



# 2023 ANNUAL REPORT

**BALGOWLAH RSL  
MEMORIAL CLUB**



**BALGOWLAH RSL MEMORIAL CLUB**  
**ACN 001 074 184**  
**2023 ANNUAL REPORT**

**Directory**

Registered Office	30-38 Ethel St, Seaforth, NSW 2092
Postal Address	PO Box 72, Seaforth, NSW 2092
Telephone	02 9949 5477
Facsimile	02 9949 9211
Website	<a href="http://www.balgowlahrsl.com.au">www.balgowlahrsl.com.au</a>
Email	info@balgowlahrsl.com.au

**Board of Directors**

President	Graham Stone
Senior Vice President	Des McAteer
Junior Vice President	John Garland
Treasurer	Stephen Hamilton
Director	Bryan Renshaw
Director	William David O'Brien
Director	Brian Roberts

**Management**

Chief Executive Officer	Lawson Job
Gaming Manager	Nicki Cresswell
Food & Beverage Manager	Maya Frost

**Auditor of Accounts**

CABEL Partners, 1 James Place, North Sydney.

**Solicitors**

Pigott Stinson, 10 Barrack St, Sydney

**Bankers**

Australia and New Zealand Banking Group Limited  
Affiliation  
Clubs NSW  
Club Directors Institute  
Clubs NSW Clubsafe

## PRESIDENTS REPORT 2023

On behalf of the Board of Directors I would like to proudly present to you the Annual Report for the year ending 31<sup>st</sup> December 2023.

I would like to pay my respects by acknowledging the Gadigal people of the Eora Nation, Traditional Custodians of the land where this Club is situated and pay my respects to their Elders, both past and present.

The Balgowlah RSL Memorial Club as in previous years continues to provide a community hub to over 14,000 members. The range of services and activities on offer here at the Club are significant and focus on what members and guests have provided feedback on. Ongoing member and staff surveys will ensure that the Club listens and responds to your comments. Constructive feedback to the Management team is always encouraged to improve or validate whether you are satisfied with the services you can access here in the Club.

In the previous year's Presidents Report I expressed concern regarding the Club's financial security impacted by many uncontrollable financial factors. By the close of 2023 those concerns about the financial viability of the Club had been carefully managed by the Board and Senior Management. 2023 was a year of planning, reviewing and refining our business model to meet market challenges and be strategic about the future of this Club.

Behind the scenes throughout 2023 there was significant investment in time and energy regarding how best to provide improvements to the Club that you would be proud of and forward planning to meet the challenges of the next few years. In February 2024 a Development Application was lodged with Northern Beaches Council for a significant upgrade and refurbishments of the Gold Bar area. I invite you to peruse the information about the impending changes to the Club that you will see around the Club and on the website.

Behind the faces of our fantastic staff that deliver services with a smile is a management team headed up by our CEO Lawson Job and the Board of Directors that are strategically focussing and planning to be able to respond to the ongoing and future needs of the Club.

As you can see from the Treasurers Report, the financial position as of December 31, 2023, was in a significantly healthier position compared to the same time in 2022.

The Club continues to financially support local charities and sporting groups in the area and is proud to be able to do so.

I thank you for your patronage and support as a valued member of the Balgowlah RSL Memorial Club. As 2024 is an election year for Directors, I would like to thank all Directors for their hard work throughout the past two years and say a special thank you to outgoing Directors and a welcome to new Directors.



Graham Stone  
President

## TREASURERS REPORT 2023

I present the Balgowlah RSL Memorial Club financial report summary for 2023.

### Club Operations

Total income 2023 \$12,385,294 (2022 - \$11,721,873)

Profit {Loss} for the year \$172,956 (in 2022 - {\$433,626})

### Beverage department

Total income \$2,442,932 (2022 - \$2,291,715)

Profit for the year \$962,903 (2022 - \$867,797)

### Catering department

Total Income \$2,902,199 (2022 – \$2,854,442)

Profit for the year \$46,003.75 (2022 - \$1,636)

Gross profit on catering 57.88% (2022 – 58%)

### Gaming Department

Total Income \$6,811,236 (2022 - \$6,379,650)

Profit for the year \$3,718,016 (2022 – \$3,361,620)

Employment expenses & consumables costs were maintained at approximately the same level as 2022, yet revenue increased by almost 6% allowing a welcome return to profitability.

This result was achieved through a period of significant award wage rises and inflation in the cost of goods & services. Electricity costs went up by 100%.

Good management of staff and careful control of costs were rewarded with the return of a satisfactory increase in profitability.



Stephen Hamilton

Treasurer

## CEO REPORT 2023

Dear Members,

2023 was a year of resilience and growth for our Club. We navigated through challenges with determination, and I am pleased to report that our financial state has shown significant improvement. The Club Board and Management have worked tirelessly to enhance our facilities and services, ensuring they meet the high standards our Members deserve.

In the Treasurer's Report, you will notice a marked turnaround with a positive financial outcome. This achievement underscores the effectiveness of the strategies implemented by the Board and Management. We are confident in our direction and, with a comprehensive review of our strategic plans and objectives, we are excited about the prospects ahead for your Community Club.

Our dedication to community support remains steadfast, with contributions exceeding \$80,000 to over 30 local groups in 2023. These donations play a vital role in their ongoing activities, and we anticipate strengthening these partnerships even further while the Community grows with us.

The loyalty of our 14,400 Members has been remarkable, and we extend our heartfelt gratitude for your unwavering support. Your preference for our Club is a source of immense pride, and we remain committed to providing exceptional service with a smile. The entire Team Balgowlah eagerly looks forward to creating more memorable experiences with you in 2024.

I must also express my sincere appreciation to the Board of Directors and all our staff for their extraordinary efforts in maintaining the Club's operations. A special acknowledgment goes to Nicki, Maya, & David for their dedication. Together with our Directors, Management, Staff, and most importantly, our Members, I am enthusiastic about what the future holds for us all at Balgowlah RSL Memorial Club.

### The Management Team:

<b>Gaming Manager</b>	Nicki Cresswell	<b>Accounts Manager</b>	Annika Menke
<b>F&amp;B Manager, Community Liaison</b>	Maya Frost	<b>Payroll</b>	Jackie Frawley
<b>Executive Chef</b>	Chhetri 'David' Lipik	<b>Functions Coordinator</b>	Charlie Pope
<b>Duty Managers</b>	Justin Uren Daniel McCart Lara Job		

On behalf of all our Team of 80 employees, we look forward to welcoming Members to come and enjoy your great Club again in 2024.



Lawson Job  
Chief Executive Officer

## 50<sup>TH</sup> ANNUAL GENERAL MEETING MINUTES OF MEETING 3 APRIL 2023

The 50<sup>th</sup> Annual General Meeting was held on level 2 of the Club at 30-38 Ethel St, Seaforth, NSW 2092.

Meeting commenced at 7:05pm.

**PRESENT** – 26 Members were present, including 10 Class 1 Members and 16 General Members.

### **BUSINESS**

1. Apologies:

Arthur Ball #7618; Sue Johnston #3439; Leslie Rennie #44.

2. Motion to confirm and adopt the minutes of the 49<sup>th</sup> Annual General Meeting held 11<sup>th</sup> April 2022.

MOVED DENNIS MORAN #1217; SECONDED DIANE TRAVELLER #1347. MOTION CARRIED

3. Business Arising from the minutes:

Nil.

4. Motion to receive, consider and adopt the Profit & Loss Account, Balance Sheet, Statement of Cash Flows and Auditor's Report for the year ended 31 December 2022.

MOVED KEN PRIOR #9023; SECONDED ROBERT ELVIN #8824.

5. Motion to receive, consider and adopt the Profit & Loss Account, Balance Sheet, Statement of Cash Flows and Auditor's Report for the year ended 31 December 2022.

MOVED GRANT TUCKER #2554; SECONDED BOB PATERSON #1681.

Clive Barnabas #5004

Clive questioned the Treasurer over the plans in place to turnaround our Financial Result from 2022 and if we were considering diversifying away from Gaming.

The President & CEO responded and ensured the Members that steps were being taken to address our financial strains from the previous year and that communication on significant works to the Club would go out to Members via our usual channels.

Shaun Parren #7774

Shaun questioned the Board on how much revenue is needed for change if the current revenue and cash reserves weren't sufficient.

Ray Khalil (Cabel Partners) addressed the Members at this time and spoke of the wider struggles the Club Industry is facing and spoke to the current health of the Club's financials and the positive cashflow for the year.

