 41 001 030 593**

**DIRECTORS' DECLARATION**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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In the directors' opinion

1. The attached financial statements and notes thereto comply with the Corporations Act 2001, the Australian Accounting Standards - Reduced Disclosure Requirements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
2. The attached financial statements and notes thereto give a true and fair view of the company's financial position as at 30 June 2019 and of its performance for the financial year ended on that date; and
3. 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 in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001 by:



Bruce O'Hara  
Director



S Johnson  
Director

Dated: 22 August 2019

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF  
NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED  
ABN 41 001 030 593**

### Opinion

We have audited the financial report of Narrabri RSL Memorial & Citizens Club Limited (the Company), which comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of the Company is in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2019 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards - Reduced 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 Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Central North, an affiliate of Findex (Aust) Pty Ltd. Liability limited by a scheme approved under Professional Standards Legislation. Liability limited other than for acts or omissions of financial services licensees.

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## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED ABN 41 001 030 593

#### Other Information

The directors are responsible for the other information. The other information comprises the information contained in the Company's Directors Report for the year ended 30 June 2019, 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 - Reduced 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.

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

#### Auditor's Responsibilities for the Audit of the Financial Report

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, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF  
NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED  
ABN 41 001 030 593**

- 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 transactions and events in a manner that achieves fair presentation.

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

**CROWE CENTRAL NORTH**



**Kylie Ellis**  
**Audit Partner**  
Registered Company Auditor (ASIC RAN 483424)  
90 Rusden St  
ARMIDALE NSW 2350

Dated: 23 August 2019

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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**DISCLAIMER  
TO THE MEMBERS OF  
NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED  
ABN 41 001 030 593**

The additional financial data presented on pages 30 - 35 is in accordance with the books and records of the company which have been subjected to the auditing procedures applied in our statutory audit of the company for the financial year ended 30 June 2019. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Narrabri RSL Memorial & Citizens Club Limited) in respect of such data, including any errors of omissions therein however caused.

**CROWE HORWATH CENTRAL NORTH**



**Kylie Ellis**  
**Audit Partner**  
Registered Company Auditor (ASIC RAN 483424)  
90 Rusden St  
ARMIDALE NSW 2350

Dated: 23 August 2019

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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**NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED**  
**ABN 41 001 030 593**

**DETAILED TRADING STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

RSL CLUB	2019 \$	2018 \$
<b>Bar Trading</b>		
Bar sales	877,949	914,880
Less: cost of goods sold	<u>(360,896)</u>	<u>(362,246)</u>
<b>Gross profit</b>	<u>517,053</u>	<u>552,634</u>
Less: wages	(142,325)	(149,573)
Less: bar - other expenses	<u>(3,682)</u>	<u>(5,027)</u>
<b>Net profit from bar trading</b>	<u>371,046</u>	<u>398,034</u>
Gross profit percentage to sales	<u>58.89%</u>	<u>60.41%</u>
<b>Poker Machines</b>		
Poker machine revenue	2,509,137	2,301,493
Less: poker machine wages	(81,018)	(68,970)
Less: poker machine expenses	<u>(478,020)</u>	<u>(455,876)</u>
<b>Net profit</b>	<u>1,950,099</u>	<u>1,776,647</u>
<b>Promotions</b>		
Goods sold	113,807	107,114
Less: cost of goods sold	<u>(194,719)</u>	<u>(195,908)</u>
<b>Net loss</b>	<u>(80,912)</u>	<u>(88,794)</u>
<b>Keno</b>		
Keno Income	84,467	80,439
Less: Keno wages	(85,900)	(80,400)
Less: Keno expenses	<u>(9,665)</u>	<u>(6,413)</u>
<b>Net loss</b>	<u>(11,098)</u>	<u>(6,374)</u>
<b>TAB</b>		
TAB income	16,182	14,814
Less: TAB wages	(37,900)	(38,523)
Less: TAB expenses	<u>(25,127)</u>	<u>(23,965)</u>
<b>Net loss</b>	<u>(46,845)</u>	<u>(47,674)</u>

**NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED**  
**ABN 41 001 030 593**

**DETAILED INCOME AND EXPENDITURE STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

RSL CLUB	2019 \$	2018 \$
<b>Income</b>		
Net profit/(loss) from trading:		
Bar	371,046	398,034
Poker Machine	1,950,099	1,776,647
Promotions	(80,912)	(88,794)
Keno	(11,098)	(6,374)
TAB	(46,845)	(47,674)
Commissions received	11,648	14,133
Interest income	20,656	19,141
Members subscriptions	13,461	15,344
Property income	9,500	9,880
Sundry income	<u>8,610</u>	<u>12,687</u>
<b>Total Income</b>	<b><u>2,246,165</u></b>	<b><u>2,103,024</u></b>
<b>Expenditure</b>		
<u>Administration Expenses</u>		
Bank charges	6,060	4,205
Cash shortages	785	482
Computer support	42,664	56,673
Directors' expenses	6,045	6,790
Interest	3,110	976
Licenses	7,464	7,922
Postage	6,233	5,077
Printing	5,892	3,582
Professional fees	29,066	49,181
Stationery	4,784	3,977
Staff amenities	20,678	20,759
Staff amenities (GST free)	5,412	5,952
Staff training	10,433	13,665
Uniform	3,969	1,215
Telephone	12,036	12,823
Trade subscriptions	1,125	7,974
Vehicle expenses	<u>13,673</u>	<u>15,463</u>
	<b><u>179,429</u></b>	<b><u>216,716</u></b>
<u>Advertising &amp; Marketing Expenses</u>		
Advertising	46,348	45,457
Donations	33,032	21,272
Entertainment	28,856	35,524
Floral tributes	<u>123</u>	<u>477</u>
	<b><u>108,359</u></b>	<b><u>102,730</u></b>



**NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED**  
**ABN 41 001 030 593**

**DETAILED INCOME AND EXPENDITURE STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

<b>RSL CLUB</b>	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<u>Employee Benefits Expenses</u>		
Payroll tax	23,493	27,021
Provision expense - annual leave	24,182	4,824
Provision expense - long service leave	27,098	12,059
Provision expense - TOIL	-	(2,676)
Superannuation	100,228	102,701
Wages	<u>560,703</u>	<u>549,167</u>
	<u>735,704</u>	<u>693,096</u>
<u>Occupancy Expenses</u>		
Cleaning materials	8,211	11,759
Electricity and heating	134,784	117,150
Insurance	78,840	62,151
Laundry	830	826
Rates	17,799	21,767
Repairs and maintenance	66,183	91,789
Security	4,577	5,481
Trade waste	<u>8,907</u>	<u>7,254</u>
	<u>320,131</u>	<u>318,177</u>
<u>Other Expenses</u>		
Freight	270	2,598
Golf club expenses	50	20,668
Property expenses	15,573	6,259
Sundry expenses	<u>27,547</u>	<u>5,557</u>
	<u>43,440</u>	<u>35,082</u>
Loss (gain) on sale of assets	<u>(13,367)</u>	<u>(18,451)</u>
<b>Total Expenditure</b>	<u><b>1,373,696</b></u>	<u><b>1,347,350</b></u>
<b>Net Operating Profit before Income Tax Expense and Depreciation</b>	<u><b>872,469</b></u>	<u><b>755,674</b></u>
Less: Depreciation	<u>439,681</u>	<u>412,288</u>
<b>Net Operating Profit before Income Tax Expense</b>	<u><b>432,788</b></u>	<u><b>343,386</b></u>

**NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED**  
**ABN 41 001 030 593**

**DETAILED TRADING STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

<b>GOLF CLUB</b>	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b>Bar Trading</b>		
Bar sales	419,388	395,798
Less: cost of goods sold	<u>(186,917)</u>	<u>(170,886)</u>
<b>Gross profit</b>	<u>232,471</u>	<u>224,912</u>
Less: wages	(59,424)	(55,599)
Less: bar - other expenses	<u>(5,200)</u>	<u>(2,971)</u>
<b>Net profit from bar trading</b>	<u>167,847</u>	<u>166,342</u>
Gross profit percentage to sales	<u>55.43%</u>	<u>56.82%</u>
<b>Poker Machines</b>		
Poker machine revenue	46,056	42,191
Less: poker machine expenses	<u>(4,404)</u>	<u>(1,889)</u>
<b>Net profit</b>	<u>41,652</u>	<u>40,302</u>
<b>Promotions</b>		
Goods sold	12,063	10,972
Less: cost of goods sold	<u>(2,579)</u>	<u>(3,386)</u>
<b>Net loss</b>	<u>9,484</u>	<u>7,586</u>
<b>Keno</b>		
Keno Income	8,187	5,066
Less: Keno wages	(4,200)	-
Less: Keno expenses	<u>(1,561)</u>	<u>(1,478)</u>
<b>Net profit</b>	<u>2,426</u>	<u>3,588</u>

**NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED**  
**ABN 41 001 030 593**

**DETAILED INCOME AND EXPENDITURE STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

<b>GOLF CLUB</b>	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b>Income</b>		
Net profit/(loss) from trading:		
Bar	167,847	166,342
Poker Machine	41,652	40,302
Promotions	9,484	7,586
Keno	2,426	3,588
Commissions received	1,007	1,205
Donations	12,714	22,239
Golf income	154,145	153,726
Members subscriptions	56,262	58,664
Sundry income	4,501	22,556
<b>Total Income</b>	<b>450,038</b>	<b>476,208</b>
<b>Expenditure</b>		
<u>Administration Expenses</u>		
Bank charges	2,599	1,090
Cash shortages	13	59
Computer support	5,967	6,680
Interest	277	524
Licenses	616	1,372
Printing	1,556	1,530
Professional fees	9,136	18,209
Stationery	264	438
Staff amenities	2,038	2,449
Staff amenities (GST free)	-	-
Staff training	(652)	650
Uniform	776	510
Telephone	-	570
Trade subscriptions	(908)	(1,244)
Vehicle expenses	1,367	1,398
	<b>23,049</b>	<b>34,235</b>
<u>Advertising &amp; Marketing Expenses</u>		
Advertising	1,891	2,759
Donations	6,550	246
Entertainment	(703)	8,371
	<b>7,738</b>	<b>11,376</b>

**NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED**  
**ABN 41 001 030 593**

**DETAILED INCOME AND EXPENDITURE STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

<b>GOLF CLUB</b>	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<u>Employee Benefits Expenses</u>		
Provision expense - annual leave	(2,467)	(199)
Provision expense - long service leave	1,461	4,889
Provision expense - TOIL	-	(4,612)
Superannuation	23,082	13,852
Wages	<u>209,370</u>	<u>187,012</u>
	<u>231,446</u>	<u>200,942</u>
<u>Occupancy Expenses</u>		
Cleaning materials	2,325	2,530
Electricity and heating	44,012	34,187
Insurance	32,618	24,512
Rates	13,069	14,860
Repairs and maintenance	84,488	92,688
Security	2,425	2,790
Trade waste	<u>3,304</u>	<u>4,449</u>
	<u>182,241</u>	<u>176,016</u>
<u>Other Expenses</u>		
Freight	-	171
Golf club expenses	2,807	23,825
Sundry expenses	<u>12,146</u>	<u>10,862</u>
	<u>14,953</u>	<u>34,858</u>
<b>Total Expenditure</b>	<u>459,427</u>	<u>457,427</u>
<b>Net Operating Profit before Income Tax Expense and Depreciation</b>	<u>(9,389)</u>	<u>18,781</u>
Less: Depreciation	<u>31,547</u>	<u>46,616</u>
<b>Net Operating Profit before Income Tax Expense</b>	<u>(40,936)</u>	<u>(27,835)</u>