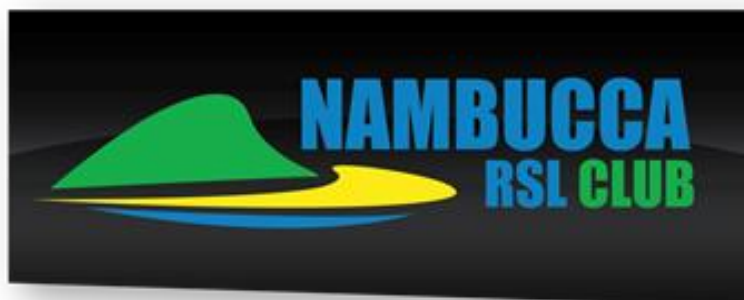


Nambucca Heads RSL Club Limited

36 000 962 185



Great view, Great people, Great place!

# 67<sup>th</sup> ANNUAL REPORT

YEAR ENDED 30<sup>th</sup> JUNE, 2018

## BOARD OF DIRECTORS 2017 - 2019

### President:

Terrie Hylsop

### Board:

Judi Belbin

Louis ( Lou ) Barnes

William ( Ron ) Dunbar

Paul Hayes

William ( Bill ) Henderson

John Hopkins

### Life Members:

Robert ( Bob ) Provost [ Deceased ]

C S Williams [ Deceased ]

H J Davison [ Deceased ]

Allan Evans [ Deceased ]

Noel Hamblion [ Deceased ]

Kevin Curran [ Deceased ]

William ( Bill ) Larkey

Thelma ( Joyce ) Cummings

William ( Brian ) Duncan

## MEMBERSHIP

The Company is limited by guarantee and is without share capital. The number of members at the 30<sup>th</sup> June, 2018 with previous year's comparison is as follows:

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Life	3	3	3	2	3	3	2
Ordinary A	326	351	353	370	404	424	457
Ordinary B	<u>5321</u>	<u>4 878</u>	<u>4,728</u>	<u>4,713</u>	<u>4,286</u>	<u>3,684</u>	<u>3,546</u>
	<u>5650</u>	<u>5,231</u>	<u>5,084</u>	<u>5,085</u>	<u>4,693</u>	<u>4,111</u>	<u>4,005</u>



Great view, Great people, Great place!

## NOTICE OF MEETING

Notice is hereby given that the 67<sup>th</sup> Annual General Meeting of the Nambucca Heads R.S.L. Club Limited shall be held in the Club Rooms of the Club, at Nelson Street, Nambucca Heads, on Sunday, 25th November, 2018 at 9:30am.

**Please note** : Doors will be closed promptly at 9:30am

To assist members who have any queries on any aspect of the Annual Report, please write or email to [peter.brewis@nambuccarsl.com.au](mailto:peter.brewis@nambuccarsl.com.au) to arrive by Friday, 16 November, 2018. All genuine enquiries will be answered either before or at our Annual General Meeting.

## *Dedication*

Nambucca Heads RSL Club shares together with the Sub-Branch a dedication to the memory of the Men and Women of Australia's Armed Services who laid down their lives endeavouring to ensure an enduring Peace among the Peoples of the World.

*May they not have died in vain.*

## **MEETING AGENDA**

1. Apologies.
2. Confirmation of Minutes of the Annual General Meeting held Sunday, 26th November, 2017.
3. To receive and adopt the following documents covering the Club's activities for the year ended 30<sup>th</sup> June, 2018:
  - a) Directors Report.
  - b) Statement of Comprehensive Income and Statement of Financial Position.
  - c) Auditors' Report.
4. To receive and adopted the following Reports:
  - a) President's Report on behalf of the Board of Directors.
  - b) Secretary Manager's Report.
  - c) R&SLSub-Branch, Nambucca Heads

5. **Resolutions approving expenditure by the Board of Directors**

1. Notice is hereby given that at this Meeting of the Nambucca Heads RSL Club Ltd Members will be asked to consider and if thought fit, pass the following resolution Ordinary Resolution.

**' Resolution '**

a) That pursuant to section 10(6)(b) of the *Registered Clubs Act 1976*, the members approve and authorise payment by way of an Honorarium to the President of the Club, in the amount of five thousand seven hundred dollars ( \$ 5,700.00 ) per annum, commencing from the 1<sup>st</sup> December, 2018 and continuing until such time as the members by resolution at a general meeting, either amend or revoke the Honorarium, with such payment to be made in agreed instalments.

b) That pursuant to section 10(6)(b) of the *Registered Clubs Act 1976*, the members approve and authorise payment by way of an Honorarium to the remaining directors of the Club, in the amount of two thousand two hundred dollars ( \$ 2,200.00 ) per annum for each director, commencing from the 1<sup>st</sup> December, 2018 and continuing until such time as the members by resolution at a general meeting, either amend or revoke the Honorarium, with such payment to be made in agreed instalments.

The Members acknowledge that the benefits in Paragraphs a) and b) above are not available to Members generally, but only for those Directors of the Club.

2. In accordance with the requirements of the Registered Clubs Act 1976: to consider and if thought fit pass the following Ordinary Resolution:

**' Resolution '**

( a ) The Members hereby approve expenditure by the Club in a sum not exceeding \$13,000 for the professional development and education of Directors over the following twelve ( 12 ) months, including:

- i) The reasonable cost of Directors attending the ClubsNSW Association Annual General Meeting.
- ii) The reasonable cost of Directors attending Meetings of other Associations of which the Club is a member.
- iii) The reasonable cost of Directors attending Seminars, Lectures and Trade Displays, Organised Study Tours, Fact Finding Tours and other similar events as may be determined by the Board from time to time.
- iv) The reasonable costs of Directors attending other Clubs for the purpose of observing their facilities and methods of operation.