6. Ordinary Resolutions

That until the next Annual General Meeting and in pursuance of the Registered Clubs Act, the members approve a MOTION to provide the following rights and benefits to directors and such persons as from time to time the directors shall authorise or approve:

a) The provision to directors of appropriate clothing; attendance at conferences and training in relation to their roles and responsibilities as directors; food and refreshments at the conclusion of Board meetings; premium for directors and officers insurance cover and reasonable out of pocket expenses incurred when carrying out duties in relation to the Club, and

b) The payment of director honorariums to be allocated as follows:

i. President honorarium \$4,800 per annum

ii. Treasurer honorarium \$4,800 per annum

iii. All other Directors honorarium \$2,400 per annum.

MOTION MOVED BY DENNIS MORAN #1217; SECONDED BY MONICA ARDILL #2626.

MOTION CARRIED.

7. Special Resolution – Constitutional Amendments

That the Constitution of Balgowlah RSL Memorial Club be amended to bring it into line with the most recent updates to the Registered Clubs Act. Details of such as per below.

**PROCEDURAL MATTERS FOR THE SPECIAL RESOLUTION**

1. To be passed, a Special Resolution must receive votes in favour from not less than three quarters (75%) of those members who, being eligible to do so, vote in person on the Special Resolution at the meeting.
  2. **Only Life members, who were previously Class 1 members, and financial Class 1 members can vote on the Special Resolution.**
  3. Under the Registered Clubs Act, members who are employees of the Club are not entitled to vote and proxy voting is prohibited.
  4. The Board of the Club recommends the Special Resolution to members.
- (a) **inserting** new Rules 2.4 and 25 and renumbering the remaining provision:
- “2.4 Every member is bound by and must comply with the Constitution and By-laws of the Club and any other applicable determination, resolution or policy which may be made or passed by the Board.*
- 2.5 *The Constitution and By-laws of the Club have effect as a contract between:*
- (a) *the Club and each member; and*
  - (b) *the Club and each director;*
  - (c) *each member and each other member,*
- under which each person agrees to observe and perform the Constitution and By-laws so far as they apply to that person.”*
- (b) **inserting** the following new Rules 3.1(i), 3.1 (n) and 3.1 (p) and **renumbering** the remaining provisions of Rule 3.1 accordingly:
- “3.1 (i) Financial member” means a member of the Club who has paid all joining fees, subscriptions, levies and other payments to the Club by the relevant due dates.*
- 3.1 (n) “Non-financial member” means a member who has not paid all joining fees, subscriptions, levies and other payments to the Club by the relevant due dates.*
- 3.1 (p) “Quarter” means a period of 3 months ending on 31 March, 30 June, 30 September, or 31 December.”*
- (c) **deleting** Rule 3.2 and **renumbering** the remaining provision of Rule 3 accordingly.
- (d) **deleting** Rule 10.1 and **inserting** the word “Deleted”.
- (e) **deleting** Rule 12.2 and **inserting** the following new Rule 12.2:
- “12.2 Should a person who is admitted as a Provisional member not be elected to membership of the Club:*
- (a) *That person shall cease to be a Provisional member of the Club; and*

(b) *the joining fee (if any) and subscription submitted with the nomination shall be returned to that person."*

(f) **inserting** the following new Rule 12.4:

*"12.4 The Secretary or senior employee then on duty may refuse a Provisional member admission to the Club's premises or terminate the membership of any Provisional member at any time without notice and without having to provide any reason. If the membership of a Provisional member is terminated in accordance with this Rule, the Club must return any joining fee and annual subscription (if any) paid by the Provisional member when applying for membership of the Club."*

(g) **inserting** the following new Rule 14.3 and **renumbering** the remaining provisions of Rule 14 accordingly:

*"14.3 A person may be admitted to Temporary membership for a period of up to, but not exceeding seven (7) consecutive days (or such longer period as approved by the relevant regulatory body). A person admitted to Temporary membership under this Rule shall only be required to enter their relevant details in the register of Temporary members referred to in Rule 18.1 (c) on the first day that they enter the Club's premises during that period."*

(h) **inserting** the following new Rules 15.4(c) and (d) and **renumbering** the remaining provisions of Rule 15.4 accordingly:

*"(c) the email address of the applicant;*

*(4) the telephone number of the applicant;"*

(i) **deleting** the existing Rule 15.4(d) and **renumbering** the remaining provisions of Rule 15.4 accordingly.

(j) **deleting** Rule 16.1 and **inserting** the following new Rule 16.1:

*"16.1 For the purposes of section 30 (2B) of the Registered Clubs Act, the Board shall determine the joining fees, subscriptions, and other payments (excluding levies) payable by members of the Club."*

(k) **deleting** Rule 16.3 and **inserting** the following new Rules 16.3:

*"16.3 Any person elected during the financial year of the Club to any class of membership shall pay such proportion of the annual subscription as may be determined by the Board from time to time."*

(l) **deleting** from Rule 17.1 the words *"any member who is not a Financial Member (as defined in Rule 3.2)"* and **inserting** the words *"a Non-Financial member"*.

(m) **deleting** Rule 18.1(a)(ii) and **renumbering** the remaining provisions accordingly.

(n) **inserting** at the beginning of the new Rule 18.1(a)(iv) the words *"for the purposes of the Registered Clubs Act only,"*.

(o) **deleting** Rule 19 and **inserting** the following new Rule 19:

*"19. NOTIFICATION TO CLUB REGARDING CHANGE IN MEMBER'S DETAILS*

19.1 *Every member must advise the Secretary of any change to their personal details (including their address, email address and telephone number) within seven (7) days of the change to their personal details."*

(p) **inserting** new Rule 20.2(a)(ii) and renumbering the remaining provision accordingly:

*"(ii) the particulars of the charge, including the alleged facts and circumstances which give rise to the charge against the member;"*

(q) **deleting** Rule 20.2(b) and **inserting** new Rule 20.2(b):

*"(b) The member charged shall be notified of the matters in paragraph (a) of this Rule 20.2 by notice in writing at least seven (7) days before the meeting of the Board at which the charge is to be heard."*

(r) **inserting** the following new Rule 20.2(c)(iii):

*"(iii) call witnesses provided that:*

*(1) if a proposed witness fails to attend the hearing or provide evidence at the hearing, the Board can still hear and determine the charge; and*

*(2) the Club cannot and will not force any person (including a member) proposed by the member charged as a witness to attend and provide evidence at the hearing. The member charged must act in an appropriate manner at the meeting (and in particular and without limitation, the member must not act in an offensive or disruptive manner)."*

(s) **inserting** the following new Rules 20.2(d) and (e) and **renumbering** the remaining provisions accordingly:

*"(d) If the chairperson determines (in their absolute discretion) that the member charged is not acting in an appropriate manner, the chairperson may issue the member charged with a warning regarding the member's conduct and advise the member that if the member fails to comply with the warning, the member may be asked to leave the meeting and the Board will continue to consider and deal with the charge in the absence of the member.*

*(e) If the member charged does not comply with the warning given in accordance with paragraph (d) of this Rule, the chairperson (in their absolute discretion) may exclude the member charged from the meeting and continue to consider and deal with the charge in his or her absence."*

(t) **deleting** the existing Rule 20.2(g).

