



Great view, Great people, Great place!

68th ANNUAL REPORT

YEAR ENDED 30th JUNE, 2019

BOARD OF DIRECTORS 2017 - 2019

President:

Terrie Hylsop

Board:

Judi Belbin (resigned 09/09/2019)

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 30th June, 2019 with previous year's comparison is as follows:

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Life	3	3	3	3	2
Service Member	308	326	351	353	370
Ordinary Member	<u>5472</u>	<u>5321</u>	<u>4 878</u>	<u>4,728</u>	<u>4,713</u>
	<u>5783</u>	<u>5650</u>	<u>5,231</u>	<u>5,084</u>	<u>5,085</u>



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VOTING YEAR

Voting for the position of one (1) President and six (6) Directors will only take place if the number of applicants exceeds the positions vacant. If this is the case, Voting for the election of President & Board of Directors will be made available from the Returning Officer from Monday 11th to Thursday 21st November, 2019.

NOTICE OF MEETING

Notice is hereby given that the 68th 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, 24th November, 2019 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 wendy.mills@nambuccarsl.com.au to arrive by Thursday, 21 November, 2019. 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, 25th November, 2018.
3. To receive and adopt the following documents covering the Club's activities for the year ended 30th June, 2019:
 - a) Directors Report.
 - b) Statement of Comprehensive Income and Statement of Financial Position.
 - c) Auditors' Report.
4. President's Report on behalf of the Board of Directors.
5. Secretary Manager's Report.
6. Election Result – Declaration by Auditor.
7. 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 resolutions which are proposed as a 'Special Resolutions'.

1. **' Special Resolution '**

Delete the current R6.13.2 and insert the following new R6.13.2

"R6.13.2 The annual subscription shall be payable annually in advance or may, if the Board so prescribes, be paid for more than 1 year in advance in which case the Board may also prescribe a correlating discount. The annual subscription shall otherwise be due and payable on the first day of July in each year. Subject to this Constitution a member whose annual subscription is not then paid is a non-financial member and is not eligible to nominate or be nominated for election to the Board or to be appointed to the Board or to vote at any general meeting of the Club until that payment is made."

Explanatory message regarding this proposed Special Resolution:

- a. The current R6.13.2 provides for membership subscriptions to be paid annually and not for more than 1 year in advance.
- b. The Board proposes that each member have the choice of paying that member's subscription in advance for 1, 3 or 5 years with there being a discount for each of the 3 and 5 year prepayments.
- c. The proposed Special Resolution must be considered by members as a whole and cannot be altered by motion from the floor of the meeting.
- d. To be passed the proposed Special Resolution must receive votes in its favour from not less than 75% of those members, who being entitled to do so, vote in person at the meeting.
- e. The Board recommends the proposed Special Resolution to the meeting.

2. **' Special Resolution '**

Increase the amount for Professional Development & Education of Directors from \$ 13,000 to \$ 20,000 per annum.

Explanatory message regarding this proposed Special Resolution:

- a. At the Club's Annual General Meeting held 25 November, 2018, it was raised that \$ 13,000 was insufficient and should be increased to \$ 20,000 per annum.
- b. The proposed Special Resolution must be considered by members as a whole and cannot be altered by motion from the floor of the meeting.
- c. To be passed the proposed Special Resolution must receive votes in its favour from not less than 75% of those members, who being entitled to do so, vote in person at the meeting.
- f. The Board at recommends the proposed Special Resolution to the meeting.

8. Resolutions approving expenditure by the Board of Directors.

1. Approval of President and Director Expenses.

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 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 1st December, 2019 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 1st December, 2019 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 \$ 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.

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) 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.

Nambucca Heads RSL Club Limited

36 000 962 185

9. **Auditor**
The Auditors, HLV Audit Pty Ltd, continue in office in accordance with the provisions in the Corporations Law.
10. Permission may be granted by the Chairman to bring up for discussion any matter that is handed to her in writing before the commencement of the Meeting.

Wendy Mills

Wendy Mills
CEO
Nambucca Heads RSL Club Limited



Great view, Great people, Great place!

PRESIDENT'S REPORT

It is an honour to once again present the Presidents Report & therefore welcome members who will be attending the 68th Annual General Meeting.

What a year, although we ran at a loss of (\$ 94,562), I am pleased to advise we actually were able to bank in excess of \$ 272,000 a truly inspiring achievement. I am indeed fortunate to be surrounded by the most professional & dedicated managers in the industry. Our newly appointed CEO Wendy Mills, Assistant Manager Administration Carlie Thorman, Bottle Shop/Cellar Manager Dean Grant, our very new Catering Manager Richard Auld & 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 constantly dedicated. 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.

