

**Narrabri RSL Memorial & Citizens
Club Limited**

ANNUAL REPORT 2017



Notice of Annual General Meeting 2017

Notice is hereby given that the Annual General Meeting of the Club will be held at 6.pm on Thursday 26th October 2017, in the RSL Club Function Room .

BUSINESS:

- (a) To confirm the minutes of the previous Annual General Meeting.
- (b) To received and consider the Financial Statements, Directors Report and Auditors Report for the year ended 30th June 2017.
- (c) To deal with any notice of motion.
- (d) To deal with any other business that the meeting may approve of, and of which due notice has not been given.

All business and notices of motion to be dealt with at the Annual General Meeting shall be handed to the Company Secretary at least 30 days prior to the date of such meeting.

Paul Gordon
CEO

One Awesome Club !! **Two Fabulous Venues !!**

**You are a member of Narrabri's Premium Club.
If you are a RSL regular, check out the Golfie!
If you are a Golfie regular, check out the RSL!
You'll meet new friends, with similar interests.**

**If you've never tried Golf, give it a shot.
We'll even loan you some clubs and shout your first round.**

**Our Doctor told
us to take our
IRON
everyday
and to
live on
GREENS !**



President's Report 2017

It is with great pleasure that I present my first report of our new amalgamated club.

The past year has been both exciting and challenging as we have worked towards uniting the Narrabri Golf Club and the Narrabri RSL Club for the betterment of our town & district. Our Annual report will reveal a net profit of \$1,676,955.65 which on face value would seem amazing. Further analysis shows that the acquisition of the Golf Club contributed \$1,437,525.56 in Land and Buildings, which inflated our profit figure. The more realistic trading profit figure of \$239,430.09 compares favourably with past years and reflects the health of the business.

Obviously the year has been one of milestones, the Amalgamation being the most significant. Other achievements include the facelift on the outside of the RSL Club which looks fantastic, painting of the auditorium, and some minor refurbishment of the Golfie to improve members comfort.

The RSL Club is the financial backbone of the company, and your Board are committed to continuing to improve the club's facilities, whilst maintaining a strong financial status. Our challenge is to improve the Golfie, both financially and physically (Clubhouse & Course). The Golfie is a great asset to the company and has enormous potential for growth as a family venue, functions and sports facility. There is no doubt that it will require a makeover and the support of all members of the club to help it prosper.

There are so many people to thank for their effort and commitment to our great club this year. To our management team Paul, Sharon & Tony your guidance and enthusiasm this year has been extraordinary. Special thanks to Wade for his above and beyond contribution to the Golfie, and our supervisors and staff at both venues I pass on the thanks of all our members. Our caterers Dan and his team at the RSL, and James and his team at the Golfie, I say congratulations on the quality meals that you provide to our members and guests. A special thank you to the match committee at the Golfie for your valuable support during a difficult time. To Gail and the outgoing Board of the Golf Club I pass on our thanks for the foresight shown in instigating the amalgamation. You have worked under duress and your commitment to the Golf Club and focus on the big picture has positioned it for a much brighter future. To my Board of Directors, thank you for another year of significant contribution in overseeing the business. A final thank you to our Past President Barry for his amazing years of service and dedication to our club. You have given selflessly of your time and expertise for over 30 years, and to you and retiring Director Helen Hanns, I pass on the sincere appreciation of our members.

In closing I thank our members for their support and wish to impress on you that we are now ONE club with two venues, and I urge all members to support both. If you step outside your comfort zone, you will meet new people with common goals and experience the best of both worlds.

Bruce O'Hara
Chairman of the Board.

NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED
ABN 41 001 030 593

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

DIRECTORS REPORT
FOR THE YEAR ENDED 30 JUNE 2017

Your directors present their report on the company for the financial year ended 30 June 2017.

Principal Activities

The company's principal activities are the operation of a Registered Club. During the year the Club amalgamated with the Narrabri Golf Club Ltd. The principal objective of the club is to provide members with amenities within the combined entity.