## Nambucca Heads RSL Club Limited

36 000 962 185

( b ) The Members acknowledge that the benefits in Paragraph (a) above are not available to Members generally, but only for those Directors of the Club.

3. In accordance with the requirements of the Registered Clubs Act 1976: to consider and if thought fit pass the following Ordinary Resolution:

**' Resolution '**

( a ) The Members hereby approve expenditure by the Club in a sum not exceeding \$ 31,000 over the following twelve months for the following expenses subject to approval by the Board of Directors.

i) Expenses involved in subsidies of Intra Clubs, ANZAC Day, Children's Christmas Party, Voluntary Workers Dinner, Presentations to Members or other persons acknowledging services deemed by the Directors as being of benefit to the Club and sponsorship of sporting events and sports persons deemed by the Directors to be of benefit to the Club and/or the community.

ii) The reasonable cost of a meal and beverage for each Director before or after a Board or Committee Meeting on the day of that Meeting when this Meeting coincides with a normal meal time.

iii) Reasonable expenses incurred by Directors either within the Club or elsewhere in relation to such other duties including entertainment of special guests of the Club and other professional activities approved by the Board on production of documentary evidence of such evidence.

iv) Attendance at functions with spouses where appropriate and required to represent the Club including the Annual General Meeting of the ClubsNSW Association.

v) The provision of blazers and associated apparel for the use of the Club Directors when representing the Club.

vi) President's Entertainment Expenses.

( b ) The Members acknowledge that the benefits in Paragraph ( a ) above are not available to Members generally, but only for those Directors of the Club and those Members directly involved in the above activities.

4. In accordance with the requirements of the Registered Clubs Act 1976: to consider and if thought fit pass the following Ordinary Resolution:

**' Resolution '**

(a) That the Club make provision for car parking spaces adjacent to the Club for use by the President, Secretary/Manager, Sub Branch President and Sub Branch Hon. Secretary.

( b ) The Members acknowledge that the benefits in Paragraph ( a ) above are not available to Members generally, but only for those mentioned above.

**6. Auditor**

The Auditors, HLV Audit Pty Ltd, continue in office in accordance with the provisions in the Corporations Law.

7. Permission may be granted by the Chairman to bring up for discussion any matter that is handed to him in writing before the commencement of the Meeting.

**P R BREWIS, ACCM  
SECRETARY MANAGER**

## **PRESIDENT'S REPORT**

It is an honour to once again present the Presidents Report & therefore welcome members who will be attending the 67th Annual General Meeting.

It is with great pleasure I report a profit of \$90,389 a truly inspiring achievement. I am indeed fortunate to be surrounded by the most professional & dedicated managers in the industry. Secretary Manager Peter Brewis, Assistant Managers Wendy Mills & Carlie Thorman and Administration Secretary Chris Bell who all excel in meeting the industry standards & progressing the club in a financial sustainable manner. I wish to thank my fellow Directors who have at all times kept the interest of members' top of mind. Their dedication to the office & the responsibility it holds is commendable. Members can be confident that their integrity & loyalty is unswerving.

I would like to recognise the contribution of our staff both front & back of house. Your "Strive to Serve" attitude reflects in all we have achieved.

Once again, our Sub-Branch continues their commitment to looking after our veterans & families for whatever reason. They are to be commended for their ongoing service provided to not only members but for the local veteran community in general.

I would like to congratulate our Women's Auxiliary who remain staunch, regardless of obstacles not of their making. What these Ladies achieve as a group, including Anzac Day, Remembrance Day & their continued projects throughout the year is to be unreservedly commended & I thank you.

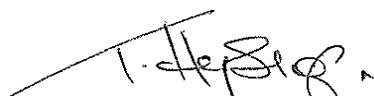
Our sporting clubs (sub clubs) have certainly held their own again this year. I encourage all members to join or come along to support them, if nothing else you will witness the camaraderie & humour displayed by the teams.

This year I'm proud to report that the Club gave in excess of \$ 96,000 to charities, local projects & people needing assistance. A full list of the charities & people helped throughout the year is listed towards the end of this report.

I would like to take this opportunity to thank Wendy Mills, all the staff, members & guests who gave up their time & those who generously donated to make our Farmers Drive an honourable success.

On behalf of the Board of Directors, Management & Staff I wish to convey our condolences to those members, family & friends who have passed or who have experienced the passing of a loved one.

In closing I would like to thank the Members of the Club, please know your patronage is never taken for granted. It is implicit that through your valued membership of the club, that we continue to grow & succeed & on behalf of the Nambucca Heads RSL Club Board of Directors, Management & Staff I say Thank You.



**TERRIE HYSLOP**  
**PRESIDENT**

## **SECRETARY MANAGER'S REPORT**

It is my pleasure to report that the 2017-2018 financial year again delivered a Profitable Result. Whilst these results have not repeated the growth enjoyed in recent years, it is pleasing to have maintained those levels of patronage. Unfortunately, significant increases in the costs of doing business have impacted the bottom line profit and will require cautious consideration during the current year.