(u) **deleting** renumbered Rules 20.2(h) and (i) and **inserting** new Rules 20.2(h), (i) and (j):

*"(h) After the Board has considered the evidence put before it, the Board may:*

*(i) immediately come to a decision as to the member's guilt in relation to the charge; or*

*(ii) advise the member that the Board requires additional time to consider the evidence put before it in order to determine whether or not the member is guilty of the charge."*

*"(i) After the Board has come to a decision as to the member's guilt in relation to the charge it must:*

- (i) *in the case of a decision under Rule 20.2(h)(i) of this Rule, immediately inform the member of the Board's decision; or*
- (2) *in the case of a decision under Rule 20.2(h)(ii), inform the member of the Board's decision in writing within seven (7) days of the date of the decision of the Board.*
- (j) *After the Board has made a decision on the issue of penalty, the Board must advise the member of its decision."*
- (v) **inserting** new Rule 20.2(m):
- "(m) The Board may authorise the Secretary and other persons to attend the meeting to assist the Board in considering and dealing with the charge but those persons shall not be entitled to vote at the meeting."*
- (w) **inserting** new Rule 20.3 and renumbering the remaining provisions accordingly:
- "20.3 The outcome of disciplinary proceedings shall not be invalidated or voided if the procedure set out in Rule 20.2 is not strictly complied with provided that there was no substantive injustice for the member charged."*
- (x) **inserting** above renumbered Rule 20.4 the heading:
- "PROVISIONAL SUSPENSION PENDING DISCIPLINARY HEARING"***
- (y) **deleting** from renumbered Rule 20.4 the words *"or for five (5) weeks whichever is the sooner"*.
- (z) **deleting** old Rules 20.4, 20.5 and 20.6 and inserting the following heading and new Rules 20.5 to 20.10:
- "ADDITIONAL DISCIPLINARY POWERS OF SECRETARY"***
- 20.5 *If, in the opinion of the Secretary (or his or her delegate), a member has engaged in conduct that is unbecoming of a member or prejudicial to the interests of the Club, then the Secretary (or his or her delegate) may suspend the member from some or all rights and privileges as a member of the Club for a period of up to twelve (12) months.*
- 20.6 *In respect of any suspension pursuant to Rule 20.5, the requirements of Rule 20.2 shall not apply.*
- 20.7 *If the Secretary (or his or her delegate) exercises the power pursuant to Rule 20.5, the Secretary (or his or her delegate) must notify the member (by notice in writing) that:*
- (a) *the member has been suspended as a member of the Club; and*
- (b) *the period of suspension;*
- (c) *the privileges of membership which have been suspended; and*
- (d) *if the member wishes to do so, the member may request by notice in writing sent to the Secretary) the matter be dealt with by the Board pursuant to Rule 20.2.*
- 20.8 *If a member submits a request under Rule 20.7(d):*
- (a) *the member shall remain suspended until such time as the charge is heard and determined by the Board; and*

(b) *the Club must commence disciplinary proceedings against the member in accordance with the requirements of Rule 20.2;*

20.9 *The determination of the Board in respect of those disciplinary proceedings shall be in substitution for and to the exclusion of any suspension imposed by the Secretary (or his or her delegate).*

20.10 *This Rule 20 applies to Full members only and it does not limit or restrict the Club from exercising the powers contained in Rule 23 of this Constitution and the powers contained in section 77 of the Liquor Act."*

(aa) **inserting** the following new Rule 21.2:

*"21.2 This Rule 21 applies to Full members only and it does not limit or restrict the Club from exercising the powers contained in Rule 23 of this Constitution and the powers contained in section 77 of the Liquor Act."*

(bb) **deleting** from Rule 22.1(c) the words "*or the Liquor Act*" and inserting the words "*, Liquor Act and any other applicable law*".

(cc) **inserting** into Rule 22.1(f) the words "*or the employee exercising the power contained in this Rule*" after the word "*Secretary*".

(dd) **inserting** new Rules 25.5(d) to (j) inclusive:

*"(d) is disqualified from being a director by reason of any order or declaration made under the Act, Liquor Act, Registered Clubs Act or any other applicable legislation;*

*(e) is of unsound mind or whose person or estate is liable to be dealt with any way under the law relating to mental health;*

*(f) is prohibited from being a director by reason of any order or declaration made under the Act, Liquor Act, Registered Clubs Act or any other applicable legislation;*

*(g) has been convicted of an indictable offence (irrespective of whether or not a conviction was actually recorded) but it does not include a spent conviction (as defined in the Criminal Records Act 1991);*

*(h) is a current contractor of the Club or a director, secretary, employee or business owner of a contractor;*

*(i) was a contractor of the Club or a director, secretary, employee or business owner of a contractor immediately preceding the proposed date of election or appointment to the Board.*

*(j) is a director of another registered club."*

(ee) **inserting** new Rule 25.9:

*"A member shall not be entitled to be elected or appointed to the Board if he or she does not hold a Director Identification Number on the proposed date of election or appointment to the Board."*

(ff) **inserting** new Rule 26.3:

*“The election of the Board (including without limitation, the results of the election of the Board) shall not be invalidated or voided if the procedure in Rule 26.1 is not strictly complied with provided there is no substantive injustice for any candidates.”*

(gg) **inserting** new Rule 27.3(a) and **renumbering** the remaining provisions accordingly:

*“(a) delegate any of its powers to directors, members, employees, committees, sub clubs or any combination thereof;”*

(hh) **inserting** new Rule 27.3(h):

*“issue requests and directions to members which may be reasonably required for the proper conduct and management of the Club.”*

(ii) **inserting** new Rule 27.10 and **renumbering** the remaining provisions accordingly:

*“The Board shall have the power to dissolve committees or remove committee members from office.”*

(jj) **inserting** new Rule 27.11(f):

*“(f) dissolve Sub clubs or remove committee members from office of Sub Clubs.”*

(kk) **inserting** new Rule 27.18 and **renumbering** the remaining provisions accordingly:

*“All assets in possession and control of a Sub Club (including cash reserves) are owned by the Club.”*

(ll) **deleting** in Rule 28.1 the words “calendar month” and **inserting** the word “Quarter”.

(mm) **inserting** at the end of Rule 28.8 the words “In addition to this, a resolution may be passed by the Board if the proposed resolution is emailed to all directors and all directors agree to the proposed resolution by sending a reply email to that effect. The resolution shall be passed when the last director sends their email agreeing to the resolution.”

(nn) **inserting** new heading and Rules 30.13 and 30.14:

**“TRAINING DISCLOSURES**

32.13 *The Club must make available to members:*

*(a) details of any training which has been completed by directors, the Secretary and managers of the Club in accordance with the Registered Clubs Regulation; and*

*(b) the reasons for any exemptions of directors, the Secretary or managers from undertaking the training prescribed by the Registered Clubs Regulation.*

32.14 *The Club must indicate, by displaying a notice on the Club’s premises and on the Club’s website (if any), how the members of the Club can access the information.”*

(oo) **inserting** the following new Rule 33.1(a):

*“(a) dies;”*

(pp) **deleting** renumbered Rule 33.1(d) and **inserting** the following new Rule 33.1(d) as follows:

*“(d) is absent from meetings of the Board for a continuous period of ninety (90) days (calculated*

*from the last meeting of the Board attended) without the prior written consent of the Board unless the Board determines that their office is not vacant as a result of that absence.”*

(qq) **deleting** from renumbered Rule 33.1(e) the words “*given to the Secretary*” after the word “*writing*”.

(rr) **inserting** the following new Rules 33.1(k) to (q) inclusive as follows:

*“(k) was not eligible to stand for or be elected or appointed to the Board.*

*(l) ceases to hold the necessary qualifications to be elected or appointed to the Board.*

*(m) is convicted of an indictable offence (unless no conviction is recorded).*

*(n) is not a Financial member of the Club.*

*(o) is found guilty of a disciplinary charge and suspended from membership of the Club for a period exceeding three (3) months.*

*(p) Is removed from office as a director in accordance with the Act and this Constitution.*

*(q) does not hold a Director Identification Number (unless exempted from doing so).”*

(ss) **deleting** Rule 34.4(a) and **inserting** new Rule 34.4(a):

*“(a) Subject to this Clause 34.4, the Board must call and arrange to hold a general meeting of the Club on the request of members with at least 5% of the votes that may be cast at the general meeting.”*

(tt) **inserting** new Rule 34.19 as follows:

*“34.19 The chairperson:*

*(a) is responsible for the conduct of the general meeting; and*

*(b) shall determine the procedures to be adopted and followed at the meeting;*

*(c) may refuse a member admission to a general meeting or require a member to leave a general meeting if in his or her opinion, the member is not complying with reasonable directions and/or is acting in an offensive and disruptive manner at the meeting.”*

(uu) **amending** the heading above Rule 34.38 to read as follows “***Adjournment of and use of Technology for General Meetings.***”

(vv) **inserting** the following new rules 34.42. to 34.45 as follows:

*“34.42 The Board may cancel or postpone any general meeting prior to the date on which it is to be held, except where such cancellation or postponement would be contrary to the Act. The Board may give such notice of the cancellation or postponement as it thinks fit but any failure to give notice of the cancellation or postponement does not invalidate the cancellation or postponement or any resolution passed at a postponed meeting. This Rule will not operate in relation to a meeting called pursuant to a request or requisition of members.*

*34.43 The Board may withdraw any resolution which has been proposed by the Board and which is to be considered at a general meeting, except where the withdrawal of such a resolution would be contrary to the Act.*

