

# **Kingsgrove RSL Club Limited**

ABN 32 000 463 196

## **Financial Statements**

For the Year Ended 31 December 2024

# Kingsgrove RSL Club Limited

ABN 32 000 463 196

## Contents

For the Year Ended 31 December 2024

	Page
<b>Financial Statements</b>	
Directors' Report	1
Auditor's Independence Declaration under Section 307C of the Corporations Act 2001	5
Statement of Profit or Loss and Other Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements	10
Directors' Declaration	23
Independent Audit Report	24

# Kingsgrove RSL Club Limited

ABN 32 000 463 196

## Directors' Report

31 December 2024

The directors present their report on Kingsgrove RSL Club Limited for the financial year ended 31 December 2024.

### 1 General information

#### Information on directors

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

Mr Alan Barnes OAM

Qualification and experience Retired Administration/Finance Manager, President of Kingsgrove RSL Sub Branch, and Member of Kingsgrove RSL Club for 42 years. Board Member for 27 years, Life Member of Kingsgrove RSL Club and Life Member of Kingsgrove RSL Sub Branch.

Mr Tas Aronis

Qualifications and experience Location Manager for Guardian Funerals Hurstville, Member of Kingsgrove RSL for 15 years, Board Member for 11 years, Member Compliance Committee.

Mr Michael Bougoukas

Qualifications and experience Motor mechanic, Business Proprietor, Member of Kingsgrove RSL for 26 years, Board Member for 7 years. Sports Administrator and Chairperson of Compliance Committee.

Mr Bruce Geerin

Qualifications and experience Retired Postal Worker, Member of Kingsgrove RSL for 55 years. Life Member Kingsgrove RSL Club Ltd, Board Member for 22 years.

Mrs Katriona Gilbert

Qualifications and experience Registered Nurse with management position in NSW Health, Member of Kingsgrove RSL Club for 25 years, Board Member for 2 years.

Mr Anthony George Harris

Qualifications and experience Club Manager, Member of Kingsgrove RSL for 32 years. Board Member for 3 years. Member Compliance Committee.

Mr Peter Merlino

Qualifications and experience Electrical Fitter, Member of Kingsgrove RSL for 26 years. Board Member for 3 years. Kingsgrove RSL Sub Branch Secretary.

Mr Phillip Pollard

Qualifications and experience Retired Printer, Member Kingsgrove RSL for 26 years. Board Member for 3 years. Kingsgrove RSL Sub Branch Vice President, Chairman of Kingsgrove RSL Club Ltd Community Group.

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

#### Principal activities

The principal activity of Kingsgrove RSL Club Limited during the financial year were that of a licensed club conducted for members and guests.

# Kingsgrove RSL Club Limited

ABN 32 000 463 196

## Directors' Report

31 December 2024

### 1 General information

#### Principal activities

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

#### Our Vision

To be a supportive and friendly Community Club

#### Our Mission

- Be a community hub that fosters social connection between members and guests alike.
- Provide modern safe facilities and exceptional hospitality experiences.
- Support and serve our local community.
- Respect and uphold RSL traditions and commemorations

#### Our goals and objectives

- Provide a diverse and relevant range of members experiences
- Continue to improve Club facilities with both short and long term strategies.
- Active and relevant community leader.
- Supportive, rewarding and aligned team.
- Long term sustainability.
- Best practice corporate governance.

#### Performance measures

The company measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the directors to assess the financial sustainability of the company and whether the company's short-term and long-term objectives are being achieved. Measures used by the company for its performance: - Standard Club industry Key Performance Indicators including Gross Profit percentages, Wages percentages, EBIT and EBITDA etc.

# Kingsgrove RSL Club Limited

ABN 32 000 463 196

## Directors' Report

31 December 2024

### 1 General information

#### Members' guarantee

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

At 31 December 2024 the collective liability of members was NIL (2023: 18,024).

### 2 Membership

	2024	2023
Full Club Members	8,858	8,948
Life Members	4	4
Associate Members	57	60
	<b>8,919</b>	<b>9,012</b>

#### Operating results and review of operations for the year

##### Review of operations

A review of the operations of the Company during the financial year and the results of those operations are as follows:

The Club traded well after the completion of the renovations of 2023 despite the economic challenges faced by the Club and our members, with increases in inflation and cost of living.