The Financial Reports show an overall Profit of **\$90,389**

In review of the operational trading results, the following information may be of interest;

- **Gaming Machine Revenue** decreased by \$35,870 or -0.85% over the previous year
- **Bar Revenue** increased by \$67,523 or +5.76%
- **Catering Revenue** increased by \$12,024 or +0.82%
- **Bottleshop (Liquor Legends) Revenue** increased by \$25,366 or +1.34%
- **Total Income** increased by \$173,518 or +1.86%
- **Total Expenses** increased by \$310,589 or +3.42%

I proudly acknowledge the outstanding efforts of all our staff team members ranging from Bar, Catering, Bottleshop, Cellar & Maintenance, Cleaning, Administration and Management. Your effort and commitment continues to be recognised by repeat patronage and positive comments.

The Board of Directors deserve to be commended for their commitment to the Strategic Direction of the Club. They willingly give their time for the betterment of the Club and its members. The financial results this year confirm their commitment to the ongoing viability of the Club.

The continued success of the Club is always dependent upon the support of our members who we frequently see enjoying our great facilities. I would like to extend a thank you to all of our members and visitors for contributing to the success of the Nambucca Heads RSL Club.

Peter Brewis, ACCM

Secretary Manager

**Nambucca Heads RSL Club**

P: 02 6568 6288

E: [peter.brewis@nambuccarsl.com.au](mailto:peter.brewis@nambuccarsl.com.au)



Great view, Great people, Great place!

## **R&SL SUB-BRANCH REPORT**

The past 12 months has seen the Nambucca Heads RSL Sub Branch trial a number of changes to the way we do business based on direction coming from RSL NSW. We have also been working toward making the RSL Sub Branch more accessible and relevant to younger veterans in the community.

Our ANZAC Day commemorations, both the dawn and main service, were very well supported with large numbers attending both. The schools in Nambucca Heads continue to actively participate and volunteer for roles in the services. There is increasingly more veterans attending our commemorations who are still in the workforce and have young families.

Our Auxiliary (formerly the Womens Auxiliary) continues to work hard however are very frustrated by the RSL NSW imposed ban on fundraising by Sub Branches. The leadership of the Auxiliary have their work cut out to maintain the interest of members and we hope that they are able to continue with the same level of dedication until they are able to fund raise again.

The Sub Branch, in concert with the other Nambucca Valley Sub Branches, are actively supporting the centralised 2018 Armistice Centenary Commemorations that will take place in Macksville this year. The Sub Branch has held a fund raising lunch to assist with the cost of the Armistice Commemorations and we are grateful for the efforts of the wonderful staff at the NBH RSL Club Ltd for helping make the event so enjoyable.

Over the past few months we have been trialling having our monthly meetings in the evenings to make them accessible for younger veterans in the community who may still be in the workforce and unable to attend afternoon meetings. The first evening meeting was a success and we saw spike in membership applications. Attendance at these evening meetings has however been in decline and, following a trial of evening meetings during day light savings time, it is likely that we will see meetings return to afternoons as many older members have stopped attending.

Our welfare and pension officers continue to be very busy and are doing an excellent job. With our pensions officer gaining higher qualifications this year the sub branch is able to provide a better service to the Nambucca Heads veteran's community. They both do a tough job and we are on the lookout for people willing to assist them and learn from them to ensure we are able to continue with this level of service.

This year we saw our President of 7 years, Mr Bill Shepard, step down. We are grateful to Bill for his outstanding stewardship of the Sub Branch and his maintenance of high standard over many years. We welcome in Mr David Stephenson as our new President. David has the responsibility of leading the Sub Branch through a series of significant changes to the way the RSL operates that are being implemented by RSL NSW. Some of the changes may not be popular with Sub Branch members and the Sub Branch Executive will work hard on liaison between the Sub Branch and RSL NSW.

In closing, the Sub Branch, as with all RSL Sub Branches' in NSW, are facing the most sweeping changes they have faced in the history of the organisation. Provided we continue to work closely with the other Sub Branches in the Nambucca Valley, continue with our recent re engagement with the RSL North Coast District Council and put the needs of the greater ex-service community first, the Sub Branch looks forward to a bright future. We are appreciative of the great relationship between the Sub Branch and the NBH RSL Club Ltd and their strong support is fundamental to our ability to focus on our core business. Our partnership on the enhancement of a Military Historical Display in the Club is an example of this great relationship.

**Mick Birtles, DSC**

**Hon Secretary**

**R&SL Sub-Branch, Nambucca Heads**



## **DIRECTORS REPORT**

Your directors present their report on Nambucca Heads RSL Club Limited for the financial year ended 30 June 2018.

### **1. General information**

#### **Information on directors**

The names of each person who has been a director during the year and to the date of this report are:

Terrie Hyslop

Qualifications

Retired

Experience

Previous Director

Special responsibilities

President / Director / Building Committee / Car Park Lease Committee

William Henderson

Qualifications

Retired

Experience

Previous Director

Special responsibilities

Vice President / Director / Sports Council / Building Committee / Car Park Lease Committee

Jayne Poole

Qualifications

Commercial cleaner

Experience

Previous Director

Special responsibilities

Director / Bullying & Harassment Situations

Resigned

26/11/2017

Louis Barnes

Qualifications

Retired

Experience

Previous Director

Special responsibilities

Vice President / Director / Sports Council / Building Committee

Donald Seward

Qualifications

Retired

Experience

Previous Director

Special responsibilities

Director

Resigned

26/11/2017

William Ronald Dunbar

Qualifications

Retired

Experience

Previous Director

Special responsibilities

Director / Building Committee / Car Park Lease Committee

John Hopkins

Qualifications

Retired

Experience

Previous Director

Special responsibilities

Director / Building Committee

## **Directors' Report**

**30 June 2018**

### **1. General information**

#### **Information on directors**

Judi Belbin

Qualifications

Retired

Special responsibilities

Director / Bullying & Harassment Situation

Appointed

26/11/2017

Paul Hayes

Qualifications

Retired

Special responsibilities

Director

Appointed

26/11/2017

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

#### **Principal Activities**

The principal activity of Nambucca Heads RSL Club Limited during the financial year were the conduct of a Registered Licensed Club, the provision of reasonably priced food and beverages, entertainment, responsible approved gaming including TAB, Keno and poker machines and the provision of meeting venues as required.

