COLEDALE RSL CLUB LIMITED

ABN: 63 001 025 896

Financial Report For The Year Ended
31 December 2022

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DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 31 December 2022.

Directors

The names of the directors in office at any time during, or since the end of, the year are:

		Meetings Possible	Meetings Attended
Warrick Try resigned (24/02/2023)	President and Secretary Director of Club since 17/03/2019 Occupation - Bus Driver	14	14
Adam Tegal resigned (28/02/2023)	Treasurer Director of Club since 09/07/2020 Occupation - Business Manager	14	14
Gregory Soster resigned (1/06/2022)	Director of Club since 02/05/2021 Occupation - Business Owner	5	5
Josephine Mitchell resigned (26/01/2022)	Director of Club since 02/05/2021 Occupation - Business Consultant	1	0
Gregory Todd appointed (1/09/2022)	President and Secretary Director of Club since 01/09/2022 Occupation - Semi-Retired Civil Engineer and Project Manager	5	5
Peter Lapham appointed (28/02/2023)	Treasurer Director of Club since 28/02/2023 Occupation - Retired	0	0
Wayne Litzow appointed (3/12/2022)	Director of Club since 03/12/2022 Occupation - Mechanical Engineer	2	2
Jarod Cunningham appointed (1/09/2022)	Director of Club since 01/09/2022, resigned 04/11/2022, and re-appointed 15/02/2023 Occupation - Landscaper	3	2
Keiren Mason appointed (1/04/2022)	Director of Club since 01/04/2022, resigned 11/07/2022 Occupation - Director Human Resources	4	1
Kevin Stone appointed (1/04/2022)	Director of Club since 01/04/2022, resigned 13/07/2022 Occupation - Semi-Retired Senior Business Executive	4	4
Simone Read appointed (1/04/2022)	Director of Club since 01/04/2022, resigned 02/11/2022 Occupation - Director PTSD Australia New Zealand	7	5
Philip Lamond appointed (29/05/2022)	Director of Club since 29/05//2022, resigned 14/08/2022 Occupation - Retired (Former Director Financial Adviser)	4	4
Jeramy Pope appointed (1/09/2022)	Director of Club since 01/09/2022, resigned 30/11/2022, and re-appointed 24/02/2023 Occupation - Fire Fighter	4	4
Alexander Forbes appointed (28/11/2022)	Director of Club since 28/11/2022 Occupation - Captioner	2	2
Melissa Ellery appointed (24/02/2023)	Director of Club since 24/02/2023 Occupation - Property Consultant	0	0

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

Company Secretary

Mr Warrick Try held the position of company secretary at the end of the financial year. Mr Try performs all secretarial roles in every aspect of the business. He was appointed secretary on 17th March 2019 and resigned 14th February 2023. Gregory Todd was appointed as company secretary from 14th February 2023.

Review of Operations

The loss of the company for the financial year after providing for income tax amounted to $124,854.

Significant Changes in the State of Affairs

In November 2022, Russell Corporate Advisor was engaged to provide pre-liquidation advice in regarding with members voluntary liquidation. As such, the club ceased trading on 11th December 2022.

Principal Activities

The principal activities of the company during the financial year was that of a registered club. No significant change in the nature of these activities occurred during the year.

Events Subsequent to the End of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years other than those occurred in Note 16.

Future Developments, Prospects & Business Strategies

The short and long term objective for the club is to continue to trade successfully by delivering quality food, beverages, and gaming. The strategy for achieving these objectives is to prudently manager and monitor the Club's financial position and continue to invest wisely. The Club uses industry accepted KPI's to monitor performance in terms of service delivery to members, financial results and liquidity levels.

Environmental Regulation

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Indemnification of Officers

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company with the exception of management liability insurance of $1,207 (exclusive of GST)

Director's Entitlements

No director has received or become entitled to receive, during or since the end of the financial year, a benefit because of a contract made by the company or a related body corporate with the director, a firm of which a director is a member or an entity in which a director has a substantial financial interest with the following exception:

- Mr Adam Tegal has been subcontracted by the club to perform the accounting and administration roles since February 2021.

Members Guarantee

The company is limited by guarantee. If the company is wound up, the articles of association state that each member is required to contribute a maximum of $5 each. At 31 December 2022 the number of members was 1,812 (2021: 2,020) as follows:

Life Members	2
Ordinary Members	1810
	1812

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.

The company was not a party to any such proceedings during the year.

Auditor's Independence Declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 4.