I would also like to congratulate the Executive Committee of our newly acquired Wednesday Bingo that has been a major success raising money for the new Macksville Hospital (UHA).


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 \$ 80,000 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

CEO'S REPORT

It is both a privilege and honour to present my first Annual Report as CEO of our Club. It has been a financially challenging year posting a loss of (\$ 94,562), but one that has seen many changes.

The past six (6) months has been mostly about planning and preparing for the future and growing the value of membership of this great club. Beneficial Business Partnerships have been developed so that we may deliver better services while improving return on investment. Special mention needs to be made to Liquor Legends, CUB, Treasury Wines, Quad Services, C3 Group, Aristocrat and IGT.

To date we have achieved:

- ✓ New side colourbond fence
- ✓ Upgrade of our Tab facility
- ✓ Refurbishment of our main toilets
- ✓ New Bistro menu boards
- ✓ New flooring in our Bistro / Café
- ✓ New furnishings to the Bistro / Café / Auditorium
- ✓ Additional television screens
- ✓ New gaming machines
- ✓ New entertainment

We envisage by December;

- ✓ Wine on tap at our Main Bar
- ✓ New beer fonts as well as an additional three (3) beers
- ✓ New look Bottle Shop and Foyer

We are proud to have been able to work hand in hand with so many great local trades people who contribute so much to our amazing community.

I would like to recognise the outstanding efforts of all our Staff, Senior Management Carlie Thorman, Dean Grant, Chris Bell, Andrew Ford, Richard Auld and Toni Mansfield. Club Supervisors Sally Reedy, Trent Griffiths, Isaac Wilson, Dylan Pate and Marie Paget. To our Teams in the Bar, Catering, Bottle Shop, Administration and Cleaning you are the key component of the quality service and amenity of the Club. My heartfelt thanks go to you all for a great year and job well done.

To our President Terrie Hyslop and her Directors, I commend you for the time and effort that you have placed on to the Strategic Direction of the Club. This year has been filled with numerous Meetings / Seminars along with the Refurbishment of the Club. Our Board without hesitation give their time for the betterment of the Club and its Members.

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 for contributing to the "Family" of the Nambucca Heads RSL and trust that we will see you here at the Club in the not too distant future as we look forward to an even greater 2019-2020.



WENDY MILLS

CEO

E: wendy.mills@nambuccarsl.com.au



Great view, Great people, Great place!

R&SL SUB-BRANCH REPORT

2019 has been another interesting and turbulent year for RSL NSW however the Nambucca RSL Sub Branch has been weathering the storm, providing input to the development of yet another draft constitution and even growing in membership. We have continued to work with other Sub Branches in the Nambucca Valley through regular Combined Sub Branch meetings and have had representation at the North Coast District Council.

ANZAC Day commemorations this year went very well and attendance numbers for the Dawn Service was the highest they have been for many years. Our ANZAC Day Address during the main service this year was superbly delivered by Colonel Michael Collie a recently retired senior Army Officer. Michael Collie and his wife, Lisa, also a retired Army Officer, are now residents of Nambucca Heads having completed distinguished careers and the Sub Branch welcomes them to both the veterans and the broader Mid North Coast communities. This year culminated in the ANZAC Day Luncheon in the Down Under Bar at the Nambucca Heads RSL Club. The staff at the club raised the bar yet again and the food and service was nothing short of spectacular.

In June we finally saw RSL NSW lift the state wide fundraising ban and, after what has been a long two years, our Auxiliary was able to return to fundraising for the Sub Branch. The Auxiliary still desperately needs new membership to be able perform their role and the executive officers of the Auxiliary are to be commended for the way they have been able to function in the recent climate of uncertainty across RSL NSW. The Auxiliary has contributed over \$8000 toward the purchase of new display cabinets that will house mannequins for military history exhibits. The cabinets will go on display in the near future in-line with renovations in the Nambucca Heads RSL Club. The Frank Partridge VC Museum is partnering the Sub Branch in this project.

The tradition in the Nambucca Valley is to rotate Vietnam Veterans Day commemorations among the Sub Branches and this year it was Macksville's turn. Our Sub Branch turned out in force and a great service was followed by a memorable lunch. In 2020 it will be our turn and we look forward to conducting a dignified service and returning the hospitality shown by the Macksville Sub Branch.