No significant changes in the nature of the entity's activity occurred during the financial year.

The Nambucca Heads RSL Club plays an important role in honouring present and returned servicemen and servicewomen.

#### **Short term objectives**

The Company's short-term objectives are to:

- Provide entertainment, food and beverages for the community at reasonable prices.
- Encourage new membership
- Derive income to support local sporting groups and charitable organisations.
- Improve profitability and efficiency of Club operations.

#### **Long term objectives**

The Company's long-term objectives are to:

- Maintain the ethics and tradition of the RSL and continue to provide a place for Returned Servicemen and Women to meet.
- Maintain financial stability of the Club.
- Repay the debt incurred in modernising the Club's premises.
- Ensure facilities continue to cater for members' needs.

## **Directors' Report**

**30 June 2018**

### **Strategy for achieving the objectives**

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

- Provide best possible facilities to members.
- Provide entertainment and activities to attract patronage to the Club.
- Offer high quality, low priced meals and reasonably priced beverages.
- Annual development of a financial budget and monthly monitoring of financial performance to ensure the Club operates within its financial capabilities.

### **Performance measures**

The following measures are used within the Company to monitor performance:

- Monitoring performance by comparing actual results to past performance and budget forecasts.
- Reviewing key performance indicators such as gross profit margins, wages to turnover ratios, net returns from trading and average return per poker machine.

### **Members guarantee**

Nambucca Heads RSL Club Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$2, subject to the provisions of the company's constitution.

At 30 June 2018 the collective liability of members was \$ 11,294 (2017: \$ 10,724).

### **Meetings of directors**

During the financial year, 53 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	<b>Directors' Meetings</b>		<b>Membership Approval Meetings</b>	
	<b>Number eligible to attend</b>	<b>Number attended</b>	<b>Number eligible to attend</b>	<b>Number attended</b>
Terrie Hyslop	12	12	41	41
William Henderson	12	12	41	41
Jayne Poole	5	5	-	-
Louis Barnes	12	12	41	41
Donald Seward	5	1	-	-
Ronald Dunbar	12	12	-	-
John Hopkins	12	12	38	38
Judi Belbin	7	6	-	-
Paul Hayes	7	7	-	-

## **Directors' Report**

**30 June 2018**

### **Auditor's independence declaration**

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2018 has been received and can be found on page 11 of the financial report.

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



Director: Terrie Hyslop



Director: Bill Henderson

Dated this 28th day of September, 2018.

**Nambucca Heads RSL Club Limited**

36 000 962 185

**Auditors Independence Declaration under Section 307C of the Corporations Act 2001 To the Directors of Nambucca Heads RSL Club Limited**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018, there have been:

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

Yours faithfully,

A handwritten signature in black ink, appearing to read 'A. Hooykaas'.

Aart Hooykaas  
Director  
HLV Audit Pty Ltd

28<sup>th</sup> September, 2018  
Nambucca Heads

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Liability limited by a Scheme approved  
under Professional Standards Legislation.

## Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2018

	Note	2018 \$	2017 \$
Poker Machine Revenue		4,176,764	4,212,634
Bar Sales		1,240,425	1,172,902
Catering Revenue		1,485,503	1,473,479
Bottle Shop Revenue		1,919,136	1,893,770
Keno Revenue		111,294	122,283
Commissions		46,935	44,836
Entertainment & Promotions		204,908	198,625
Member subscriptions		22,657	21,824
Sub-club Revenue		18,468	18,996
Rental income		36,253	35,542
Interest		1,732	5,480
Gain on disposal of assets		-	20,000
Insurance recovery		88,100	-
Other income		131,325	89,611
<b>TOTAL INCOME</b>		<b>9,483,500</b>	<b>9,309,982</b>
Bar Cost of Sales		(455,040)	(430,096)
Catering Cost of Sales		(523,954)	(525,885)
Bottleshop Cost of Sales		(1,565,227)	(1,553,605)
Employee Benefits Expense		(2,982,893)	(2,782,345)
Depreciation & Amortisation Expense		(778,507)	(702,590)
Repairs & Maintenance		(381,993)	(392,875)
Entertainment & Promotions		(590,299)	(568,676)
Poker Machine Tax		(728,712)	(735,910)
Loss on Disposal of Assets		(12,586)	(32,090)
Finance Costs		(115,438)	(143,885)
Other Operating Expenses		(1,258,462)	(1,214,565)
<b>TOTAL EXPENSES</b>		<b>(9,393,111)</b>	<b>(9,082,522)</b>
<b>Profit before income tax</b>		<b>90,389</b>	<b>227,460</b>
Income tax expense	1(j)	-	-
<b>Profit for the year</b>		<b>90,389</b>	<b>227,460</b>
<b>Total comprehensive income for the year</b>		<b>90,389</b>	<b>227,460</b>