This directors' report is signed in accordance with a resolution of the Board of Directors:

Director ______________________________

Peter Lapham

Director ______________________________

Gregory Todd

Dated this day of 2023

COLEDALE RSL CLUB LIMITED
ABN: 63 001 025 896
AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF COLEDALE RSL CLUB LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Coledale RSL Club Limited. As the lead audit partner for the audit of the financial report of Coledale RSL Club Limited for the year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Name of Firm O'Donnell Hennessy Taylor

Principal Auditor Spencer Green

Date

Address Coniston

COLEDALE RSL CLUB LIMITED
ABN: 63 001 025 896
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 $	2021 $
Sales revenue	2	951,766	944,540
Other income	2	3,848	83,367
Cost of goods sold		(329,845)	(311,643)
Employee benefits expense		(332,005)	(353,804)
Depreciation and amortisation expense		(73,955)	(81,792)
Other expenses		(344,663)	(368,814)
Loss before income tax		(124,854)	(88,146)
Tax (expense) income	4	-	-
Loss for the year		(124,854)	(88,146)
Other comprehensive income:			
Total other comprehensive income for the year		-	-
Total comprehensive income for the year		(124,854)	(88,146)

The accompanying notes form part of these financial statements.

COLEDALE RSL CLUB LIMITED
ABN: 63 001 025 896
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Note	2022 $	2021 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	87,616	142,464
Trade and other receivables	6	246	2,341
Inventories	7	-	26,261
Other current assets	8	10,379	10,994
TOTAL CURRENT ASSETS		98,241	182,060
NON-CURRENT ASSETS			
Trade and other receivables	6	95,439	95,439
Property, plant and equipment	9	411,985	481,610
TOTAL NON-CURRENT ASSETS		507,424	577,049
TOTAL ASSETS		605,665	759,109
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	66,214	82,742
Borrowings	11	3,088	6,420
Provisions	12	-	8,730
Members subscriptions in advance		8,755	8,755
TOTAL CURRENT LIABILITIES		78,057	106,647
NON-CURRENT LIABILITIES			
TOTAL NON-CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		78,057	106,647
NET ASSETS		527,608	652,462
EQUITY			
Retained earnings (accumulated losses)		527,608	652,462
TOTAL EQUITY		527,608	652,462

The accompanying notes form part of these financial statements.

COLEDALE RSL CLUB LIMITED
ABN: 63 001 025 896
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Retained Earnings (accumulated losses) $	Total $
Balance at 1 January 2021	740,608	740,608
Comprehensive income		
Loss for the year	(88,146)	(88,146)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	(88,146)	(88,146)
Balance at 31 December 2021	652,462	652,462
Balance at 1 January 2022	652,462	652,462
Comprehensive income		
Loss for the year	(124,854)	(124,854)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	(124,854)	(124,854)
Balance at 31 December 2022	527,608	527,608

The accompanying notes form part of these financial statements.

COLEDALE RSL CLUB LIMITED
ABN: 63 001 025 896
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 $	2021 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		957,674	962,535
Payments to suppliers and employees		(1,004,895)	(1,077,975)
Interest received		35	6
Government subsidies		-	81,172
Net cash provided by operating activities	15(a)	(47,186)	(34,262)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(4,330)	(16,617)
Net cash (used in)/provided by investing activities		(4,330)	(16,617)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings - other		-	32,100
Loan repayments received from related parties		(3,332)	(25,680)
Net cash provided by/(used in) financing activities		(3,332)	6,420
Net increase/(decrease) in cash held		(54,848)	(44,459)
Cash and cash equivalents at beginning of financial year		142,464	186,923
Cash and cash equivalents at end of financial year	5	87,616	142,464

The accompanying notes form part of these financial statements.

These financial statements and notes represent Coledale RSL Club Limited. Coledale RSL Club Limited is a company limited by guarantee, incorporated and domiciled in Australia

Note 1 Summary of Significant Accounting Policies

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board. 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 accrual 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 are in Australian Dollars and have been rounded to the nearest dollar.

Uncertainty of going concern basis

As a consequence of the following:
(1) The club had continuing trading losses since 2018 including 2022 trading loss of $124,854 before income tax.
(2) The directors had intention to place the club into member's voluntary liquidation in November 2022.
(3) The club ceased trading on 11th December 2022.
(4) The club disposed 2 blocks of poker machine entitlements in March 2023.
(5) Coledale RSL Sub Branch requested to terminate the current perpetual lease and a new lease will be renegotiated by the completion of annual general meeting in May 2023.
(6) Coledale RSL Sub Branch stated in a written letter that the current loan of $95,439 no longer existed, and requested the loan to be written off. At the time of signing this report, there was no agreement between both parties to write the loan off.
There is significant uncertainty whether the company will be able to continue as a going concern. If the company is unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business and at amounts different from those disclosed in the financial report.

(a) Income Tax

The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income for the current period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss or arising from a business combination.

A deferred tax liability shall be recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from:

- the initial recognition of goodwill; or
- the initial recognition of an asset or liability in a transaction which:
  - is not a business combination; and
  - at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

With respect to non-depreciable items of property, plant and equipment measured at fair value and items of investment property measured at fair value, the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of the asset will be recovered entirely through sale. When an investment property that is depreciable is held by the company in a business model whose objective is to consume substantially all of the economic benefits embodied in the property through use over time (rather than through sale), the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of such property will be recovered entirely through use.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (i) a legally enforceable right of set-off exists; and (ii) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Uncertainty over income tax treatment
Where there is uncertainty over an income tax event, the Company determines if the uncertain tax position needs to be assessed. The Company assesses the probability that the relevant tax authority will accept the treatment of the uncertain tax event.