The We're Here Initiative that encourages those leaving Defence to settle in Nambucca Heads is progressing well and is supported by our Sub Branch. We have strong representation on the We're Here Committee and have also contributed financially to the initiative. It may still be some time before we see the fruits of this venture however 'We're Here' continues to draw praise from all levels of government and remains the only initiative of its kind in Australia.

As word spreads about the success of our pensions officer, Mrs. Anne Bax, her list of clients grows. Thanks to our hardworking Auxiliary our pensions office has been fitted out with new 'fit for purpose' furniture. We are extremely grateful to have such a diligent pensions officer in our area and Anne works in close co-ordination with the Veterans Centre Mid North Coast located in Coffs Harbour. The Sub Branch is also very well served by Mr. Bob Crisp, our Welfare Officer. Bob continues to do a superb job in maintaining a link between the veterans community and the sick and more elderly veterans in the Sub Branch. On a personal note I would also like to thank our Vice President, Mr. Robert Freebairn, who has agreed to cover my duties this year both for Remembrance Day and at the State Congress in Albury while I am out of the district on holidays. The Sub Branch also acknowledges the wonderful level of support we receive from the Nambucca Heads RSL Club Limited. The Board and Staff of the Club are very focused on giving back to the community and for that we are very grateful.

I strongly believe that the disruption of the last few years is behind us and that we are now able to get back to focusing on our core business of tending to the welfare of veterans and their families. The Sub Branch has been called on throughout the year to provide welfare support at short notice and we have been able to do so with agility and efficiency without detriment to the dignity of those we have been assisting. We look forward to the year ahead where we will increase our interaction with other veteran support agencies in the interest of those who have served. Lest we Forget.

**MICK BIRTLES, DSC
PRESIDENT
R&SL SUB-BRANCH, NAMBUCCA HEADS**

DIRECTORS REPORT

1. General Information

Your Directors present their report on Nambucca Heads RSL Club Limited for the financial year ended 30th June 2019.

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

Louis Barnes

Qualifications

Retired

Experience

Previous Director

Special responsibilities

Vice President / Director / Sports Council / Building Committee

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

Judi Belbin

Qualifications

Retired

Special responsibilities

Director / Bullying & Harassment Situations

Resigned

9/9/2019

Paul Hayes

Qualifications

Retired

Experience

Previous Director of another Club

Special responsibilities

Director

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

Nambucca Heads RSL Club Limited

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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.

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 members 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

Directors' Report

30 June 2019

1. General information

Members guarantee

Company's constitution.

At 30 June 2019 the collective liability of members was \$ 11,566 (2018: \$ 11,294).

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:

	Directors' Meetings		Membership Approval Meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Terrie Hyslop	12	12	41	41
William Henderson	12	12	41	41
Louis Barnes	12	12	41	41
Ronald Dunbar	12	12	-	-
John Hopkins	12	11	41	41
Judi Belbin	12	12	-	-
Paul Hayes	12	12	-	-

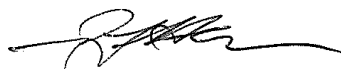
Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2019 has been received and can be found on page 4 of the financial report.

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



Director: Terrie Hyslop



Director: William Henderson

Dated this 25th day of September, 2019

Nambucca Heads RSL Club Limited

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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 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.

Yours faithfully,

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

Aart Hooykaas
Director
HLV Audit Pty Ltd

25th September, 2019
Nambucca Heads

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Liability limited by a Scheme approved
under Professional Standards Legislation.

Nambucca Heads RSL Club Limited

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Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2019

	Note	2019 \$	2018 \$
Poker Machine Revenue		4,222,906	4,176,764
Bar Sales		1,223,011	1,240,425
Catering Revenue		1,501,213	1,485,503
Bottle Shop Revenue		1,908,429	1,919,136
Keno Revenue		109,813	111,294
Commissions		42,053	46,935
Entertainment & Promotions		200,609	204,908
Member subscriptions		24,381	22,657
Sub-club Revenue		19,359	18,468
Rental income		36,633	36,253
Interest		5,523	1,732
Other income		174,787	219,425
TOTAL INCOME		9,468,717	9,483,500
Bar Cost of Sales		(453,463)	(455,040)
Catering Cost of Sales		(551,775)	(523,954)
Bottleshop Cost of Sales		(1,549,518)	(1,565,227)
Employee Benefits Expense		(3,057,393)	(2,982,893)
Depreciation & Amortisation Expense		(782,829)	(778,507)
Repairs & Maintenance		(349,211)	(381,993)
Entertainment & Promotions		(564,663)	(590,299)
Poker Machine Tax		(736,799)	(728,712)
Loss on Disposal of Assets		(73,018)	(12,586)
Finance Costs		(105,556)	(115,438)
Other Operating Expenses		(1,339,054)	(1,258,462)
TOTAL EXPENSES		(9,563,279)	(9,393,111)
Profit before income tax		(94,562)	90,389
Income tax expense	1(j)	-	-
Profit for the year		(94,562)	90,389
Total comprehensive income for the year		(94,562)	90,389

The accompanying notes form part of these financial statements.