# Statement of Financial Position

30 June 2018

	Note	2018 \$	2017 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	566,929	533,403
Trade and other receivables	4	53,018	47,202
Inventories	5	225,769	181,204
Other assets	8	26,510	17,733
<b>TOTAL CURRENT ASSETS</b>		<b>872,226</b>	<b>779,542</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	6	6,669,017	6,985,870
Intangible assets	7	8,333	8,333
<b>TOTAL NON-CURRENT ASSETS</b>		<b>6,677,350</b>	<b>6,994,203</b>
<b>TOTAL ASSETS</b>		<b>7,549,576</b>	<b>7,773,745</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	775,960	766,571
Borrowings	10	249,044	231,878
Short-term provisions	11	(1,431)	13,572
Employee benefits	12	167,331	158,370
Other liabilities		19,621	9,787
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,210,525</b>	<b>1,180,178</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	10	2,165,570	2,513,773
Employee benefits	12	59,040	55,742
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>2,224,610</b>	<b>2,569,515</b>
<b>TOTAL LIABILITIES</b>		<b>3,435,135</b>	<b>3,749,693</b>
<b>NET ASSETS</b>		<b>4,114,441</b>	<b>4,024,052</b>
<b>EQUITY</b>			
Retained earnings		4,114,441	4,024,052
<b>TOTAL EQUITY</b>		<b>4,114,441</b>	<b>4,024,052</b>

## Statement of Changes in Equity

For the Year Ended 30 June 2018

### 2018

	Retained Earnings \$	Total \$
Balance at 1 July 2017	4,024,052	4,024,052
Profit / (Loss) for the year	90,389	90,389
Balance at 30 June 2018	4,114,441	4,114,441

### 2017

	Retained Earnings \$	Total \$
Balance at 1 July 2016	3,796,592	3,796,592
Profit / (Loss) for the year	227,460	227,460
Balance at 30 June 2017	4,024,052	4,024,052



## Statement of Cash Flows

For the Year Ended 30 June 2018

		2018	2017
	Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from customers		10,352,499	10,203,940
Payments to suppliers and employees		(9,404,786)	(9,113,068)
Interest received		1,732	5,480
Finance costs		(115,438)	(143,885)
Net cash provided by/(used in) operating activities	19	834,007	952,467
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchase of property, plant and equipment		(207,924)	(658,696)
Net cash used by investing activities		(207,924)	(658,696)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Repayment of borrowings		(592,557)	(552,584)
Net cash used by financing activities		(592,557)	(552,584)
Net increase/(decrease) in cash and cash equivalents held		33,526	(258,813)
Cash and cash equivalents at beginning of year		533,403	792,216
Cash and cash equivalents at end of financial year	3	566,929	533,403

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2018**

The financial report covers Nambucca Heads RSL Club Limited as an individual entity. Nambucca Heads RSL Club Limited is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Nambucca Heads RSL Club Limited is Australian dollars.

The financial report was authorised for issue by the Directors on 28 September 2018.

Comparatives are consistent with prior years, unless otherwise stated.

#### **1 Summary of Significant Accounting Policies**

##### **(a) Basis of preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements 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 and have been consistently applied unless otherwise stated.

The financial statements 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.

##### **(b) Comparative figures**

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

##### **(c) Inventories**

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts.

##### **(d) Property, plant and equipment**

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

###### **Property**

Land and buildings are measured at cost less accumulated depreciation and impairment losses.

###### **Plant and equipment**

Plant and equipment are measured on the cost basis less depreciation and impairment losses. Cost includes expenditure that is directly attributable to the asset.

## Notes to the Financial Statements

### For the Year Ended 30 June 2018

#### 1 Summary of Significant Accounting Policies

##### (d) Property, plant and equipment

###### Depreciation

The depreciable amount of plant and equipment is depreciated on a reducing balance basis over the asset's useful life to the Company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Buildings are shown at cost and depreciated using the straight-line method over periods from 10 to 50 years. Land is not depreciated.

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

Class of Fixed Asset	Depreciation Rate
Buildings	2 % - 10%
Plant and Equipment	7.5% - 50%
Leased plant and equipment	15% - 33%
Leasehold improvements	4% - 10%

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

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 and losses are included in the statement of profit or loss and other comprehensive income.

##### (e) Financial instruments

###### Initial recognition and measurement

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

Financial instruments are initially measured at fair value plus transactions 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

Financial 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 in an arm's length transaction. 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:

- (a) the amount at which the financial asset or financial liability is measured at initial recognition;

## Notes to the Financial Statements

### For the Year Ended 30 June 2018

#### 1 Summary of Significant Accounting Policies

##### (e) Financial instruments

(b) less principal repayments;

(c) 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

(d) 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.

The classification of financial instruments depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and at the end of each reporting period for held-to-maturity assets.

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.

##### (i) 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.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting year.

##### (ii) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Fees payable on the establishment of loan facilities are recognised as transaction costs of the loan.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

#### Impairment

Objective evidence that a financial asset is impaired includes default by a debtor, evidence that the debtor is likely to enter bankruptcy or adverse economic conditions in the stock exchange. At the end of each reporting period, the Company assesses whether there is objective evidence that a financial asset has been impaired through the occurrence of a loss event. In the case of available-for-sale financial instruments, a significant or prolonged decline in the value of the instrument is considered to indicate that an impairment has arisen.