In the event that it is not probable that the relevant tax authority will accept the treatment, the Company establishes provisions estimated based on either the expected value method or the most likely amount, depending on which is expected to better predict the resolution of the uncertainty.

(b) Fair Value of Assets and Liabilities
The Company measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable accounting standard.

Fair value is the price the Company would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific 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.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

(c) 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.

Plant and equipment
Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(i) for details of impairment).

The cost of fixed assets constructed includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

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 recognised as expenses in profit or loss in the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including buildings 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. Leasehold improvements are depreciated over the shorter of either the unexpired term of the lease or the estimated useful lives of the improvements.

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

Class of Fixed Asset	**Depreciation Rate**
Plant and equipment	2.5 - 100%
Leased Plant and Equipment	2.5 - 12.5%

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

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss when the item is derecognised. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(d) Leases (the Company as lessee)

At inception of a contract, the Company assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Company where the Company is a lessee. However, all contracts that are classified as short-term leases (lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an expense on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Company uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

Subsequently, the lease liability is measured by a reduction to the carrying amount of any payments made and an increase to reflect any interest on the lease liability.

The right-of-use assets is initially measured based on the corresponding lease liability less any incentives and initial direct costs. Subsequently, the measurement is the cost less accumulated depreciation (and impairment if applicable).

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Company anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

(e) Financial Instruments

Initial Recognition and Measurement

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

Financial instruments (except for trade receivables) are initially measured at fair value plus transactions costs except where the instrument is classified ‘at fair value through profit or loss’ in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15.16.

Classification and Subsequent Measurement

Financial liabilities

Financial instruments are subsequently measured at:

- amortised cost; or
- fair value through profit or loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3: *Business Combinations* applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The *effective interest method* is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period. The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if:

- it is incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationship).

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantee contracts are initially measured at fair values (and if not designated as at fair value through profit or loss and do not arise from a transfer of a financial asset) and subsequently measured at the higher of:

— the amount of loss allowance determined in accordance with AASB 9.3.25.3; and
— the amount initially recognised less the accumulative amount of income recognised in accordance with the revenue recognition policies.

Financial assets

Financial assets are subsequently measured at:

— amortised cost;
— fair value through other comprehensive income; or
— fair value through profit or loss.

Measurement is on the basis of two primary criteria:

— the contractual cash flow characteristics of the financial asset; and
— the business model for managing the financial assets.

A financial asset is subsequently measured at amortised cost if it meets the following conditions:

— the financial asset is managed solely to collect contractual cash flows; and
— the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset is subsequently measured at fair value through other comprehensive income if it meets the following conditions:

— the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates;
— the business model for managing the financial assets comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The Company initially designates a financial instrument as measured at fair value through profit or loss if:

— it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as an “accounting mismatch”) that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
— it is in accordance with the documented risk management or investment strategy, and information about the groupings is documented appropriately, so that the performance of the financial liability that is part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis;
— it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of the financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading and not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, the Company can make an irrevocable election to measure any subsequent changes in fair value of the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit and loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the Company's accounting policy.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of financial asset:

— the right to receive cash flows from the asset has expired or been transferred;
— all risk and rewards of ownership of the asset have been substantially transferred; and
— the Company no longer controls the asset (ie it has no practical ability to make a unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which was elected to classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Impairment

The Company recognises a loss allowance for expected credit losses on:

— financial assets that are measured at amortised cost or fair value through other comprehensive income;
— lease receivables;
— contract assets (eg amounts due from customers under contracts);
— loan commitments that are not measured at fair value through profit or loss; and
— financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

— financial assets measured at fair value through profit or loss; or
— equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The Company uses the following approaches to impairment, as applicable under AASB 9:

— the general approach
— the simplified approach
— the purchased or originated credit impaired approach; and
— low credit risk operational simplification.

General approach

Under the general approach, at each reporting period, the Company assesses whether the financial instruments are credit-impaired, and:

— if the credit risk of the financial instrument has increased significantly since initial recognition, the Company measured the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; or
— if there is no significant increase in credit risk since initial recognition, the Company measured the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Simplified approach

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times. This approach is applicable to:

— trade receivables or contract assets that result from transactions within the scope of AASB 15: *Revenue from Contracts with Customers* that do not contain a significant financing component; and
— lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables is used taking into consideration various data to get to an expected credit loss (ie diversity of customer base, appropriate groupings of historical loss experience, etc).