*34.44 The Club may hold a general meeting (including Annual General Meeting) at two (2) or more venues using any technology that gives the members as a whole a reasonable opportunity to participate at the meeting.*

34.45 *If permitted by the Act, the Club may hold virtual only general meetings or Annual General Meetings. The provisions of the Act shall apply to such meetings and to the extent of any inconsistencies between the Act and the Constitution, the provisions of the Act shall prevail.*"

(ww) **deleting** Rules 42.1 to 42.3 inclusive and **inserting** the following new Rules 42.1 to 42.4 inclusive:

"42.1 *Without limiting the provisions of the Corporations Act, a notice may be given by the Club to any member either:*

- (a) *personally; or*
- (b) *by sending it by post to the address of the member;*
- (c) *by sending it to the electronic address of the member;*
- (d) *by sending the member sufficient information (either electronically or in physical form)) to access the notice electronically, including by way of a text message containing a hyperlink to access the notice or a postcard to the member's address containing instructions on how to access the notice.*

42.2 *Where a notice is sent to a member in accordance with Rule 42.1(a) the notice is deemed to be received on the day it is given to the member.*

42.3 *Where a notice is sent to a member in accordance with Rules 42.1(b) and (c), the notice shall be deemed to have been received by the members on the day following that on which the notice was sent.*

42.4 *Where a notice is sent to a member in accordance with Rule 42.1(d), the notice is shall be deemed to have been received by the member on the day following that on which the Club provided the member with the relevant information to access the notice."*

(xx) **inserting** new heading and Rule 47 as follows:

"47. **MEETINGS AND VOTING**

47.1 *In accordance with section 30C (3) of the Registered Clubs Act, the Club, the Board, or a committee of the Club may (but is not required to):*

- (a) *distribute a notice of, or information about, a meeting or election of the Club, the Board, or a committee of the Club by electronic means, and/or*
- (b) *hold a meeting at which all or some persons attend by electronic means but only if a person who speaks at the meeting can be heard by the other persons attending;*
- (c) *allow a person entitled to vote at a meeting of the Club, the Board, or a committee of the Club to vote in person or by electronic means.*

47.2 *If there is any inconsistency between Rule 47.1 and any other provision of this Constitution, Rule 47.1 shall prevail to the extent of that inconsistency."*

#### **Notes to Members on the First Special Resolution – Constitutional Amendments**

1. The Special Resolution proposes a series of amendments to the Club's Constitution to bring it into line with best practice and the requirements of the Corporations Act, Liquor Act and Registered Clubs Act (RCA).
2. Paragraph (a) amends Rule 2 to clarify that each member is bound by the Constitution, and it operates as a contract between the Club and each member, the Club and each Director and between each member and each other member.
3. Paragraphs (b) and (c) amends the definitions used in the Constitution.

4. Paragraph (d) deletes Rule 10.1 which reflected a former requirement capping membership numbers which has been removed from the RCA.
5. Paragraph (e) removes the 6-week time limit on a person's application for Provisional membership.
6. Paragraph (f) inserts a new rule in respect of Provisional membership to bring the Constitution into line with the RCA and clarifies that Provisional membership can be cancelled at any time by the Secretary, at their discretion.
7. Paragraph (g) relates to changes to Temporary membership to bring into line with the RCA.
8. Paragraphs (h), (i) and (m) adopt recent amendments to the RCA which remove the requirement to obtain details of a new members occupation and having to put the address on the Notice board for a new member. The club will also collect the email address and mobile number for new members.
9. Paragraphs (j) and (k) amend the provision dealing with member subscriptions to remove the requirement to charge an annual subscription fee of no less than a minimum of \$2.00. This requirement has recently been removed from the RCA.
10. Paragraph (j) set out the restrictions on the rights and privileges of non-financial members.
11. Paragraph (n) amends the membership register requirements to reflect the RCA.
12. Paragraph (l) clarifies that members must notify the Club of changes to their contact details.
13. Paragraphs (p) to (aa) inclusive amend the existing provisions relating to disciplinary matters to bring the Constitution into line with best practice.
14. Paragraphs (x) and (y) amend the provision dealing with the provisional suspension of membership pending a disciplinary hearing in rule 20.4 so that the provisional suspension will last until the hearing of the disciplinary hearing and not end within 5 weeks if the hearing has not taken place.
15. Paragraphs (z) and (aa) will introduce new rules 20.5 to 20.10 giving additional power to the Secretary to discipline members and give a suspension for up to 12 months with the right in the member to request that the matter be heard before the Board in the usual way.
16. Paragraphs (bb) and (cc) amend existing provisions relating to the removal of persons from the Club's premises to bring the Constitution into line with the Liquor Act.
17. Paragraph (dd) sets out additional grounds upon which a member will be ineligible to be elected to the board including if they are a contractor to the Club or an employee of a contractor or if they are a director of another registered club.
18. Paragraph (ee) inserts a new rule 25.9 which requires all directors to have a Director Identification Number as required under the Corporations Act.
19. Paragraph (ff) simply clarifies that a failure to strictly follow all the procedures in the Constitution in relation to the election of the board does not invalidate the election process.
20. Paragraphs (dd) up to and including (kk) amend existing provisions relating to the powers of the Board to bring the Constitution into line with best practice. The powers of the Board remain unchanged.
21. Paragraph (ll) amends existing Rule to allow the Board to meet whenever required but at least once every 3 months. This reflects a recent change to the RCA which removed the requirement for the board of a club to meet at least once a month and replaced it with a requirement to meet at least once every 3 months.
22. Paragraph (ii) clarifies that the Board can pass board resolutions by way of email. This is permitted by the Corporations Act.

23. Paragraphs (nn) inserts new Rules 32.13 and 32.14 relating to corporate governance and accountability to bring the Constitution into line with the Registered Clubs Act and adopt the provisions of the Accountability Code which applies to all registered clubs and is set out in Schedule 2 of the Registered Clubs Regulation.
24. Paragraphs (oo) up to and including (rr) amends Rule 33 which deals with the grounds upon which a casual vacancy on the Board of the Club will arise.
25. Paragraph (ss) amends Rule 34.4 which deals with members right to call on the Board to convene a general meeting of the Club so that the rule will comply with the Corporations Act which now requires 5% of the voting membership to sign a request for a general meeting removing the 100-member rule.
26. Paragraph (oo) adds a new Rule 34.19 which sets out the powers of the chairperson of a general meeting in more detail which reflects the general law.
27. Paragraphs (ss) add in new rules 34.42 to 34.45 inclusive relating to general meetings (including Annual General Meetings) including giving the Board the power to cancel or postpone a meeting except one called at the request of members to bring the Constitution into line with the Corporations Act.
28. Paragraphs (ww) and (xx) amend existing provisions regarding notices to members to bring the Constitution into line with the Corporations Act and adds a new Rule 47 which reflects recent changes to the RCA including allowing the Club to send Notice of a general meeting and documents relating to a meeting electronically.

MOTION MOVED BY DAVID OBRIEN #3360; SECONDED BY DENNIS MORAN #1217.

MOTION CARRIED.

## 8. Fifty Year Members

The Board of Directors recognize and celebrate 50 Year Members. Members who have achieved over fifty years of Club membership will be awarded the Fifty Year Commemorative Pin.

Member #44	Mr Leslie Rennie	Joined 1973
Member #1032	Mr Michael Byrne	Joined 1973
Member #1078	Mr Anthony Malouf	Joined 1972

## **GENERAL BUSINESS**

Nil

## **OTHER BUSINESS**

President Graham Stone invited any questions or comments from the floor.

### Grant Tucker #2554

Grant asked if there was a Strategic Plan in place at the Club.

President Graham Stone responded outlining that we do have a Strategic Plan and a new Strategic Consultant and that Board & Management were currently reviewing our options moving forward including upgrades to Club facilities.

Monica Ardill #2626

Monica questioned if Board & Management listened to Member feedback.

CEO responded by saying we are always listening to our Members and happily take the time to hear any thoughts they may have.

Sandra Walker #8890

Sandra thanked the Board & Club for its support of the Seaforth & Balgowlah Scouts.

Ken Prior #9023

Ken thanked the Board & Club for the crucial financial support it provides to all the local communities groups. Ken acknowledged that the Board make a fantastic effort to represent the Club at relevant times within those Community groups and that the Club is managed very well from those groups perspective.

Shaun Parren #7774

Shaun expressed his appreciation for the work the Board & Management do.

Monica Ardill #2626

Monica commented how happy she was to see the Board making themselves known around the Club.