Nambucca Heads RSL Club Limited

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Statement of Financial Position

30 June 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	839,624	566,929
Trade and other receivables	4	40,556	53,018
Inventories	5	221,285	225,769
Other assets	8	18,134	26,510
TOTAL CURRENT ASSETS		1,119,599	872,226
NON-CURRENT ASSETS			
Property, plant and equipment	6	6,239,954	6,669,017
Intangible assets	7	8,333	8,333
TOTAL NON-CURRENT ASSETS		6,248,287	6,677,350
TOTAL ASSETS		7,367,886	7,549,576
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	797,210	775,960
Borrowings	10	2,169,355	249,044
Short-term provisions	11	7,178	(1,431)
Employee benefits	12	156,625	167,331
Other liabilities		19,071	19,621
TOTAL CURRENT LIABILITIES		3,149,439	1,210,525
NON-CURRENT LIABILITIES			
Borrowings	10	128,468	2,165,570
Employee benefits	12	70,100	59,040
TOTAL NON-CURRENT LIABILITIES		198,568	2,224,610
TOTAL LIABILITIES		3,348,007	3,435,135
NET ASSETS		4,019,879	4,114,441
EQUITY			
Retained earnings		4,019,879	4,114,441
TOTAL EQUITY		4,019,879	4,114,441

The accompanying notes form part of these financial statements.

Nambucca Heads RSL Club Limited

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Statement of Changes in Equity**For the Year Ended 30 June 2019****2019**

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2018	4,114,441	4,114,441
Profit / (Loss) for the year	(94,562)	(94,562)
Balance at 30 June 2019	4,019,879	4,019,879

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

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the Year Ended 30 June 2019

	Note	2019 \$	2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		10,463,503	10,352,499
Payments to suppliers and employees		(9,545,049)	(9,404,786)
Interest received		5,523	1,732
Finance costs		(105,556)	(115,438)
Net cash provided by/(used in) operating activities	19	818,421	834,007
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of investment		10,545	-
Purchase of property, plant and equipment		(173,416)	(207,924)
Net cash used by investing activities		(162,871)	(207,924)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Repayment of borrowings		(382,855)	(592,557)
Net cash used by financing activities		(382,855)	(592,557)
Net increase/(decrease) in cash and cash equivalents held		272,695	33,526
Cash and cash equivalents at beginning of year		566,929	533,403
Cash and cash equivalents at end of financial year	3	839,624	566,929

Notes to the Financial Statements

For the Year Ended 30 June 2019

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 25 September 2019.

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.

(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 2019

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 2019

1 Summary of Significant Accounting Policies

- (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.

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.

Notes to the Financial Statements

For the Year Ended 30 June 2019

1 Summary of Significant Accounting Policies

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 2019

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 \$96,222. Although the club may trade profitably in future years, after applying the principal 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 2019

1 Summary of Significant Accounting Policies

(l) Revenue and other income

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.

(n) Critical accounting estimates and judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Notes to the Financial Statements

For the Year Ended 30 June 2019

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 have been described below.

Key estimates - impairment of property, plant and equipment

The Company assesses impairment at the end of each reporting period by evaluating conditions specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key estimates - provisions

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

3 Cash and Cash Equivalents

	2019	2018
	\$	\$
Cash at bank and in hand	839,624	566,929

4 Trade and Other Receivables

	2019	2018
	\$	\$
CURRENT		
Trade receivables	40,556	53,018

5 Inventories

	2019	2018
	\$	\$
CURRENT		
Inventories at cost	221,285	225,769

6 Property, Plant and Equipment

	2019	2018
	\$	\$
LAND AND BUILDINGS		
Freehold land		
At cost	75,606	75,606
Total Land	75,606	75,606

Notes to the Financial Statements

For the Year Ended 30 June 2019

6 Property, Plant and Equipment

Buildings

At cost	7,407,563	7,453,405
Accumulated depreciation	(3,179,733)	(3,032,232)
Total buildings	4,227,830	4,421,173
Total land and buildings	4,303,436	4,496,779