Purchased or originated credit-impaired approach

For a financial asset that is considered credit-impaired (not on acquisition or origination), the Company measured any change in its lifetime expected credit loss as the difference between the asset’s gross carrying amount and the present value of estimated future cash flows discounted at the financial asset’s original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

Evidence of credit impairment includes:
- significant financial difficulty of the issuer or borrower;
- a breach of contract (eg default or past due event);
- where a lender has granted to the borrower a concession, due to the borrower's financial difficulty, that the lender would not otherwise consider;
- it is probable the borrower will enter bankruptcy or other financial reorganisation; and
- the disappearance of an active market for the financial asset because of financial difficulties.

Low credit risk operational simplification approach

If a financial asset is determined to have low credit risk at the initial reporting date, the Company assumes that the credit risk has not increased significantly since initial recognition and accordingly it can continue to recognise a loss allowance of 12-month expected credit loss.

In order to make such a determination that the financial asset has low credit risk, the Company applies its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

A financial asset is considered to have low credit risk if:
- there is a low risk of default by the borrower;
- the borrower has strong capacity to meet its contractual cash flow obligations in the near term;
- adverse changes in economic and business conditions in the longer term may, but not necessarily will, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

A financial asset is not considered to carry low credit risk merely due to existence of collateral, or because a borrower has a risk of default lower than the risk inherent in the financial assets, or lower than the credit risk of the jurisdiction in which it operates.

Recognition of expected credit losses in financial statements

At each reporting date, the Company recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value, with changes in fair value recognised in other comprehensive income. Amounts in relation to change in credit risk are transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (eg loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

(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, including dividends received from subsidiaries, associates or joint ventures deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, 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 (eg 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.

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

Impairment testing is performed annually for goodwill, intangible assets with indefinite lives and intangible assets not yet available for use.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(g) Employee Benefits

Short-term employee benefits

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on corporate bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee benefits expense.

The company's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

(h) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(i) Cash and Cash Equivalents

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

(j) Revenue Recognition

Interest income is recognised using the effective interest method.

(k) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(l) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

(m) Comparative Figures

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

Where the company retrospectively applies an accounting policy, makes a retrospective restatement of items in the financial statements or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

(n) Critical Accounting Estimates and Judgements

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

Key Estimates

(i) Impairment

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

Key Judgements

(i) Employee benefits

For the purpose of measurement, AASB 119: Employee Benefits defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. As the Company expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the following 12-month period, obligations for annual leave entitlements are classified under AASB 119 as other long-term employee benefits and, therefore, are required to be measured at the present value of the expected future payments to be made to employees.

(ii) Provision for impairment of receivables

No provision has been made

(iii) Poker Machine Licenses

The entity holds poker machine licenses either acquired through a past business combination or granted at no consideration by the NSW government. AIFRS requires that licenses outside of a pre AIFRS transaction business combination be recognised initially at its fair value as at the date it was granted with a corresponding adjustment to the profit and loss to recognise the grant immediately as income. Until gaming legislation taking effect in April 2002 allowing poker machines licences to be traded for the first time, the entity has determined that fair value at grant date for licenses granted pre April 2002 to be zero. Should licences be granted to the entity post April 2002, they will be recognised at fair value. The entity has determined that the market for poker machine licenses does not meet the definition of an active market and consequent licenses recognised will not be revalued each year.

Note 2 Revenue and Other Income

The Company has recognised the following amounts relating to revenue in the statement of profit or loss.

	2022 $	2021 $
(a) Revenue		
Total interest received	35	6
Sales revenue	951,731	944,534
Total revenue	951,766	944,540
(b) Other income		
— COVID Subsidies	-	81,172
— Other income	3,848	2,195
Total other income	3,848	83,367

Note 3 Loss before Income Tax

Loss before income tax includes the following specific expenses:	2022 $	2021 $
(a) Expenses		
Cost of sales	329,845	311,643
Employee benefits expense	332,005	353,804
(b) Significant Revenue and Expenses		
— Loss on disposal of property, plant and equipment	-	400

Note 4 Tax Expense

	2022 $	2021 $
(a) The prima facie tax on profit/(loss) from ordinary activities before income tax is reconciled to the income tax as follows:		
Prima facie tax payable on profit/(loss) from ordinary activities before income tax at 25% (2021: 26%)	(31,214)	(22,918)
Add:		
Tax effect of:		
— mutuality principle	31,214	22,918
Income tax attributable to company	-	-

Note 5 Cash and Cash Equivalents

	2022 $	2021 $
CURRENT		
Short-term bank deposits	5,079	5,051
Cash on hand	1,390	59,316
Cash at bank - working account	68,077	30,210
Cash at bank - TAB account	647	3,400
Cash at bank - Keno account	2,184	2,886
Cash at bank - debit card account	200	598
Cash at bank - business online	-	31,000
Cash at bank - Bistro Bond	10,039	10,003
	87,616	142,464

Note 6 Trade and Other Receivables

	2022 $	2021 $
CURRENT		
Trade receivables	246	2,341
Total current trade and other receivables	246	2,341
NON-CURRENT		
Loan - Coledale RSL sub-branch	95,439	95,439
Total non-current trade and other receivables	95,439	95,439