Our total revenue for the year increased by 10% to \$12,130,127 with increases in Poker Machine trade of 13%, an increase in Bar Sales of 2% and Cafe Sales of 5%.

The Club Management endeavoured to maintain expenses but with the rises in CPI it was inevitable we would experience increases. Direct Costs increased by 2%, Employee Benefits increased by 7% and Other Expenses increased by 8%.

Government poker machine and other taxes increased by 15% to \$1,870,724.

Financial Expenses increased to \$224,396 from \$94,969 (136%) due to our increased borrowings in 2023 for the renovations.

The total Club borrowings were reduced by \$498,791 (16%).

Our investments have been retained at \$1.75m and members total equity has increased to \$26.7m.

##### Operating results

The profit of the Company after providing for income tax amounted to \$298,734 (2023: \$176,364).

##### Events after the reporting date

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.

**Kingsgrove RSL Club Limited**

ABN 32 000 463 196

**Directors' Report**

**31 December 2024**

**Meetings of directors**

During the financial year, 16 meetings of directors (including special meetings) were held. Attendances by each director during the year were as follows:

	Monthly Meetings		Special Meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Mr Alan Barnes OAM	12	12	4	3
Mr Tas Aronis	12	12	4	4
Mr Michael Bougoukas	12	12	4	4
Mr Bruce Geerin	12	12	4	4
Mrs Katriona Gilbert	12	9	4	2
Mr Anthony George Harris	12	11	4	3
Mr Peter Merlino	12	12	4	4
Mr Phillip Pollard	12	12	4	3

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

Director: .....  .....

Dated this 19th day of February 2025



**AUDITORS' INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF  
KINGSGROVE RSL CLUB LTD**

We declare that, to the best of our knowledge and belief, during the year ended 31 December 2024 there have been:

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



Geoffrey Smith – Partner

**Vidal O'Brien & Co.**

Suite 703, 189 Kent St, Sydney NSW 2000

Dated: 19th day of February 2025

# Kingsgrove RSL Club Limited

ABN 32 000 463 196

## Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 December 2024

		2024	2023
	Note	\$	\$
Revenue	4	12,310,127	11,158,985
Other income	4	21,697	70,156
Changes in inventories of finished goods		10,917	(2,712)
Direct costs		(1,067,543)	(1,049,749)
Advertising expenses		(69,570)	(56,293)
Poker machine license and taxes		(1,870,724)	(1,620,269)
Employee benefits expense		(3,942,950)	(3,685,067)
Other expenses		(3,632,361)	(3,357,859)
<b>Earnings before depreciation and finance cost</b>		<b>1,759,593</b>	<b>1,457,192</b>
Depreciation and amortisation expense		(1,290,826)	(1,223,579)
Finance expenses		(224,396)	(94,969)
<b>Profit before income tax</b>		<b>244,371</b>	<b>138,644</b>
Income tax benefit/(expense)	5	54,363	37,720
<b>Profit from continuing operations</b>		<b>298,734</b>	<b>176,364</b>
<b>Profit for the year</b>		<b>298,734</b>	<b>176,364</b>
<b>Other comprehensive income, net of income tax</b>			
<b>Total comprehensive income for the year</b>		<b>298,734</b>	<b>176,364</b>

The accompanying notes form part of these financial statements.



# Kingsgrove RSL Club Limited

ABN 32 000 463 196

## Statement of Financial Position

As At 31 December 2024

	Note	2024 \$	2023 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	6	2,271,112	2,259,870
Trade and other receivables	7	114,620	184,959
Inventories	8	71,441	60,524
Current tax receivable	15	10,978	-
Other assets		264,885	177,471
TOTAL CURRENT ASSETS		<u>2,733,036</u>	<u>2,682,824</u>
NON-CURRENT ASSETS			
Property, plant and equipment	9	28,298,866	28,622,720
Deferred tax assets		204,755	194,746
Intangible assets	10	887,757	887,757
TOTAL NON-CURRENT ASSETS		<u>29,391,378</u>	<u>29,705,223</u>
TOTAL ASSETS		<u>32,124,414</u>	<u>32,388,047</u>
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	11	946,891	957,572
Borrowings	12	534,668	502,879
Current tax liabilities	15	-	20,324
Short-term provisions	13	433,748	448,494
TOTAL CURRENT LIABILITIES		<u>1,915,307</u>	<u>1,929,269</u>
NON-CURRENT LIABILITIES			
Borrowings	12	2,034,017	2,564,552
Deferred tax liabilities		1,024,565	1,093,191
Long-term provisions	13	438,125	387,369
TOTAL NON-CURRENT LIABILITIES		<u>3,496,707</u>	<u>4,045,112</u>
TOTAL LIABILITIES		<u>5,412,014</u>	<u>5,974,381</u>
NET ASSETS		<u>26,712,400</u>	<u>26,413,666</u>
<b>EQUITY</b>			
Reserves		9,167,537	9,167,537
Retained earnings		17,544,863	17,246,129
TOTAL EQUITY		<u>26,712,400</u>	<u>26,413,666</u>