PLANT AND EQUIPMENT

Plant and equipment

At cost	6,141,646	6,113,158
Accumulated depreciation	(4,268,684)	(4,021,333)
Total plant and equipment	1,872,962	2,091,825

Leasehold Improvements

At cost	421,755	421,755
Accumulated amortisation	(358,199)	(341,342)
Total leasehold improvements	63,556	80,413
Total plant and equipment	1,936,518	2,172,238
Total property, plant and equipment	6,239,954	6,669,017

(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 \$
Year ended 30 June 2019					
Balance at the beginning of the year	75,606	4,421,173	2,091,825	80,413	6,669,017
Additions	-	24,247	413,082	-	437,329
Disposals - written down value	-	(34,542)	(49,021)	-	(83,563)
Depreciation expense	-	(183,048)	(582,924)	(16,857)	(782,829)
Balance at the end of the year	75,606	4,227,830	1,872,962	63,556	6,239,954

7 Intangible Assets

	2019 \$	2018 \$
Poker Machine Entitlements - at cost	16,978	16,978
Accumulated amortisation & impairment	(8,645)	(8,645)
Net carrying value	8,333	8,333

Notes to the Financial Statements

For the Year Ended 30 June 2019

7 Intangible Assets

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 2019 was NIL. The total write down recognised to date is \$8,645 as shown above.

(a) Movement in Carrying Amounts

	Poker Machine Entitlements \$
Year ended 30 June 2019	
Balance at the beginning of the year	8,333
Disposals	-
Closing value at 30 June 2019	8,333

8 Other Assets

	2019 \$	2018 \$
CURRENT		
Prepayments	18,134	26,510

9 Trade and Other Payables

	2019 \$	2018 \$
CURRENT		
Trade payables	269,072	242,113
Annual Leave Entitlements	173,924	199,349
Other payables	354,214	334,498
	797,210	775,960

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

	2019 \$	2018 \$
Trade and other payables:		
- total current	797,209	775,960
Less:		
annual leave entitlements	(173,924)	(199,349)
Financial liabilities as trade and other payables	623,285	576,611

Notes to the Financial Statements

For the Year Ended 30 June 2019

10 Borrowings

		2019 \$	2018 \$
CURRENT		-	-
Secured liabilities:			
Lease liability secured	13(a)	219,355	249,045
Bank loans		1,950,000	-
Total current borrowings		2,169,355	249,045
NON-CURRENT			
Secured liabilities:			
Lease liability secured	13(a)	128,468	215,570
Bank loans		-	1,950,000
Total non-current borrowings		128,468	2,165,570
TOTAL BORROWINGS	14	2,297,823	2,414,615

(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. The ANZ Bank have advised that they will be reviewing the Club's Loan Facility on 30th November, 2019 and that it is their intention to renew the facility for a further 2-3 years, ensuring that the facility may be recorded as Long Term Debt for the 2020 financial reporting year.

The loan is on an interest only basis, payable in arrears and the variable interest rate at 30th June, 2019 was 4.55%. At the end of the financial year the loan balance was \$1,950,000 as a result of voluntary repayments made since inception of the loan, as a result, the Club is able to redraw funds up to the facility limit of \$2,500,000 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 machine and their related games and licences and a cash management system, each with leasing terms of between 12 and 60 months.

11 Provisions

	2019 \$	2018 \$
CURRENT		
Provision for Club Grants (Donations)	7,178	(1,431)

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

Notes to the Financial Statements

For the Year Ended 30 June 2019

12 Employee Benefits

	2019	2018
	\$	\$
CURRENT - Provision for employee benefits	156,625	167,331
NON-CURRENT - Provision for employee benefits	70,100	59,040
	226,725	226,371

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

	2019	2018
	\$	\$
Beginning of the year	226,371	214,112
Current service cost	47,523	32,434
Benefits paid	(47,169)	(20,175)
End of year	226,725	226,371

13 Leasing Commitments

(a) Finance lease and Hire Purchase Commitments

	2019	2018
	\$	\$
Payable - minimum lease payments:		
- not later than one year	219,355	249,045
- between one year and five years	128,468	215,570
Minimum lease payments	347,823	464,615

Leased liabilities relate to agreements for poker machine and their related games and licences and a cash management system, each with leasing terms of between 12 and 60 months.