Note 7 Inventories

	2022 $	2021 $
CURRENT		
At cost:		
Stock on hand	-	26,261
	-	26,261

Note 8 Other Assets

	2022 $	2021 $
CURRENT		
Prepayments	10,379	10,994
	10,379	10,994

Note 9 Property, Plant and Equipment

	2022 $	2021 $
PLANT AND EQUIPMENT		
Plant and equipment:		
At cost	347,919	343,589
Accumulated depreciation	(205,246)	(175,319)
	142,673	168,270
Furniture and fittings		
At cost	26,824	26,824
Accumulated depreciation	(10,378)	(7,115)
	16,446	19,709
Carpet		
At cost	34,333	34,333
Accumulated depreciation	(14,227)	(8,343)
	20,106	25,990
Poker machine		
At cost	272,605	272,605
Accumulated depreciation	(243,587)	(217,080)
	29,018	55,525
Leasehold improvements		
At cost	275,641	275,641
Accumulated amortisation	(71,899)	(63,525)
	203,742	212,116
Total plant and equipment	411,985	481,610

(a) Movements in carrying amounts

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

	Furniture and Fittings $	Plant and Equipment, Poker Machines $	Leasehold Improvement $	Total $
Balance at 1 January 2021	55,048	271,248	220,889	547,185
Additions	-	16,617	-	16,617
Disposals - written down value	-	(400)	-	(400)
Depreciation expense	(9,349)	(63,670)	(8,773)	(81,792)
Carrying amount at 31 December 2021	45,699	223,795	212,116	481,610
Balance at 1 January 2022	45,699	223,795	212,116	481,610
Additions	-	4,330	-	4,330
Depreciation expense	(9,147)	(56,434)	(8,374)	(73,955)
Carrying amount at 31 December 2022	36,552	171,691	203,742	411,985

(b) On 27th February 2023, Coledale RSL Sub Branch (the landlord) gave a notice of 180 days to the club to vacate. As such, the club's current perpetual lease is deemed to be expiring by 26th August 2023. On 12th April 2023, Coledale RSL Sub Branch requested the lease to be renegotiated by the completion of club's Annual General Meeting in May 2023. Therefore, the carrying value of the leasehold improvements is subject to the renewal of lease agreement.

Note 10 Trade and Other Payables

	2022 $	2021 $
CURRENT		
Unsecured liabilities		
Trade payables	24,218	22,639
Sundry payables and accrued expenses	22,291	29,653
GST payable	12,866	12,892
PAYG payable	6,839	7,558
Bond - Giovanni Catering	-	10,000
	66,214	82,742

Note 11 Borrowings

	2022 $	2021 $
CURRENT		
Loan - insurance premium finance	3,088	6,420
Total current borrowings	3,088	6,420

Note 12 Provisions

	2022 $	2021 $
CURRENT		
Provisions for annual leave	-	8,730
Total current provisions	-	8,730

Note 13 Capital Commitments

The club entered a perpetual building lease with Coledale RSL Sub Branch at 21st June 1985. The club agreed to pay

(1) Water Rates
(2) Land Rates
(3) Building insurance including insurance of plate glass
(4) $520 per annum, payable 12 months in advance to SuB Branch from 1st June 1985

The monetary part of this lease shall be reviewed every 2 years and adjusted if required. The club also agrees to maintain and keep the club building and grounds in good order and condition.

On 27th February 2023, Coledale RSL Sub Branch (the landlord) gave a notice of 180 days to the club to vacate. As such, the club's current perpetual lease is deemed to be expiring by 26th August 2023. On 12th April 2023, Coledale RSL Sub Branch requested the lease to be renegotiated by the completion of club's Annual General Meeting in May 2023.

Note 14 Contingent Liabilities and Contingent Assets

(a) The club had no contingent liabilities as at 31 December 2022 (2021: none)
(b) The club has a security deposit guarantee of $5,000 as at 31 December 2022 (2021: $5,000)

Note 15 Cash Flow Information

	2022 $	2021 $
(a) Reconciliation of cash flows from operating activities with profit/(loss) after income tax		
Profit/(loss) after income tax	(124,854)	(88,146)
Non-cash flows in profit/(loss)		
— depreciation	73,955	81,792
— net gain on disposal of property, plant and equipment	-	400
Changes in assets and liabilities:		
— (increase)/decrease in trade and other receivables	2,095	18,555
— (increase)/decrease in inventories	26,261	(130)
— (increase)/decrease in other assets	615	332
— increase/(decrease) in trade and other payables	(16,528)	5,229
— increase/(decrease) in income in advance	-	(2,749)
— increase/(decrease) in provisions	(8,730)	(49,545)
Net cash provided by operating activities	(47,186)	(34,262)

Note 16 Events After the Reporting Period

Other than the following, the directors are not aware of any significant events since the end of the reporting period.