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2018**

#### **1 Summary of Significant Accounting Policies**

Where a subsequent event causes the amount of the impairment loss to decrease (e.g. payment received), the reduction in the allowance account (provision for impairment of receivables) is taken through profit and loss.

However, any reversal in the value of an impaired available for sale asset is taken through other comprehensive income rather than profit and loss.

Impairment losses are recognised through an allowance account for loans and receivables in the statement of profit or loss and other comprehensive income.

#### **Derecognition**

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

When available-for-sale investments are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to profit or loss.

#### **(f) Impairment of non-financial assets**

At the end of each reporting year, 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. Value in use is either the discounted cash flows relating to the asset or depreciated replacement cost if the criteria in AASB 136 'Impairment of Assets' are met. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

#### **(g) 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 which are convertible to a known amount of cash and subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

#### **(h) Employee benefits**

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting year. 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.

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. In determining the liability consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Contributions are made by the Company to an employee superannuation fund and are charged as expenses when incurred.

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2018**

#### **1 Summary of Significant Accounting Policies**

##### **(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.

##### **(j) Income tax**

Income Tax is not levied in the operations of the Club as they pertain to members, only as regards activities concerning visitors. Therefore, normal company rates of tax are not based on the operating surplus for the year, but on the proportion applicable visitors, based on the principle of mutuality. As at the balance date, the club has carried forward income tax losses of \$99,919. Although the club may trade profitably in future years, after applying the principle of mutuality for taxation purposes, the probability of absorbing the entire balance of carry forward income tax losses is considered to be very low. Therefore, in accordance with accounting standards, no deferred tax asset has been recognised as there is no certainty that the taxation losses will provide an economic benefit in the future.

##### **(k) Leases**

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the Company are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

##### **(l) Revenue and other income**

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

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

##### **Sale of goods**

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 involvement in those goods.

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2018**

### **Interest revenue**

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

### **Rendering of services**

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably estimated, then revenue is recognised to the extent of expenses recognised that are recoverable.

### **Rental income**

Investment property revenue is recognised on a straight-line basis over a period of the lease term so as to reflect a constant periodic rate of return on the net investment.

### **Subscriptions**

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

### **Other income**

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

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

### **(m) 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 Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

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

## **2 Critical Accounting Estimates and Judgments**

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made relate to depreciation rates and long service leave entitlements.

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 3 Cash and Cash Equivalents

	2018 \$	2017 \$
Cash at bank and in hand	566,929	395,258
Short-term bank deposits	-	138,145
	<b>566,929</b>	<b>533,403</b>

### 4 Trade and Other Receivables

	2018 \$	2017 \$
CURRENT		
Trade receivables	53,018	47,202

### 5 Inventories

	2018 \$	2017 \$
CURRENT		
Inventories at cost	225,769	181,204

### 6 Property, Plant and Equipment

	2018 \$	2017 \$
LAND AND BUILDINGS		
Freehold land		
At cost	75,606	75,606
Total Land	<b>75,606</b>	<b>75,606</b>
Buildings		
At cost	7,453,405	7,446,370
Accumulated depreciation	(3,032,232)	(2,855,783)
Total buildings	<b>4,421,173</b>	<b>4,590,587</b>
Total land and buildings	<b>4,496,779</b>	<b>4,666,193</b>
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	6,113,158	5,876,580
Accumulated depreciation	(4,021,333)	(3,653,608)
Total plant and equipment	<b>2,091,825</b>	<b>2,222,972</b>



## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 6 Property, Plant and Equipment

Leasehold Improvements		
At cost	421,755	421,755
Accumulated amortisation	(341,342)	(325,050)
Total leasehold improvements	80,413	96,705
Total plant and equipment	2,172,238	2,319,677
<b>Total property, plant and equipment</b>	<b>6,669,017</b>	<b>6,985,870</b>

#### (a) Movements in Carrying Amounts

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

	Land \$	Buildings \$	Furniture and Equipment \$	Leasehold Improvements \$	Total \$
<b>Year ended 30 June 2018</b>					
Balance at the beginning of the year	75,606	4,590,587	2,222,972	96,705	6,985,870
Additions	-	7,035	467,205	-	474,240
Disposals - written down value	-	-	(12,586)	-	(12,586)
Depreciation expense	-	(176,449)	(585,766)	(16,292)	(778,507)
<b>Balance at the end of the year</b>	<b>75,606</b>	<b>4,421,173</b>	<b>2,091,825</b>	<b>80,413</b>	<b>6,669,017</b>

### 7 Intangible Assets

	2018 \$	2017 \$
Poker Machine Entitlements - at cost	16,978	16,978
Accumulated amortisation and impairment	(8,645)	(8,645)
<b>Net carrying value</b>	<b>8,333</b>	<b>8,333</b>

The poker machine entitlements are licenses purchased under current Government regulation that allow the club to increase the number of poker machines. It is considered that the life of the entitlements is indefinite, so the cost cannot be amortised. However, under the applicable accounting standards, these intangible assets must be tested annually for impairment. Impairment on an asset occurs when the carrying amount exceeds the recoverable amount. Where this occurs, the value of the asset must be reduced to the lower amount with the resulting loss being shown in the Statement of Comprehensive Income. Based on indicative market values, the impairment write off for the year ended 30th June 2018 was NIL. The total write down recognised to date is \$8,645 as shown above.