(b) Operating leases

	2019	2018
	\$	\$
- not later than one year	40,513	39,260
- between one year and five years	55,130	53,243
	95,643	92,503

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 8 November 2018, with a rent revision for the year ending 7 November 2019. The rent charged for this period is \$40,513.10 (EX GST). Therefore, the amounts disclosed above have been adjusted to reflect this increase in the operating lease per annum.

Notes to the Financial Statements

For the Year Ended 30 June 2019

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:

		2019 \$	2018 \$
Financial Assets			
Cash and cash equivalents		839,624	566,929
Total financial assets		<u>839,624</u>	<u>566,929</u>
Financial Liabilities			
Financial liabilities at amortised cost			
- Trade and other payables	9	623,285	576,611
- Borrowings	10	2,297,823	2,414,615
Total financial liabilities		<u>2,921,108</u>	<u>2,991,226</u>

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 2019 the number of members was 5,783 (2018: 5,647).

16 Interests of Key Management Personnel

The total remuneration paid to key management personnel of the Company is \$ 405,936 (2018: \$ 354,974).

17 Contingent Liabilities and Contingent Assets

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2019 (30 June 2018: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.

Notes to the Financial Statements

For the Year Ended 30 June 2019

19 Cash Flow Information

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

	2019	2018
	\$	\$
Profit / (loss) for the year	(94,562)	90,389
Non-cash flows in profit:		
- depreciation	782,829	778,507
- loss on disposal of asset	73,018	12,586
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:		
- (increase)/decrease in trade and other receivables	20,839	(14,594)
- (increase)/decrease in inventories	4,484	(44,565)
- increase/(decrease) in trade and other payables	14,365	(9,957)
- increase/(decrease) in other current liabilities	8,484	24,385
- increase/(decrease) in employee benefits	8,964	(2,744)
Cashflow from operations	<u>818,421</u>	<u>834,007</u>

20 Events after the end of the Reporting Period

The financial report was authorised for issue on 25 September 2019 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):

Refurbishment of building and furniture and fittings - \$245,000
Poker Machines and Equipment - \$82,000
Computer Equipment - \$22,000
Televisions for TAB area - \$5,000

Directors' Declaration

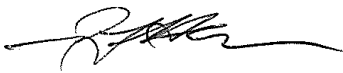
The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 5, 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 2019 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 25th day of September 2019

Nambucca Heads RSL Club Limited

36 000 962 185

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 2019, 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.

Nambucca Heads RSL Club Limited

36 000 962 185

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



Aart Hooykaas, Director

Nambucca Heads, NSW, 2448

25 September 2019

Nambucca Heads RSL Club Limited

36 000 962 185

ClubGRANTS / Donations

Category 1

Armistice Centenary Committee	2488.00
Australia Day Committee & Lions Club, Nambucca Heads - 2019 Australia Day	5000.00
Combined Community Project - Nambucca Valley Chamber of Commerce	
Australia Day Committee & Nambucca Lions	8000.00
Lions Club, Nambucca Heads - Bellwood Park Project	12000.00
Macksville Hospital Development Arts Project	15000.00
Nambucca Heads R&SL Sub-Branch	13234.00
Nambucca Valley NASHOs	1500.00
Uniting Church Australia, Nambucca Heads	796.18

Category 2

Daffodil Day	500.00
Ella 7's Valley Girls United	250.00
Elly Stig Memorial Day	1000.00
Falcon GT Car Club	500.00
Farmers Drought Appeal	2996.36
Gumbaynggirr Descendants RLFC	1000.00
Isabelle Kearney	1575.00
Macksville Falcons Touch Football Association	1000.00
Macksville Music Muster	1000.00
Nambucca Heads Bowling & Recreation Club Ltd	1000.00
Nambucca Heads Island Golf Club	600.00
Nambucca Heads SLSC	200.00
Nambucca Junior Roosters Football Club	500.00
Nambucca River District Agricultural Society	500.00
Nambucca Valley Arts Council	500.00
Nambucca Valley Craft & Arts	365.00
Nambucca Valley Lions Football Club Inc.	2000.00

Category 3

Communities NSW	1470.44
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In Kind

AFL Lions AFL Football Club	50.00
Bowraville Central School	645.40
Farmers Appeal - Drought Relief Drive	4544.00
Give Me 5 for Kids	200.00
Lions Club, Nambucca Heads	2790.77
Nambucca Valley Garden Club	50.00
Parkinson's Walk	50.00
Partners of Veterans	300.00
R&SL Sub-Branch, Nambucca Heads Branch	550.00
U3A	100.00
VW Spectacular - Morning Tea Fundraiser – Cancer	1000.00