(1) On 06th March 2023, the club disposed 2 blocks of 3 single gaming machine entitlements to Moorebank Sports Club.

(2) The Club was reopened on 05th April 2023.

(3) On 27th February 2023, Coledale RSL Sub Branch (the landlord) gave a notice of 180 days to the club to vacate. As such, the club's current perpetual lease is deemed to be expiring by 26th August 2023. On 12th April 2023, Coledale RSL Sub Branch requested the lease to be renegotiated by the completion of club's Annual General Meeting in May 2023.

(4) On 03rd May 2023, Coledale RSL Sub Branch stated in a written letter that the current loan of $95,439 no longer existed.

Note 17 Related Party Transactions

The Company's main related parties are as follows:

(a) Other related parties

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel, individually or collectively with their close family members.

Transactions with related parties:

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

The following transactions occurred with related parties:

	2022 $	2021 $
Other Related Parties:		
Loans to Coledale RSL Sub Branch	95,439	99,859
Loan repayment received	-	4,420
End of year	95,439	95,439

	2022 $	2021 $
Other Related Parties:		
Bookkeeping Services - Macarthur Sign Supplies Pty Ltd (Adam Tegal)	3,000	15,850
	3,000	15,850

Note 18 Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable,

The total amount for each category of financial instruments, measured in accordance with AASB 139: *Financial Instruments: Recognition and Measurement* as detailed in the accounting policies to these financial statements, are as follows:

	Note	2022 $	2021 $
Financial Assets			
Financial assets at amortised cost:			
— Cash and cash equivalents	5	87,616	142,464
— Trade and other receivables	6	95,685	97,780
Total Financial Assets		183,301	240,244
Financial Liabilities			
Financial liabilities at amortised cost			
— Trade and other payables	10	66,214	82,742
— Borrowings	11	3,088	6,420
Total Financial Liabilities		69,302	89,162

Financial Risk Management Policies

The directors' overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the Board of Directors on a regular basis. These include the credit risk policies and future cash flow requirements.

The main purpose of non-derivative financial instruments is to raise finance for company operations. The company does not have any derivative instruments at 31 December 2022.

The directors of the company, meet on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

Specific Financial Risk Exposures and Management

The main risks the company is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk and other price risk. There have been no substantive changes in the types of risks the company is exposed to, how these risks arise, or the Board's objectives, policies and processes for managing or measuring the risks from the previous period.

(a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the company.

(b) Liquidity risk

Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The company manages this risk through the following mechanisms:

— preparing forward-looking cash flow analyses in relation to its operating, investing and financing activities;
— using derivatives that are only traded in highly liquid markets;
— monitoring undrawn credit facilities;
— obtaining funding from a variety of sources;
— maintaining a reputable credit profile;
— managing credit risk related to financial assets;
— only investing surplus cash with major financial institutions; and
— comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The table below reflects an undiscounted contractual maturity analysis for non-derivative financial liabilities. Bank overdrafts have been deducted in the analysis as management does not consider that there is any material risk that the bank will terminate such facilities. The bank does however maintain the right to terminate the facilities without notice and therefore the balances of overdrafts outstanding at year-end could become repayable within 12 months. Financial guarantee liabilities are treated as payable on demand since the company has no control over the timing of any potential settlement of the liability. The company does not hold any derivative financial liabilities directly.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflect the earliest contractual settlement dates and do not reflect management's expectations that banking facilities will be rolled forward.

Financial liability and financial asset maturity analysis

	Within 1 Year		1 to 5 years		Over 5 years		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
Financial liabilities due for payment	$	$	$	$	$	$	$	$
Insurance loan	3,088	6,420	-	-	-	-	3,088	6,420
Trade and other payables	66,214	82,742	-	-	-	-	66,214	82,742
Total expected outflows	69,302	89,162	-	-	-	-	69,302	89,162
Financial assets — cash flows realisable								
Cash and cash equivalents	87,616	142,464	-	-	-	-	87,616	142,464
Trade, term and loans receivables	246	2,341	95,439	95,439	-	-	95,685	97,780
Total anticipated inflows	87,862	144,805	95,439	95,439	-	-	183,301	240,244
on financial instruments	18,560	55,643	95,439	95,439	-	-	113,999	151,082

c. Market Risk

i. *Interest rate risk*

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The company is also exposed to earnings volatility on floating rate instruments. The financial instruments that expose the company to interest rate risk are limited to borrowings, listed shares, cash and cash equivalents.

ii. *Other price risk*

Other price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) of securities held.

Such risk is managed through diversification of investments across industries and geographic locations.

Net Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying amounts as presented in the statement of financial position.

Differences between fair values and carrying amounts of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the company. Most of these instruments, which are carried at amortised cost (ie trade receivables, loan liabilities), are to be held until maturity and therefore the fair value figures calculated bear little relevance to the company.