President Graham Stone thanked everyone for their questions and comments once everyone had the chance to speak. Barry Smith #303 then commented during the closing remarks.

Barry Smith #303

Barry commented how technical difficulties throughout the AGM in relation to the microphone were disappointing.

Barry also expressed some confusion around the constitutional changes and how it was unreasonable for the Club to expect this to be voted on minutes after they received it.

CEO responded by explaining the NoM & Annual Report had been sent out via all the usual channels and had been available at Reception and online for weeks ahead of the Meeting. The background was also explained regarding the Constitutional changes and how there had been written communication between Management & the Sub Branch that detailed answers to all the questions the Sub Branch had in relation to the Constitutional Amendments well ahead of the AGM.

Barry then asked for the definition of a 'Sub-Club'.

CEO responded by explaining a Sub-Club was any sub-club that had been established by the Club via a resolution of the Board, for example the Fishing Club. The Sub-Branch is not a Sub-Club

CLOSE: There being no further business, the meeting closed at 7:50pm and Members were invited to the Gold Bar for refreshments.

## COMMUNITY DONATIONS

The following is the list of local entities supported by Balgowlah RSL Memorial Club in 2023:

1 <sup>st</sup> Seaforth Scouts	Manly Allambie Ladies Soccer
1st Balgowlah Scout Group	Manly Central Probus
Autism Spectrum Australia	Manly Diggers Swimming Club
Balgowlah Heights Public School	Manly Seaside Baseball Club
Balgowlah Rotary Club	Manly Warringah Cricket Association
Balgowlah RSL Fishing Club	NBSC Balgowlah Boys Campus
Balgowlah RSL Toastmasters	Northside Enterprises
Balgowlah-Seaforth-Clontarf RSL Sub Branch	North Steyne Surf Life Saving Club
Balgowlah-Seaforth-Clontarf Women's Auxiliary	Northern Beaches Country Music
Beacon Hill Cricket Club	Parkinson Support Group
Care Flight	Queenscliff Surf Life Saving Club
Dalwood Spilstead Services	Rotary Club of North Sydney Sunrise
Easylink Community Services Limited	RSL & Service Clubs Association
Fighting Chance Australia	Seaforth Football Club
Forest Kirk Uniting Church	Seaforth Public School
Goodwill Hunting Co	St Cecilia's Catholic School
Literacy Network Manly Warringah Inc.	St Vincent de Paul Society
Little Wings Limited	Taldumande Youth Services
Lions Club of Balgowlah	Wounded Heroes Association
Lions Club of Manly	
Mackellar Girls Campus	

The Club will continue to support the community in any way possible, and looks forwards to continuing relationships with these important community organizations as well as developing new relationships with any organizations in need.

Thank you for the ongoing support from our Members, the organizations, our CEO and the Board of Directors, without whom the Club would not be able to provide this community support.



Maya Frost  
Community Liaison

## **BALGOWLAH RSL MEMORIAL CLUB**

ABN 92 001 074 184

### **FINANCIAL REPORT** FOR THE YEAR ENDED 31 DECEMBER 2023

#### **CONTENTS**

Directors' Report .....	19
Auditor's Independence Declaration .....	21
Statement of Profit or Loss and Other Comprehensive Income.....	22
Statement of Financial Position.....	23
Statement of Changes in Equity .....	24
Statement of Cash Flows .....	24
Notes to the Financial Statements .....	25
Directors' Declaration .....	39
Independent Auditor's Report .....	40

## DIRECTORS' REPORT

The Directors of Balgowlah RSL Memorial Club submit herewith the Financial Report of the company for the year ended 31 December 2023 and report as follows:

### 1. Board of Directors

The names and particulars of the Directors of the company in office at any time during, or since the end of, the year are:

Name	Qualifications	Years as a Director of this Club	Special Responsibilities
G Stone	Teacher TAFE NSW and retired Health Manager NSW Health	7	President
S Hamilton	Retired Chartered Accountant	2	Treasurer
J T D McAteer	Manager	20	Senior Vice President
J W Garland	Company Director	7	Junior Vice President
B Renshaw	Retired Customs Officer	14	Director
W D O'Brien	Retired Company Director	9	Director
B Roberts	Company Director	2	Director

### 2. Board Meetings

The number of Board meetings and number of meetings attended by each of the Directors of the company during the 2023 financial year are:

Director	Number of Board Meetings Held*	Number of Board Meetings Attended
G Stone	12	11
S Hamilton	12	9
J T D McAteer	12	12
J W Garland	12	12
B Renshaw	12	10
W D O'Brien	12	11
B Roberts	12	10

\*Reflects the number of Board meetings held during the time the Director held office.

### 3. Activities

The principal activity of the company during the year ended 31 December 2023 was trading as a Registered Club. There was no change in the principal activity during the year.

### 4. Results

The profit for the year after providing for income tax for the year ended 31 December 2023 was \$172,956.

### 5. Dividends

The company has no provisions in its Constitution for the payment of dividends.

**6. Review of Operations**

The company made a profit after taxation of \$172,956 compared with a loss of \$(433,626) in 2022. Please note:

- There was an increase in revenue of \$663,421 from 2022. Revenue for 2023 was \$12,385,294 (2022: \$11,721,873); and
- There was an increase in expenses of \$4,681. Expenditure for 2023 was \$12,209,456 (2022: \$12,204,775)

**7. Significant Changes in State of Affairs**

There were no significant changes in the state of affairs of the company during the year.

**8. Matters subsequent to the end of the Financial Year**

At the date of this report and in financial years subsequent to 31 December 2023, there are no other matters or circumstances which have arisen since 31 December 2023 that have significantly affected or may significantly affect:

- (i) the operations of the company;
- (ii) the results of those operations; or
- (iii) the state of affairs of the company.

**9. Future Developments**

The company will continue to pursue its principal activities. It is not expected that the results in future years will be adversely affected by the continuation of these operations.

**10. Indemnification of Directors and Officers**

The company has provided for and paid premiums during the year for Directors and Officers liability insurance. The insurance is in respect of legal liability for damages and legal costs arising from claims made by reason of any omissions or acts (other than dishonesty) by them, whilst acting in their individual or collective capacity as Directors or Officers of the company.

The Directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of Director's and Officers' liability and legal expenses contract as such disclosure is prohibited under the terms of the contract.

**11. Proceedings on Behalf of the Company**

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

**12. Auditor's Independence Declaration**

CABEL Partners continues in office in accordance with Section 327 of the Corporations Law. A copy of the Auditor's independence declaration as required under Section 307C of the Corporations Act 2001 is included in the financial report.

**13. Environmental Regulations**

The company's operations are subject to various regulations under both Commonwealth and State legislation. The Directors are not aware of any significant breaches of legislation during this financial year.

**14. Club Membership**

	2023	2022
Life Members	3	3
Class 1	46	60
Club Members	13,862	12,521
Employee Members	45	20
Total Membership	13,956	12,604

**15. Compulsory Director Training**

Part 6 of the Registered Clubs Regulation 2015 requires the Club to inform members that all our directors and the CEO have completed an extensive director training course run by Clubs NSW.

The company is a company limited by guarantee under the Corporations Act. If the company is wound up, the Constitution states that each member, or within one year thereafter, is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the company.

At 31 December 2023, the collective amount members are liable to contribute if the company is wound up was approximately \$28,000 (2022: \$25,000 approximately).

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS and in accordance with its resolution:



G Stone  
President



S Hamilton  
Treasurer

Dated at Balgowlah this 19<sup>th</sup> of March 2024.



**AUDITOR'S INDEPENDENCE DECLARATION**  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
To the Directors of **BALGOWLAH RSL MEMORIAL CLUB**

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2023 there has 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.

**CABEL Partners**  
**Chartered Accountants**



**Ray Khalil**  
**Partner**

**North Sydney**  
Dated this 19<sup>th</sup> of March 2024.

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 \$	2022 \$
Revenue	2	12,385,294	11,721,873
Consumables used		(2,168,001)	(2,152,637)
Employee benefits expense	3	(4,381,552)	(4,406,205)
Depreciation and amortisation expenses	3	(1,213,175)	(1,263,687)
Finance Cost		(2,264)	(1,700)
Other expenses		(4,444,464)	(4,380,546)
<b>Profit /(Loss) before income tax</b>		175,838	(482,902)
(Expenses)/ Tax benefit	4	(2,882)	49,276
<b>Profit /(Loss) for the year after income tax expense</b>		172,956	(433,626)
<b>Other comprehensive income</b>		-	-
<b>Other comprehensive income for the year</b>		-	-
<b>Total comprehensive income/(loss) attributable to members of the company</b>		172,956	(433,626)

The accompanying notes form part of these financial statements.

## STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 \$	2022 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	7	2,530,726	2,028,667
Trade and other receivables	8	122,387	61,186
Inventories	9	184,497	179,089
Current tax assets	10	-	3,041
Other assets	11	65,686	61,706
<b>TOTAL CURRENT ASSETS</b>		<b>2,903,296</b>	<b>2,333,689</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	12	18,199,709	18,618,115
Right-of-use asset	12	-	8,322
Intangible assets	13	160,000	160,000
Deferred tax assets	10	111,580	114,462
<b>TOTAL NON-CURRENT ASSETS</b>		<b>18,471,289</b>	<b>18,900,899</b>
<b>TOTAL ASSETS</b>		<b>21,374,585</b>	<b>21,234,588</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	14	1,456,216	1,381,449
Borrowings & lease liabilities	15	187,576	209,643
Provisions	16	221,953	212,743
Current tax liability	10	-	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,865,745</b>	<b>1,803,835</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings & lease liabilities	15	126,825	212,173
Provisions	16	160,387	169,907
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>287,212</b>	<b>382,080</b>
<b>TOTAL LIABILITIES</b>		<b>2,152,957</b>	<b>2,185,915</b>
<b>NET ASSETS</b>		<b>19,221,628</b>	<b>19,048,673</b>
<b>EQUITY</b>			
Reserves	17	4,576,243	4,576,243
Retained earnings		14,645,385	14,472,430
<b>TOTAL EQUITY</b>		<b>19,221,628</b>	<b>19,048,673</b>

The accompanying notes form part of these financial statements.

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2023

	Retained Earnings \$	Reserves \$	Total \$
<b>Balance at 1 January 2023</b>	14,472,429	4,576,243	19,048,672
<b>Comprehensive income</b>			
Profit for the year	172,956	-	172,956
<b>Total comprehensive income for the year attributable to members of the company</b>	172,956	-	172,956
<b>Balance at 31 December 2023</b>	14,645,385	4,576,243	19,221,628
<b>Balance at 1 January 2022</b>	14,906,055	4,576,243	19,482,298
<b>Comprehensive income</b>			
Loss for the year	(433,626)	-	(433,626)
<b>Total comprehensive income for the year attributable to members of the company</b>	(433,626)	-	(433,626)
<b>Balance at 31 December 2022</b>	14,472,429	4,576,243	19,048,672

The accompanying notes form part of these financial statements

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 \$	2022 \$
<b>Cash flows from operating activities</b>			
Receipts from Club Operations		12,283,342	8,672,637
Payments to Suppliers and Employees		(11,820,563)	(7,844,427)
Interest Received		22,804	-
Rent Received		300,589	289,186
Income Taxes (Paid)/Refund		(3,041)	(9,457)
Interest Paid		(2,264)	(1,700)
<b>Net cash provided by operating activities</b>	<b>25</b>	1,298,904	783,131
<b>Cash flows from investing activities</b>			
Payment for Property, Plant and Equipment including work in progress		(799,626)	(515,441)
Proceeds from disposal of property, plant and equipment		101,874	-
<b>Net cash (used in) provided by investing activities</b>		(697,752)	(515,441)
<b>Cash flows from financing activities</b>			
Net (Repayment of) / Proceeds Borrowings		(99,093)	82,494
<b>Net cash (used in) provided by financing activities</b>		(99,093)	82,494
Net increase (decrease) in cash and cash equivalent held		502,059	350,184
Cash and cash equivalents at beginning of financial year		2,028,667	1,678,483
Cash and cash equivalents at end of financial year	7	2,530,726	2,028,667

The accompanying notes form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

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

The financial statements have been authorised by the directors of the company.

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures of the Australian Accounting Standards Board and the Corporations Act 2001. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

#### (a) Going Concern

As at 31 December 2023, current assets exceeded current liabilities by \$1,037,551. The directors have a capital expenditure plan which uses where possible cash generated from operating activities to fund that expenditure. The effect on working capital is that funds are drawn for capital expenditure. The Directors have prepared these financial statements on a going concern basis as there was a positive cash flow surplus from operating activities of \$1,298,904 (2022: \$783,131) and the budget for 2024 indicates a budgeted trading profit and cash flow surplus which the directors expect to be achieved.

#### (b) Income Tax

The company's liability for income tax arises for a substituted accounting financial year ending 31 December and relies on the continuing acceptance by the Australian Taxation Office of the mutuality principle. It is calculated on the net income from non-members plus income from rentals and interest, less deductions claimable under the Income Tax Assessment Act.

The income tax expense for the year ended 31 December 2023 is \$2,882 (2022 income tax benefit of \$49,276). Tax is paid by instalments. As at 31 December 2023 there is no tax liability or refund expected (2022 tax refund of \$3,041).

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted.

Deferred tax assets are recognised for deductible temporary differences only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there may be future taxable income available to recover the asset.

#### (c) Inventories

Inventories are measured at the lower of cost and net realisable value using the average costing basis.

#### (d) Property, Plant and Equipment

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

##### Property

Freehold land is carried at fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by independent valuers, less accumulated depreciation for buildings.

Club Buildings and Renovations are stated at historical costs less depreciation. Historical cost includes expenditure where applicable that is directly attributable to the acquisition of the items.

Increases in the carrying amount arising on revaluation of land are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are recognised against revaluation surplus directly in equity; all other decreases are recognised in profit or loss.

### Plant and Equipment

Plant and Equipment are stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure where applicable that is directly attributable to the acquisition of the items.

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

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

### Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the company commencing from the time the asset is held ready for use.

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

<b>Class of Fixed Asset:</b>	<b>Depreciation Rate</b>
Buildings	2.5%
Plant and Equipment (at cost)	2.5%-33%
Poker Machines (at cost)	10%-25%
Computer Software (at cost)	4%-25%

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

An asset classes' carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

## (e) Leases

### *Right-of-use assets*

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset. Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

### *Lease liabilities*

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

*Short-term leases and leases of low-value assets*

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. Payments made under short term operating leases are recognised in profit or loss on a straight-line basis over the term of the lease.

**(f) Impairment of assets**

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116: Property, Plant and Equipment). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

**(g) Intangibles arising from Gaming Machine Entitlements**

Gaming Machine Entitlements acquired are initially recorded at the purchase price at the date of acquisition. Gaming Machine Entitlements are tested annually for impairment and carried at cost less accumulated impairment losses. Gains or losses and impairment on the disposal of Gaming Machine Entitlements will be charged to the Statement of Profit or Loss and Other Comprehensive Income.

**(h) Employee Benefits**

- i. Wages and salaries, annual leave and personal leave.

Liabilities for wages and salaries, including non-monetary benefits, annual leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating personal leave are recognised when the leave is taken and measured at the rates paid or payable.

- ii. Long service leave

The liability for long service leave is recognised in the provision for employee entitlements as a non current liability and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

- iii. Superannuation

The company contributes to accumulation superannuation plans in accordance with legal obligations.

**(i) Provisions**

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

**(j) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand and deposits held at-call with banks.

**(k) Revenue and Other Income**

Revenue from subscriptions from members and associates are recognised in the year to which it relates while revenue from sale of goods is recognised upon the delivery of goods to customers. Member bonuses are treated as an expense, when redeemed, not when granted.

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

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

**Other Income**

Income from other sources is recognised when the fee in respect of other products or services provided is receivable.

**(l) Subscriptions in Advance**

All subscriptions in advance are treated as current liabilities in accordance with company policy.

**(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 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) Comparative Figures**

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

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

The directors evaluate estimates and judgements incorporated into the financial report 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.

**Key Estimates***(i) Impairment*

The company assesses impairment at each reporting date by evaluating conditions specific to the company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Fair value less costs to sell or current replacement cost calculations performed in assessing recoverable amounts incorporate a number of key estimates.

**(p) Trade and other payables**

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid at year end. These amounts are unsecured and are usually paid within 30 days of recognition.

**(q) Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit and loss and other comprehensive income over the period of the borrowings using the effective interest method.

**(r) Trade Receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts.

Collectability of trade receivables is reviewed on an ongoing basis and if there are any debts known to be uncollectible, they are written off.