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 7 Intangible Assets

	Poker Machine Entitlements \$
<b>Year ended 30 June 2018</b>	
Balance at the beginning of the year	8,333
Disposals	-
<b>Closing value at 30 June 2018</b>	<b>8,333</b>

### 8 Other Assets

	2018 \$	2017 \$
CURRENT		
Prepayments	26,510	17,733

### 9 Trade and Other Payables

	2018 \$	2017 \$
CURRENT		
Trade payables	242,113	257,148
Annual Leave Entitlements	199,349	179,332
Other payables	334,498	330,091
	<b>775,960</b>	<b>766,571</b>

#### (a) Financial liabilities at amortised cost classified as trade and other payables

	2018 \$	2017 \$
Trade and other payables:		
- total current	775,960	766,571
Less:		
annual leave entitlements	(199,349)	(179,332)
Financial liabilities as trade and other payables	<b>576,611</b>	<b>587,239</b>

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## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 10 Borrowings

	Note	2018 \$	2017 \$
<b>CURRENT</b>			
Secured liabilities:			
Lease liability secured	13(a)	249,044	226,524
Other financial liabilities		-	5,353
<b>Total current borrowings</b>		<b>249,044</b>	<b>231,877</b>
<b>NON-CURRENT</b>			
Secured liabilities:			
Lease liability secured	13(a)	215,570	263,773
Bank loans		1,950,000	2,250,000
<b>Total non-current borrowings</b>		<b>2,165,570</b>	<b>2,513,773</b>

#### (a) Bank Loans

On 29 January 2018, the Club renewed its bank loan facility, which has a limit of \$2,500,000, for a further two years, it has accordingly been classified as Non-Current. The loan is on an interest only basis, payable in arrears and the variable interest rate at 30th June, 2018 was 4.55%. The loan has been reduced to \$1,950,000 by 30th June, 2018 as a result of further voluntary repayments of \$300,000 during the year. However, it has a redraw facility of up to \$2,500,000 available to the Club, should the need arise.

The loan is secured by a registered first mortgage over the Club premises located at Nelson Street, Nambucca Heads, along with a fixed and floating charge over all present and future assets of the Club.

#### (b) Leased Liabilities

Leased liabilities relate to agreements for Poker Machines and their related games and licences, a Cash Manager system and catering equipment, each with leasing terms of between 12 and 60 months. The liabilities are secured by the underlying leased assets.

#### (c) Hire Purchase Liabilities

The Hire Purchase contract expired in January 2018 and relates to a contract for the acquisition of a commercial air conditioning plant which commenced in February 2013 for a period of 5 years.

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 11 Provisions

	2018 \$	2017 \$
CURRENT		
Provision for Club Grants (Donations)	(1,431)	13,572

A liability has been provided for Club Grants (Donations) in lieu of payment of Poker Machine Duty.

### 12 Employee Benefits

	2018 \$	2017 \$
CURRENT		
Provision for employee benefits	167,331	158,370
NON-CURRENT		
Provision for employee benefits	59,040	55,742

#### (a) Reconciliation of amounts in the statement of financial position

	2018 \$	2017 \$
Beginning of the year	214,112	202,054
Current service cost	32,434	29,763
Benefits paid	(20,175)	(17,705)
End of year	226,371	214,112

### 13 Leasing Commitments

#### (a) Finance lease and Hire Purchase Commitments

	2018 \$	2017 \$
Payable - minimum lease payments:		
- not later than one year	249,045	231,877
- between one year and five years	215,570	263,773
Minimum lease payments	464,615	495,650

Leased liabilities relate to agreements for Poker Machine and their related games and licences, a Cash Manager system and catering equipment, each with leasing terms of between 12 and 60 months.

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### (b) Operating leases

	2018 \$	2017 \$
Minimum lease payments under non-cancellable operating leases:		
- not later than one year	39,260	38,566
- between one year and five years	53,243	129,048
	<b>92,503</b>	<b>167,614</b>

The operating lease relates to a property lease agreement with the Nambucca Shire Council for the lease of the portion of the car park on land not owned by the Club. The term is for 25 years from 8 November 1996 to 7 November 2021. The rent payable is varied and recalculated by market rent review every 5 years. Increases in lease commitments may also occur in line with the Consumer Price Index (CPI). The Nambucca Shire Council issued an invoice dated 15 December 2017, with a rent revision for the year ending 7 November 2018. The rent charged for this period is \$39,260.40 (EX GST). Therefore, the amounts disclosed above have been adjusted to reflect this increase in the operating lease per annum.

## 14 Financial Risk Management

The main risks Nambucca Heads RSL Club Limited is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk.

The Company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, bank loans and overdrafts, 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:

	2018 \$	2017 \$
<b>Financial Assets</b>		
Cash and cash equivalents	566,929	533,403
<b>Total financial assets</b>	<b>566,929</b>	<b>533,403</b>
<b>Financial Liabilities</b>		
Financial liabilities at amortised cost		
- Trade and other payables	576,611	587,239
- Borrowings	2,414,615	2,745,650
<b>Total financial liabilities</b>	<b>2,991,226</b>	<b>3,332,889</b>

## 15 Members' Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$ 2 each towards meeting any outstanding obligations of the Company. At 30 June 2018 the number of members was 5,647 (2017: 5,362).

## 16 Interests of Key Management Personnel

The total remuneration paid to key management personnel of the Company is \$ 354,974 (2017: \$ 335,052).

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 17 Contingent Liabilities and Contingent Assets

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2018 (30 June 2017: None).