	Note	2022		2021	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
		$	$	$	$
Financial assets: amortised cost					
Cash and cash equivalents (i)	5	87,616	87,616	142,464	142,464
Trade and other receivables (i)	6	246	246	2,341	2,341
Loans and advances - related parties	6, 17	95,439	95,439	95,439	95,439
Total financial assets		183,301	183,301	240,244	240,244
Financial liabilities: amortised cost					
Trade and other payables (i)	10	66,214	66,214	82,742	82,742
Borrowing	11, 18	3,088	3,088	6,420	6,420
Total financial liabilities		69,302	69,302	89,162	89,162

(i) Cash and cash equivalents, trade and other receivables, and trade and other payables are short-term instruments in nature whose carrying amounts are equivalent to their fair values.

Note 19 Segment Reporting

The club operates in one industry, the principal activity being that of a licensed club providing gaming, bar, and recreational facilities to members and their guests. It derives its income from one geographical location i.e. Coledale NSW.

Note 20 Members Guarantee

The company is limited by guarantee. If the company is wound up the Articles of Association state that the liability of each member is limited to $5. As at 31 December 2022 the number of members was 1,812 (2021: 2,020)

Note 21 Company Details

The Company is domiciled and incorporated in Australia. The registered office of the company is:

Coledale RSL Club Limited
Lawrence Hargrave Drive, Coledale NSW 2513

The principal place of business is:

Coledale RSL Club Limited
Lawrence Hargrave Drive, Coledale NSW 2513

COLEDALE RSL CLUB LIMITED
ABN: 63 001 025 896
DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Coledale RSL Club Limited, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 5 to 22, are in accordance with the Corporations Act 2001 and:

   (a) comply with Australian Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards (IFRS)

   (b) give a true and fair view of the financial position as at 31 December 2022 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 ______________________________

Gregory Todd

Director ______________________________

Peter Lapham

Dated this day of 2023

COLEDALE RSL CLUB LIMITED ABN: 63 001 025 896
INDEPENDENT AUDITOR'S REPORT TO THE OWNERS OF
COLEDALE RSL CLUB LIMITED

Opinion

We have audited the financial report of Coledale RSL Club Limited (the Company), which comprises the statement of financial position as at 31 December 2022, statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes to the financial statements including a summary of significant accounting policies and the directors' declaration.

In our opinion:

a. the accompanying financial report of the Company is in accordance with the Corporations Act 2001, including:

   i. giving a true and fair view of the company's financial position as at 31 December 2022 and of its financial performance for the year then ended; and
   ii. complying with Australian Accounting Standards and the Corporations Regulations 2001; and

b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Emphasis of Matter - Inherent Uncertainty Regarding continuation as a going concern

Without qualification to the opinion expressed above, we draw attention to Note 1 to the financial report. As a result of matters described in Note 1 to the financial statements, there is significant uncertainty whether the company can continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

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 (including Independence Standards) (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Coledale RSL Club Limited, 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.

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 2022, 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 and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

The directors are responsible for overseeing the Company's financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within 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.

Auditor's name and signature: Spencer Green

Name of firm: O'Donnell Hennessy Taylor

Address: Coniston

Dated this day of 2023

ACCOUNTANTS COMPILATION REPORT

Scope

On the basis of information provided by the Directors of Coledale RSL Club Limited we have compiled the General Purpose Financial Report, being the summaries of Trading and Profit and Loss statements for the year ended 31st December 2022 as set out on the following pages. The purpose of the report is to provide additional information to the members.

The additional information is in accordance with the books and records of Coledale RSL Club Limited which have been subjected to the auditing procedures applied in our statutory audit of the company for the year ended 31st December 2022. It will be appreciated that our statutory audit did not cover all details of the additional financial information. Accordingly, we do not express an opinion on such financial information and no warranty of accuracy or reliability is given.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the Directors provided, into a financial report.

The General Purpose Financial Report was prepared for the benefit of the Company and it's members and the purpose identified above. We do not accept responsibility to any other person for the contents of the General Purpose Financial Report.

Name of Firm: O'Donnell Hennessy Taylor

Name of Principal Auditor: Spencer Green

Date:

BAR TRADING ACCOUNT

	2022 $	2021 $
Sales	650,777	576,506
LESS: COST OF GOODS SOLD		
Opening Stock	26,261	26,132
Add: Purchases	285,568	273,705
	311,829	299,837
Less: Closing Stock	-	26,261
COST OF GOODS SOLD	311,829	273,576
GROSS PROFIT	338,948	302,930
LESS: DIRECT COSTS		
Bar General Expenses	3,464	-
Bar Replacements	6,573	4,740
Bar Wages	288,606	283,957
	298,643	288,697
NET PROFIT/(LOSS) FROM TRADING	40,305	14,233