The accompanying notes form part of these financial statements.

# Kingsgrove RSL Club Limited

ABN 32 000 463 196

## Statement of Changes in Equity For the Year Ended 31 December 2024

2024

	<b>Retained Earnings</b>	<b>Reserves</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at 1 January 2024</b>	<b>17,246,129</b>	<b>9,167,537</b>	<b>26,413,666</b>
Profit attributable to the entity	<b>298,734</b>	<b>-</b>	<b>298,734</b>
<b>Balance at 31 December 2024</b>	<b>17,544,863</b>	<b>9,167,537</b>	<b>26,712,400</b>

2023

	<b>Retained Earnings</b>	<b>Reserves</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at 1 January 2023</b>	<b>17,069,765</b>	<b>9,167,537</b>	<b>26,237,302</b>
Profit attributable to the entity	<b>176,364</b>	<b>-</b>	<b>176,364</b>
<b>Balance at 31 December 2023</b>	<b>17,246,129</b>	<b>9,167,537</b>	<b>26,413,666</b>

The accompanying notes form part of these financial statements.

# Kingsgrove RSL Club Limited

ABN 32 000 463 196

## Statement of Cash Flows For the Year Ended 31 December 2024

	2024	2023
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipt from customers	13,441,964	12,244,181
Payment to suppliers and employees	(11,796,891)	(10,412,005)
Interest received	111,857	98,067
Borrowing cost paid	(224,396)	(94,969)
Income tax paid	(55,574)	(134,957)
Net cash provided by/(used in) operating activities	20 <u>1,476,960</u>	<u>1,700,317</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from sales of PPE	109,174	167,450
Payments for PPE	(1,076,146)	(3,969,088)
Net cash provided by/(used in) investing activities	<u>(966,972)</u>	<u>(3,801,638)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from/(repayments of) borrowings	(498,746)	2,151,920
Net cash provided by/(used in) financing activities	<u>(498,746)</u>	<u>2,151,920</u>
Net increase/(decrease) in cash and cash equivalents held	11,242	50,599
Cash and cash equivalents at beginning of year	<u>2,259,870</u>	<u>2,209,271</u>
Cash and cash equivalents at end of financial year	6 <u><u>2,271,112</u></u>	<u><u>2,259,870</u></u>

The accompanying notes form part of these financial statements.

# Kingsgrove RSL Club Limited

ABN 32 000 463 196

## Notes to the Financial Statements For the Year Ended 31 December 2024

The financial reports covers Kingsgrove RSL Club Limited as an individual entity. Kingsgrove RSL Club Limited is a profit proprietary company incorporated and domiciled in Australia.

The principal activities of the Company for the year ended 31 December 2024 were that of a licensed club conducted for members and guests.

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

The financial report was authorised for issue by the Directors on 19 February 2025.

Comparatives are consistent with prior years, unless otherwise stated.

### 1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Corporations Act 2001*.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

### 2 Summary of Material Accounting Policy Information

#### Revenue and other income

Revenue is recognised when the business is entitled to it.

#### Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

#### Specific revenue streams

#### Sales of goods

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and is no longer any ownership or effective control over the goods.

# Kingsgrove RSL Club Limited

ABN 32 000 463 196

## Notes to the Financial Statements For the Year Ended 31 December 2024

### 2 Summary of Material Accounting Policy Information

#### Revenue and other income

##### Rental income

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

##### Interest income

Interest income is recognised using the effective interest rate method.

##### Rendering of service

Revenue in relation to rendering of services is recognised depends on whether the outcome of the services can be measured reliably. If this is the case then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period. If the outcome cannot be reliably measured then revenue is recognised to the extent of expenses recognised that are recoverable.