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>2. REVENUE AND OTHER INCOME</b>		
Sales Revenue:		
Sale of Goods	5,319,432	5,173,581
Other Revenue:		
Interest Revenue	2(a) 68,970	22,804
Rental Revenue	305,850	300,589
Subscription and Entrance Fee	45,000	60,000
Gaming Revenue	6,811,236	6,379,650
Other Revenue	2(b) 134,619	50,390
Poker Machine GST Expense	(613,862)	(569,224)
Commission and Sundry Income	314,049	304,083
<b>Total Revenue</b>	<b>12,385,294</b>	<b>11,721,873</b>
(a) Interest received from:		
Other corporations	68,970	22,804
(b) Profit on disposal of property, plant and equipment	97,017	22,144
<b>3. PROFIT/(LOSS) FOR THE YEAR</b>		
Profit/(Loss) before income tax from continuing operations includes the following specific expenses:		
<b>Expenses:</b>		
Wages and Salaries	3,440,587	3,512,162
Other associated personnel expenses	262,769	172,184
Contributions to superannuation funds	389,314	368,871
Employee leave benefits paid	289,192	378,800
(Decrease) /Increase in liability for employee benefits	(310)	(25,812)
<b>Employee benefits expense</b>	<b>4,381,552</b>	<b>4,406,205</b>
<b>Depreciation and amortisation expenses</b>	<b>1,213,175</b>	<b>1,263,687</b>

	2023 \$	2022 \$
<b>4. TAX EXPENSE</b>		
(a) The components of tax expense comprise:		
Tax expense/(benefit)	2,882	(49,276)
(b) The prima facie tax payable on profit/(loss) before income tax is reconciled to the income tax as follows:		
Prima facie tax payable on profit/(loss) before income tax		
At 25% (2022: 25%)	43,960	(120,726)
<b>Add tax effect of:</b>		
Deferred tax assets on utilised tax losses	2,870	-
Tax effect of non-deductible and non-assessable items (including portion attributable to members)	-	70,447
Deferred tax assets recognised in the financial statements	12	2,011
	46,842	(48,268)
<b>Less tax effect of:</b>		
Tax effect of non-deductible and non-assessable items (including portion attributable to members)	(43,960)	-
Deferred tax assets recognised in the financial statements	-	(1,008)
Under/(over provision) in tax expense in prior year	-	-
<b>Income tax expense/(benefit) attributable to company</b>	<b>2,882</b>	<b>(49,276)</b>
<b>5. KEY MANAGEMENT PERSONNEL COMPENSATION</b>		
Total compensation of Key Management Personnel	503,722	344,561
<b>6. AUDITOR'S REMUNERATION</b>		
Remuneration of the auditor:		
Auditing and compilation of the financial report	29,750	29,110
	29,750	29,110
<b>7. CASH AND CASH EQUIVALENTS</b>		
Cash on Hand	250,000	224,321
Cash at Bank	2,280,726	1,804,346
	2,530,726	2,028,667
<b>8. TRADE AND OTHER RECEIVABLES</b>		
<b>CURRENT</b>		
Trade Debtors and Accrued Income	122,387	61,186

	2023 \$	2022 \$
<b>9. INVENTORIES</b>		
<b>CURRENT</b>		
<b>At cost:</b>		
Stock on hand	184,497	179,089
<b>10. TAX</b>		
<b>Assets</b>		
<b>CURRENT</b>		
Income Tax Asset/(Liability)	-	3,041
<b>Deferred Tax Asset</b>		
<b>Provisions</b>		
Opening balance	114,462	65,186
Charged to income	(2,882)	49,276
Closing balance	111,580	114,462
<b>Balance at year end</b>	<b>111,580</b>	<b>114,462</b>
<b>11. OTHER ASSETS</b>		
<b>CURRENT</b>		
Prepayments	65,686	61,706
<b>12. PROPERTY, PLANT AND EQUIPMENT</b>		
Freehold land (at valuation)	6,050,000	6,050,000
Club Buildings (at cost)	20,279,774	20,279,774
Less accumulated depreciation	(11,009,508)	(10,461,652)
	9,270,266	9,818,122
<b>Total land and buildings</b>	<b>15,320,266</b>	<b>15,868,122</b>
Plant and Equipment (at cost)	3,593,387	3,429,642
Less accumulated depreciation	(2,382,619)	(2,223,403)
	1,210,768	1,206,239
Poker Machines (at cost)	4,567,318	4,336,274
Less accumulated depreciation	(3,086,764)	(2,799,043)
	1,480,554	1,537,231
Computer software (at cost)	381,831	381,831
Less accumulated depreciation	(376,830)	(375,308)
	5,001	6,523
<b>Total plant and equipment</b>	<b>2,696,323</b>	<b>2,749,993</b>
Work-in-progress building (at cost)	183,120	-
Less accumulated amortisation	-	-

	183,120	-
Total work-in-progress	183,120	-
<b>Total property, plant and equipment</b>	<b>18,199,709</b>	<b>18,618,115</b>
Right-of-use asset (at cost)	40,395	40,395
Less accumulated depreciation	(40,395)	(32,073)
<b>Total Right-of-use asset</b>	<b>-</b>	<b>8,322</b>

**(a) Core Property**

The Company's core property is at 30-38 Ethel Street, Seaforth NSW 2092.

**(b) Movements in carrying amounts:**

For disclosure on movement in carrying amounts please refer to note 26(a) at the end of this financial report.

**(c) Asset revaluations:***Valuation of Land*

The company's land was revalued on 9<sup>th</sup> February 2015 by independent valuers, Dobrow Valuations Pty Limited. Valuations were made on the basis of open market value. The revaluation surplus was credited to the revaluation reserve.

	2023 \$	2022 \$
<b>13. INTANGIBLE ASSETS</b>		
Poker Machine Entitlements – at cost	160,000	160,000
Less accumulated amortisation and impairment	-	-
	160,000	160,000
<b>Reconciliation of poker machine entitlements – at cost</b>		
Balance at beginning of year	160,000	160,000
Additions – at cost	-	-
Disposals	-	-
Amortisation charge	-	-
Impairment losses	-	-
Closing carrying value at 31 December 2023	160,000	160,000

**14. TRADE AND OTHER PAYABLES****CURRENT**

Goods and Services Tax (Net)	205,145	222,677
Other Creditors and Accruals	547,467	602,095
Trade Creditors	511,593	377,776
Subscriptions in Advance	127,194	117,288
Rent Income in Advance	64,817	61,614
	1,456,216	1,381,450

**15. BORROWINGS & LEASE LIABILITIES****CURRENT**

Bank Loan (Secured)	-	-
Lease liabilities	-	8,322
Other Loans (Term Creditors – Interest Free)	187,576	201,321
Total Current Borrowings	187,576	209,643

**NON-CURRENT**

Lease liabilities	-	-
-------------------	---	---

Other Loans (Term Creditors – Interest Free)	126,825	212,173
<b>Total Non-Current Borrowings</b>	<b>126,825</b>	<b>212,173</b>
<b>Total Borrowings</b>	<b>314,401</b>	<b>421,816</b>

(a) The term creditors and chattel mortgage are effectively secured as the rights to the assets recognised in the financial statements revert to the supplier/lender in the event of default.

The lease liabilities represent the phone system that was previously accounted for as an operating lease. Under the lease standard AASB 16 this has been brought onto the statement of financial position.

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>16. PROVISIONS</b>		
<b>CURRENT</b>		
Employee Entitlements	221,953	212,743
<b>NON-CURRENT</b>		
Employee Entitlements	160,387	169,907
Employee Entitlements		
Opening balance at 1 January 2023	382,650	408,462
Net movement	(310)	(25,812)
Balance at 31 December 2023	382,340	382,650

#### 17. RESERVES

Analysis of Each Class of Reserves

Asset Revaluation Reserve	4,576,243	4,576,243
---------------------------	-----------	-----------

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets, as described in note 12(c). The balance standing to the credit of the reserve is not distributable.

#### 18. CONTINGENT LIABILITIES

Estimates of the potential financial effect of contingent liabilities that may become payable:

##### Bank Guarantees

The company has given a bank guarantee to TAB Limited	5,000	5,000
---	-------	-------

##### Member's rewards point

Value of points yet to be redeemed by members	48,743	72,112
---	--------	--------

#### 19. EVENTS AFTER THE REPORTING PERIOD

At the date of this report and in financial years subsequent to 31 December 2023, there are no other matters or circumstances which have arisen since 31 December 2023 that have significantly affected or may significantly affect:

- i. The operations of the company;
- ii. The results of those operations; or
- iii. The state of affairs of the company.