### 18 Related Party Transactions

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

There were no related party transactions during the year.

### 19 Cash Flow Information

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

	2018 \$	2017 \$
Profit for the year	90,389	227,460
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	778,507	702,590
- gain on disposal of asset		(20,000)
- loss on disposal of asset	12,586	32,090
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:		
- (increase)/decrease in trade and other receivables	(14,594)	(6,081)
- (increase)/decrease in inventories	(44,565)	(10,894)
- increase/(decrease) in trade and other payables	(9,957)	41,932
- increase/(decrease) in other current liabilities	24,385	(28,415)
- increase/(decrease) in employee benefits	(2,744)	13,785
Cashflow from operations	<u>834,007</u>	<u>952,467</u>

### 20 Events after the end of the Reporting Period

The financial report was authorised for issue on 28 September 2018 by the Board of Directors.

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

### 21 Capital Expenditure Commitments

Between the end of the financial year and the date of these financial statements, the entity has committed to the following capital expenditure (net of GST):


Poker Machines - \$269,000  
Electronic Sign-In system - \$15,000  
Phone system - \$25,000  
Buildings - louvres - \$16,000

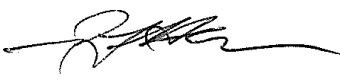
## **Directors' Declaration**

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 6, are in accordance with the *Corporations Act 2001* and:
  - a. comply with Accounting Standards - Reduced Disclosure Requirements; and
  - b. give a true and fair view of the financial position as at 30 June 2018 and of the performance for the year ended on that date of the Company.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director:   
Terrie Hyslop

Director:   
William Henderson

Dated this 28th day of September, 2018

## **Independent Audit Report to the members of Nambucca Heads RSL Club Limited**

### **Report on the Audit of the Financial Report**

#### **Opinion**

We have audited the financial report of Nambucca Heads RSL Club Limited, which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year 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:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2018 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - RDR 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 as 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.

#### **Other Information**

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is included in the Annual Report and comprises of the Chairman's and Secretary's Report.

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 on the other information obtained prior to the date of this auditor's report, 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 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 and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

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

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

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.
- 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 our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements

regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

HLV Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'A. Hooykaas'.

Aart Hooykaas, Director

Nambucca Heads, NSW, 2448

**28 September 2018**

## Nambucca Heads RSL Club Limited

36 000 962 185

### ClubGRANTS / DONATIONS

#### Category 1

Adam & Nicole Crawford	10000.00
Lions Club Nambucca Heads	3000.00
Molly Langley - Fiji Project	5000.00
Nambucca Heads Island Golf Club	500.00
Nambucca Heads Mens Shed	24400.00
Nambucca Heads R&SL Sub-Branch	11349.00
Nambucca River District Agricultural Society	500.00
Nambucca Valley NASHO's	1000.00
Westpac Helicopter Rescue	8000.00

#### Category 2

Bianca Parth	500.00
Daffodil Day	500.00
Group 2 Referees Association	750.00
John O'Shaughnessy	500.00
Kokoda Youth Foundation	800.00
Lions Club Nambucca Heads	3500.00
Lucy Spain	250.00
Lloyd McDermott Rugby Development Team	1000.00
Nambucca Heads Bowling & Recreational Club	1000.00
Nambucca Heads Public School	100.00
Nambucca River Dragons	1000.00
Nambucca Heads SLSC	200.00
Nambucca Junior Roosters	500.00
Nambucca Strikers Football Club	500.00
Nambucca Valley Croquet Club Inc.	1000.00
Nambucca Valley Physical Culture Club	1000.00
Nambucca Valley Netball Association	2000.00
Special Children's Christmas Parties	1000.00
Valla Beach Community Association	1000.00

#### Category 3

Communities NSW	831.00
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**Nambucca Heads RSL Club Limited**  
36 000 962 74

**In Kind**

AFL Lions Football Club	300.00
Australian Defence Force	46.00
Beanies for Brain Cancer	2063.00
Bowraville Central School	500.00
Country Pool Managers Conference	1400.00
Give Me Five for Kids	50.00
Jo Deans Family	92.00
Kokoda Challenge	50.00
Legacy, Nambucca Valley Division	400.00
Life Without Barriers	500.00
Lions Club, Nambucca Heads	3710.04
My Choice Matters	100.00
Nambucca Heads Public School	643.17
Nambucca Heads RSL Women's Auxiliary	689.00
Nambucca Heads R&SL Sub-Branch	850.00
Nambucca Valley Combined PROBUS Club	200.00
Nambucca Valley Disability Services	100.00
Nambucca Valley NASHO's	500.00
North Coast Primary Health Network	200.00
NSW Mid Coast Communities	500.00
Open Arms Care	500.00
Reject Shop : Homes for Heroes/Dads in Distress	125.00
Salvation Army Christmas Toy Appeal	147.00
Seventh Day Adventist Church	200.00
Thoroughbred Tipping Competition	300.00
Wesley Mission	100.00
Wires	53.00

**Nambucca Heads RSL Club Limited**  
**3 Nelson Street, ( PO Box 161 ), Nambucca Heads, NSW, 2448**  
**Phone: ( 02 ) 6568 6288 ; Fax: ( 02 ) 6568 6416 : Email: [admin@nambuccarsl.com.au](mailto:admin@nambuccarsl.com.au)**  
**website: [www.nambuccarsl.com.au](http://www.nambuccarsl.com.au)**  
**ABN 36 000 962 185**