##### Other income

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

##### Income tax

Under present legislation, income derived by the company from members is not assessable to income tax. Income tax liabilities arise in respect of income derived from non-members and investments less certain allowable deductions. Commission income is now assessable in full and not subject to the member/non-member principle.

##### Property, plant and equipment

Items of property, plant and equipment are depreciated over their useful lives using the straight line method.

Lease assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

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

<b>Fixed asset class</b>	<b>Depreciation rate</b>
Buildings	2.00%
Plant and Equipment	3.75-40.00%
Leased plant and equipment	10.00-30.00%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

# Kingsgrove RSL Club Limited

ABN 32 000 463 196

## Notes to the Financial Statements For the Year Ended 31 December 2024

### 2 Summary of Material Accounting Policy Information

#### Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

#### Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

##### *Classification*

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

##### *Amortised cost*

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

- financial assets measured at amortised cost

##### *Trade receivables*

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

# Kingsgrove RSL Club Limited

ABN 32 000 463 196

## Notes to the Financial Statements For the Year Ended 31 December 2024

### 2 Summary of Material Accounting Policy Information

#### Financial instruments

##### Financial assets

*Other financial assets measured at amortised cost*

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

##### Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade and other payables, borrowings and tax liabilities.

##### Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

##### Leases

At inception of a contract, the Company assesses whether a lease exists.

*Exceptions to lease accounting*

The Company has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

##### Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 31 December 2024, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

# Kingsgrove RSL Club Limited

ABN 32 000 463 196

## Notes to the Financial Statements For the Year Ended 31 December 2024

### 3 Critical Accounting Estimates and Judgments

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

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

The significant estimates and judgements made have been described below.

#### Key estimates - impairment

The Company assesses impairment at the end of each reporting period by evaluation of 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

### 4 Revenue and Other Income

#### Revenue from continuing operations

	2024	2023
	\$	\$
Revenue from contracts with customers (AASB 15)		
- Poker machines - net clearances	9,049,696	8,027,832
- Bar sales	1,165,795	1,143,436
- Cafe sales	1,281,793	1,217,113
	<u>11,497,284</u>	<u>10,388,381</u>
Other revenue		
- Interest received	111,857	98,068
- Other revenue	700,986	672,536
	<u>812,843</u>	<u>770,604</u>
<b>Total Revenue</b>	<u><u>12,310,127</u></u>	<u><u>11,158,985</u></u>

	2024	2023
	\$	\$
Other Income		
- Gain/(Loss) on sale of fixed assets	21,697	70,156
	<u><u>21,697</u></u>	<u><u>70,156</u></u>



# Kingsgrove RSL Club Limited

ABN 32 000 463 196

## Notes to the Financial Statements For the Year Ended 31 December 2024

### 5 Income Tax Expense

(a) The major components of tax expense (income) comprise:

	2024	2023
	\$	\$
Current tax (benefit)/expense		
Local income tax	24,272	34,285
Deferred tax	(78,635)	(72,005)
	<u>(54,363)</u>	<u>(37,720)</u>

### 6 Cash and Cash Equivalents

	2024	2023
	\$	\$
Cash at bank and in hand	509,314	501,304
Short-term deposits	1,750,000	1,750,000
Deposits at call	11,798	8,566
	<u>2,271,112</u>	<u>2,259,870</u>

### 7 Trade and Other Receivables

	2024	2023
	\$	\$
CURRENT		
GST paid	31,831	12,288
Other receivables	82,789	172,671
<b>Total current trade and other receivables</b>	<u>114,620</u>	<u>184,959</u>

### 8 Inventories

	2024	2023
	\$	\$
CURRENT		
At cost:		
Stock on hand	71,441	60,524
	<u>71,441</u>	<u>60,524</u>

# Kingsgrove RSL Club Limited

ABN 32 000 463 196

## Notes to the Financial Statements For the Year Ended 31 December 2024

### 9 Property, plant and equipment

	2024	2023
	\$	\$
LAND AND BUILDINGS		
Land at valuation	12,887,667	12,887,667
Buildings at cost and valuation	12,592,341	12,488,591
Less accumulated depreciation	(1,840,002)	(1,587,591)
	<u>10,752,339</u>	<u>10,901,000</u>
Total land and buildings	<u>23,640,006</u>	<u>23,788,667</u>
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	7,083,476	6,374,357
Accumulated depreciation	(5,006,010)	(4,206,810)
Total plant and equipment	<u>2,077,466</u>	<u>2,167,547</u>
Poker machine		
At cost	6,515,024	6,648,104
Accumulated depreciation	(3,933,630)	(3,981,598)
	<u>2,581,394</u>	<u>2,666,506</u>
<b>Total property, plant and equipment</b>	<u><u>28,298,866</u></u>	<u><u>28,622,720</u></u>