COFFEE SHOP TRADING ACCOUNT

	2022 $	2021 $
Sales	17,527	85,197
LESS: COST OF GOODS SOLD		
Opening Stock	-	-
Add: Purchases	18,016	38,067
	18,016	38,067
Less: Closing Stock	-	-
COST OF GOODS SOLD	18,016	38,067
GROSS PROFIT/(LOSS)	(489)	47,130
LESS: DIRECT COSTS		
Coffee shop wages	-	59,338
	-	59,338
NET LOSS FROM TRADING	(489)	(12,208)

GAMING ACCOUNT

	2022 $	2021 $
Poker Machine Takings	181,988	178,829
Keno Commission	12,374	8,678
TAB Commission	16,651	16,410
Gaming Offset Subsidy	15,787	19,225
	226,800	223,142
LESS: DIRECT COSTS		
Depreciation	26,507	33,085
Data Monitoring Service	9,130	5,865
Keno Expenses	1,224	884
TAB Expenses	8,487	4,042
Repairs & Maintenance	4,028	4,966
	49,376	48,842
NET PROFIT FROM TRADING	177,424	174,300

	2022 $	2021 $
INCOME		
Net Profit from Trading Accounts	217,240	176,325
Bistro Rent	27,219	28,724
Commissions Received	6,428	6,191
Interest Received	35	6
Members Subscriptions	3,641	7,330
Entertainment income	3,477	1,864
Raffle Proceeds	15,862	15,580
Sundry Income	3,848	2,195
COVID subsidies	-	81,172
Total Income	277,750	319,387
EXPENDITURE		
Advertising	16,866	23,362
Audit & Accountancy Fees	15,338	15,650
Bank Fees & Charges	5,845	5,985
Cleaning	40,065	30,669
Complimentary Drinks	741	2,979
Computer Expenses	1,456	3,728
Contractor Payment	3,000	15,850
Depreciation	39,074	39,934
Directors' Emoluments	7,200	9,075
Donations	-	1,329
Electricity & Gas	41,092	36,969
Employee Entitlements Provided	(8,731)	(49,544)
Entertainment	26,520	22,537
General Expenses	974	4,380
Insurance	41,781	36,898
Loss on disposal of assets	-	400
Legal Costs	11,022	-
Postage, Printing & Stationery	1,597	2,388
Raffle Prizes	18,195	23,808
Rates	23,818	23,571
Rent	9,360	8,935
Repairs & Maintenance	18,739	29,178
Rubbish Removal	8,467	4,788
Security	597	471
Sky Channel	12,576	9,237
Sponsorship	2,489	14,837
Staff Amenities	309	1,070
Subscriptions & Licenses	6,584	9,526
Superannuation Contributions	28,740	33,242
Telephone	4,342	4,290
Training & Seminars	375	1,860
Travel & Accommodation	503	917
Uniforms	637	3,630
Wages - Office	14,659	26,811
Total Expenditure	394,230	398,760
Operating Loss Before Amortisation	(116,480)	(79,373)
Amortisation - Leasehold Improvements	8,374	8,773
Operating Profit/(loss) before Income Tax Expense	(124,854)	(88,146)
Income Tax Expense	-	-
Operating loss after Income Tax Expense	(124,854)	(88,146)

ADDITIONAL INFORMATION REQUIRED UNDER REGISTERED CLUBS ACT (1976) & REGULATIONS

(i) Interests of Directors and Employees in contracts with the club
There have been no declarations made by directors in respect of any material personal interest;

(ii) Interests of Directors and Employees in Hotels
No director or top executive has given a written declaration to the secretary declaring any financial interest in a hotel; and no financial interest is held by the secretary of the club in a hotel.

(iii) Gifts to Directors and Employees:
There have been no declarations made by directors, top executives or employees in respect of any gift received by them;

(iv) Remuneration of Top Executives
The aggregate remuneration including salary, non-cash benefits and superannuation paid to executives with such remuneration in excess of $100,000 was nil.

(v) Details of overseas trips:
No overseas trips have been taken by a director or employee of the club during the financial year.

(vi) Loans of more than $1,000 to employees:
No loans in excess of $1,000 were made to employees during the financial year;

(vii) Contracts of remuneration:
No contracts for remuneration of a top executive were approved during the financial year;

(viii) Controlled contracts:
There are no contracts between the club and a director or top executive of the club or company in which the director or top executive has a pecuniary interest except for the contract with Mr Adam Tegal.

(ix) Remuneration of employees who are close relatives of directors or top executives:
There were no payments made to relatives of directors during the financial year.

(x) Payments to Consultants
There were no payments to consultants during the financial year.

(xi) Legal fees and dispute settlements:
No settlements have been made with a director or employee of the club as a result of any legal dispute.

No legal costs or fees have been paid by the club on behalf of a director or employee of the club;

(xii) Gaming Machine Profits
The total amount of profits (within the meaning of the Gaming Machine Tax Act 2001) during the year ended 31 December 2022 from poker machines inclusive of GST was $200,187.

(xiii) Community Development Contribution for the year ended 31 December 2022 was Nil.