#### 20. OPERATING SEGMENTS

The company operates as a licensed club and operates in one geographical area, being Seaforth, New South Wales, Australia.

#### 21. FINANCIAL RISK MANAGEMENT

The company's financial instruments consist of non-derivative instruments, namely deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, bills and leases.

##### **Financial Risk Management Policies**

##### **Specific Financial Risk Exposures and Management**

**(a) Credit risk**

The company does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the company.

**(b) Liquidity Risk**

The company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

	2023 \$	2022 \$
<i>Financial liability and financial asset maturity analysis</i>		
	Within 1 Year	
<b>Financial liabilities due for payment</b>		
Bank Loans	-	-
Lease liability	-	8,322
Chattel Mortgage - Bank	187,576	201,321
Total contractual outflows	187,576	209,643
Total expected outflows	187,576	209,643
Net (outflow)/inflow on financial instruments	(187,576)	(209,643)
	1+ Years	
<b>Financial liabilities due for payment</b>		
Lease liability	-	-
Chattel Mortgage - Bank	126,825	212,173
Total contractual outflows	126,825	212,173
Total expected outflows	126,825	212,173
Net (outflow)/inflow on financial instruments	(126,825)	(212,173)
	Total	
<b>Financial Liabilities</b>		
Bank Loans	-	-
Lease liabilities	-	8,322
Chattel Mortgage - Bank	314,401	413,494
Total contractual outflows	314,401	421,816
Total expected outflows	314,401	421,816
Net (outflow)/inflow on financial instruments	(314,401)	(421,816)

**Fair Values***Fair Value Estimation*

The fair values of financial assets and financial liabilities are as per the carrying amounts as presented in the statement of financial position. Fair value is the amount at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

**22. FAIR VALUE MEASUREMENTS**

The company measures and recognises the following assets and liabilities at fair value on a recurring basis after initial recognition:

- Freehold Land

The company does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

**(a) Fair Value Hierarchy**

Fair Value Measurement requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

**Level 1**

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

**Level 2**

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3**

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

**Valuations Techniques**

The company selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the company are consistent with one or more of the following valuation approaches.

- Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the company gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

The following tables provide the fair values of the company's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy:

## Level 2

Recurring fair value measurements	Note	2023 \$	2022 \$
Non-financial assets			
Freehold Land	12	6,050,000	6,050,000
<b>Total non-financial assets recognised at fair value on a recurring basis</b>		6,060,000	6,060,000
Liabilities			
Borrowings	15	421,816	350,013
<b>Total liabilities recognised at fair value</b>		421,816	350,013

The company does not include fair value information for financial assets and financial liabilities such as short term trade debtors, cash and cash equivalents and payables because their carrying amounts are reasonable appropriation of fair value.

## 23. COMPANY DETAILS

The registered office and principal place of business of the company is:

Balgowlah RSL Memorial Club  
30-38 Ethel Street  
SEAFORTH NSW 2092

## 24. RELATED PARTY DISCLOSURES

### A Directors

The names of each person holding the position of Director of Balgowlah RSL Memorial Club during the financial year are:

G Stone, J T D McAteer, J Garland, B Renshaw, W O'Brien, S Hamilton and B Roberts.

### B Remuneration of Directors

Benefits were received by Directors from transactions including meals and refreshments following Directors' and Committee meetings and company functions attended by Directors on behalf of the company. Directors are paid a nominal honorarium of \$200 per month, while the Club President and the Treasurer receive \$400 per month.

The aggregate amount brought to account was \$21,600.

No other transactions occurred with Directors or director related parties during the year.

### C Related Party Transactions

The company has a related party relationship with Balgowlah Seaforth Clontarf RSL Sub Branch (Sub Branch) as two of the Directors must be members of the Sub Branch as per the company's constitution. During the year ended 31 December 2023, donations were made to the Sub Branch of \$5,700 (2022: \$5,700). The RSL Sub Branch

occupies part of the Club's premises free of charge and its members' subscription collection is effected by the company at no cost. No other transaction have occurred between the parties.

During the year no other Director of the company or related parties provided any goods or services to the company in exchange for payment.

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>25. CASH FLOW INFORMATION</b>		
<b>Reconciliation of cash flow from operations with Profit/(Loss) after income tax</b>		
Profit/(Loss)after income tax	172,956	(433,626)
Non-cash flows:		
Depreciation and Amortisation Expenses	1,213,175	1,263,687
Profit on disposal of property, plant and equipment	(97,017)	(22,144)
Changes in assets and liabilities:		
(Increase)/Decrease in Trade Debtors and Accrued Income	(61,201)	74,355
(Increase)/Decrease in Stock in Hand	(5,408)	45,460
(Increase)/Decrease in Prepayments	(3,980)	(886)
Increase/(Decrease) in Trade and Other Payables	74,766	(118,177)
Increase/(Decrease) in Income Tax/Deferred Taxes	5,923	275
(Decrease)/Increase in Other Provisions	(310)	(25,813)
<b>Net cash provided by operating activities</b>	<b>1,298,904</b>	<b>783,131</b>

**26. (a) MOVEMENT IN CARRYING AMOUNTS**

Movements in the carrying amounts for each class of property, plant and equipment:

	<b>Freehold Land  (at valuation) \$</b>	<b>Club Buildings  (at cost) \$</b>	<b>Plant and Equipment  (at cost) \$</b>	<b>Poker Machines  (at cost) \$</b>	<b>Computer Software  (at cost) \$</b>	<b>Work-in- progress  (at cost) \$</b>	<b>Total  \$</b>
Balance 1 January 2022	<b>6,050,000</b>	<b>10,378,304</b>	<b>1,231,245</b>	<b>1,721,146</b>	<b>7,810</b>	-	<b>19,388,505</b>
Additions	-	38,701	152,555	324,185	-	-	515,441
Disposals	-	-	-	(22,144)	-	-	(22,144)
Depreciation expense	-	(598,883)	(177,561)	(485,956)	(1,287)	-	(1,263,687)
<b>Carrying amount at 31 December 2022</b>	<b>6,050,000</b>	<b>9,818,122</b>	<b>1,206,239</b>	<b>1,537,231</b>	<b>6,523</b>	-	<b>18,618,115</b>
Additions	-	-	163,745	452,761	-	183,120	799,626
Disposals	-	-	-	(4,857)	-	-	(4,857)
Depreciation expense	-	(547,856)	(159,216)	(504,581)	(1,522)	-	(1,213,175)
<b>Carrying amount at 31 December 2023</b>	<b>6,050,000</b>	<b>9,270,266</b>	<b>1,210,768</b>	<b>1,480,554</b>	<b>5,001</b>	<b>183,120</b>	<b>18,199,709</b>

## DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Balgowlah RSL Memorial Club, the directors of the company declare that:

1. The financial statements and notes, which comprise the statement of financial position as at 31 December 2023, the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes are in accordance with the Corporations Act 2001; and
  - comply with Australian Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements; and
  - give a true and fair view of the financial position as at 31 December 2023 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.



Director G Stone – President



Director S Hamilton – Treasurer

Balgowlah

Dated: this 19<sup>th</sup> March 2024.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BALGOWLAH RSL MEMORIAL CLUB



### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of **Balgowlah RSL Memorial Club** (the company), which comprises the statement of financial position as at 31 December 2023, the statement of profit and loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

In our opinion, the accompanying financial report of **Balgowlah RSL Memorial Club** has been prepared in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the company's financial position as at 31 December 2023 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards - Simplified Disclosure Requirements and the *Corporations Regulations 2001*.

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, has been given to the directors of **Balgowlah RSL Memorial Club**, 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.

- 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.

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

The directors are responsible for the other information. The other information comprises the information included in the company's annual report for the year ended 31 December 2023, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of the Directors for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

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

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 the 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 this financial report.

As a 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 risk of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures 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.
  
- 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.
  
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within in the Company to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

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. There were no significant findings or deficiencies to report.

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 be reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **CABLE Partners Chartered Accountants**



**Ray Khalil**  
Partner

**North Sydney**  
**Dated this 19<sup>th</sup> March 2024.**

**Providing certainty**

1 James Place, North Sydney NSW 2060  
T. +61 (2) 8071 0300 [www.cabel.com.au](http://www.cabel.com.au)

ABN 16 602 260 757 Liability limited by a scheme  
approved under Professional Standards Legislation