# Kingsgrove RSL Club Limited

ABN 32 000 463 196

## Notes to the Financial Statements For the Year Ended 31 December 2024

### 9 Property, plant and equipment

#### 9 Property, plant and equipment continued

#### Movements in carrying amounts of property, plant and equipment

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

	Land	Buildings	Plant & Equipment Leased to External Parties	Plant and Equipment	Total
	\$	\$	\$	\$	\$
<b>Year ended 31 December 2024</b>					
Balance at the beginning of year	12,887,667	10,901,000	2,666,506	2,167,547	28,622,720
Additions	-	103,750	537,024	435,372	1,076,146
Disposals	-	-	(109,173)	-	(109,173)
Depreciation expense	-	(252,411)	(512,963)	(525,453)	(1,290,827)
<b>Balance at the end of the year</b>	<b>12,887,667</b>	<b>10,752,339</b>	<b>2,581,394</b>	<b>2,077,466</b>	<b>28,298,866</b>

	Land	Buildings	Plant & Equipment Leased to External Parties	Plant and Equipment	Total
	\$	\$	\$	\$	\$
<b>Year ended 31 December 2023</b>					
Balance at the beginning of year	12,045,000	9,578,101	2,352,041	2,069,519	26,044,661
Additions	842,667	1,557,846	501,740	829,228	3,731,481
Disposals	-	-	70,157	-	70,157
Depreciation expense	-	(234,947)	(257,432)	(731,200)	(1,223,579)
<b>Balance at the end of the year</b>	<b>12,887,667</b>	<b>10,901,000</b>	<b>2,666,506</b>	<b>2,167,547</b>	<b>28,622,720</b>

# Kingsgrove RSL Club Limited

ABN 32 000 463 196

## Notes to the Financial Statements For the Year Ended 31 December 2024

### 10 Intangible Assets

	2024	2023
	\$	\$
Poker machine entitlements Cost	<u>887,757</u>	<u>887,757</u>

### 11 Trade and Other Payables

	2024	2023
	\$	\$
CURRENT		
Trade payables	473,783	461,139
Deposits	9,690	9,950
GST collected	107,174	117,596
Accrued expense	201,471	225,182
Management bonuses	60,000	63,000
Other payables	94,773	80,705
	<u>946,891</u>	<u>957,572</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

### 12 Borrowings

	2024	2023
	\$	\$
CURRENT		
Credit cards	1,086	1,963
Hire purchase loans	533,582	500,916
<b>Total current borrowings</b>	<u>534,668</u>	<u>502,879</u>
	2024	2023
	\$	\$
NON-CURRENT		
Bank loans	1,740,000	2,180,000
Hire purchase loans	294,017	384,552
<b>Total non-current borrowings</b>	<u>2,034,017</u>	<u>2,564,552</u>

# Kingsgrove RSL Club Limited

ABN 32 000 463 196

## Notes to the Financial Statements For the Year Ended 31 December 2024

### 13 Provisions

	2024	2023
	\$	\$
CURRENT		
Annual leave provisions	380,007	391,615
Provision for donations	37,993	45,426
Provision for Poker Machine GST rebate	15,748	11,453
	<u>433,748</u>	<u>448,494</u>
NON-CURRENT		
Long service leave	<u>438,125</u>	<u>387,369</u>

### 14 Reserves

Asset Revaluation Reserve

The asset revaluation reserve records revaluations of non-current assets.

Capital Profit Reserve

The capital profit reserve records capital gains on disposal of non-current assets.

### 15 Tax assets and liabilities

	2024	2023
	\$	\$
Current tax receivable	10,978	-
Income tax payable	-	20,324

# Kingsgrove RSL Club Limited

ABN 32 000 463 196

## Notes to the Financial Statements For the Year Ended 31 December 2024

### 16 Key Management Personnel Disclosures

Directors who have held office during the year are:

Mr Alan Barnes OAM  
Mr Tas Aronis  
Mr Michael Bougoukas  
Mr Bruce Geerin  
Mrs Katriona Gilbert  
Mr George Harris  
Mr Peter Merlino  
Mr Phillip Pollard

#### Key Management Personnel

Key management personnel are the Directors and Executives of Kingsgrove RSL Club Limited. Compensation paid to key management personnel during the year is as follows:

	2024	2023
	\$	\$
Short-term employee benefits	488,570	445,180
Long-term benefits	275,745	275,883
	<u>764,315</u>	<u>721,063</u>

### 17 Auditors' Remuneration

	2024	2023
	\$	\$
Remuneration of the auditor, for:		
- auditing services	26,684	25,775
- other services	3,293	6,000
<b>Total</b>	<u>29,977</u>	<u>31,775</u>

### 18 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2024 (31 December 2023:None).

# Kingsgrove RSL Club Limited

ABN 32 000 463 196

## Notes to the Financial Statements For the Year Ended 31 December 2024

### 19 Related Parties

The Company's main related parties are as follows:

Key management personnel - refer to Note 16.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or 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:

MSK Service Centre, of which Michael Bougoukas is the proprietor, provided vehicle services for the year to the value of \$4,028

George Harris provided relief Bingo Compere services throughout the year to the value of \$1,280

### 20 Cash Flow Information

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

Reconciliation of net income to net cash provided by operating activities:

	2024	2023
	\$	\$
Profit for the year	298,734	176,364
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation and amortisation	1,290,826	1,223,579
Changes in assets and liabilities:		
- (increase)/decrease in other assets	(17,075)	(64,446)
- (increase)/decrease in inventories	(10,917)	2,712
- increase/(decrease) in trade and other payables	(10,681)	356,113
- increase/(decrease) in income taxes payable	(31,302)	(57,743)
- increase/(decrease) in deferred tax liability	(78,635)	(73,779)
- increase/(decrease) in provisions	36,010	103,232
Cashflows from operations	<u>1,476,960</u>	<u>1,666,032</u>

### 21 Events After the End of the Reporting Period

The financial report was authorised for issue on 19 February 2025 by the Board of Directors.

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

## **Kingsgrove RSL Club Limited**

ABN 32 000 463 196

# **Notes to the Financial Statements**

## **For the Year Ended 31 December 2024**

### **22 Statutory Information**

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

Kingsgrove RSL Club Limited  
8 Brocklehurst Lane  
Kingsgrove NSW 2208

### **23 Registered Clubs Act 1976**

Section 41J(2):

The Property of the Club consists of:

**Core Property:**

4-10 Brocklehurst Lane, Kingsgrove NSW: Club Premises and multi-level car park.  
3-5 Aspinall Street, Shoalhaven Heads NSW: Holiday Units.

**Non-Core Property:**

7 Aspinall Street, Shoalhaven Heads NSW: Rental Property.  
11 The Avenue, Kingsgrove NSW: Rental Property.



## Kingsgrove RSL Club Limited

ABN 32 000 463 196

### Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 6 to 22, are in accordance with the *Corporations Act 2001* and:
  - a. comply with Australian Accounting Standards - Simplified Disclosure Standard; and
  - b. give a true and fair view of the financial position as at 31 December 2024 and of the performance for the year ended on that date of the Company.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Director ...



Dated: 19th February 2025



**INDEPENDENT AUDIT REPORT  
TO THE DIRECTORS OF KINGSGROVE RSL CLUB LTD  
ABN 32 000 463 196**

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

**Opinion**

We have audited the financial report of Kingsgrove RSL Club Ltd, (the company) which comprises the statement of financial position as at 31 December 2024 and the statement of profit or loss and other comprehensive income and statement of cash flows and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

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

- a. Giving a true and fair view of the company's financial position as at 31 December 2024 and of its financial performance for the year ended; and
- b. Complying with Australian Accounting Standards - Simplified Disclosures 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 Auditors' Responsibilities for the Audit of the Financial Report section of our report. We are independent of the company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditors' 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 is the directors' report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, 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 (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards- Simplified Disclosures 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 relating 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.

### **Auditors' Responsibility 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 auditors' 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 auditors' 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 auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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



Geoffrey Smith – Partner

**Vidal O'Brien & Co.**

Suite 703, 189 Kent St, Sydney NSW 2000

Dated: 19th day of February 2025