Short Term Objectives of the Company

The company has identified the following short term objectives:

- To provide services to members commensurate with industry needs and regulatory requirements.
- To continue to lobby the government to ensure a fair go for the registered club industry.
- To promote the registered club industry.
- To meet financial viability and accountability requirements.
- To provide workplaces that are compliant with industry standards and the Fair Work Act.
- To continue to improve the members facilities including refurbishment of the clubs buildings in line with the Club's business

The company has adopted the following strategies for achievement of these short term objectives:

- The preparation of a business and strategic plan that identifies the future for the club and the initiatives that will need to be implemented to promote the club.
- The preparation of an annual budget for financial performance and the regular review of the company's performance against the budget by management and directors.
- The review of the company compliance with work health and safety and compliance with employment law including the Fair Work Act.
- Completion of a business plan and development of a master plan.

Long Term Objectives of the Company

The company has identified the following long term objectives:

- To ensure a sustainable industry in the local community with the provision of facilities and amenities at the RSL Club and Golfie.
- To diversify the club operations.
- To continue to be financially secure.
- To grow the company operations in accordance with members interests.
- To implement the business plan and master plan.

The company has adopted the following strategies for achievement of these long term objectives:

- The preparation of a business and strategic plan to identify the opportunities and strengths of the company and provide a sustainable industry.
- The preparation of a marketing plan to communicate and promote the industry.
- The preparation of long term budgets that consider the member service needs, infrastructure needs, service delivery, employment costs and maintaining prudent levels of working capital and liquidity in investment of funds surplus to current needs.

DIRECTORS REPORT
FOR THE YEAR ENDED 30 JUNE 2017

Performance Measurement

The company uses the following key performance indicators to measure performance:

- Profit, after income tax expense for the financial year was \$1,676,956 (2016: \$331,672). The profit after income tax expense in 2017 includes a gain on business combination of \$1,437,526.
- Cash flow provided from operating activities for the financial year was \$517,390 (2016: \$676,497).
- Membership for the financial year was 3,073 (2016: 3,242).
- EBITDARD (Earnings Before Interest Tax Depreciation Amortisation Rent and Donations) was 19.52% (2016: 23.54%)
- The company has complied with all Work Health and Safety, Employment and Environmental reviews conducted by external regulatory bodies.

Directors Information

Directors

The names of the directors in office at any time during, or since the end of, the year and the period that each director has been in office:

Directors Name	Special Responsibilities	Period as Director	Qualifications and Experience
Bruce O'Hara	President	11 years	Licensed Stock and Station Real Estate Agent, Branch Manager.
Stephen Johnson	Vice President	13 years	39 years self employed, registered electrician and plumber.
Raymond Kebby	Director	22 years	Welder by trade.
Gary Mason	Director	11 years	20 years as R.A.N engineer, 25 years safety inspector for Work Cover NSW, Justice of the Peace, 10 years Secretary/Treasurer of Narrabri RSL sub branch.
Ian McCarron	Director	23 years	Business proprietor.
John Watling	Director	13 years	Retired, Registrar of the Court/Chamber Magistrate/Coroner, Justice of the Peace.
Sally Phelps	Director	1 year	Bookkeeping provider for 25 years, ANZ Bank 7 years, Justice of the Peace.
Barry Stanford	President	30 years (Resigned 6 October 2016)	Retired, 38 years as Store Manager.
Helen Hanns	Director	20 years (Resigned 6 October 2016)	14 years as Hospital assistant, 16 years famers' assistant.

Company Secretary

Paul Gordon was appointed the company secretary on 5 December 1988. Paul has over 30 years experience in the registered clubs industry.

NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED
ABN 41 001 030 593

DIRECTORS REPORT
FOR THE YEAR ENDED 30 JUNE 2017

Meetings of Directors

During the financial year, 14 meetings of directors (including committees of directors) were held and the attendances by each director during the year were as follows:

	Directors' Meetings	
	Eligible to attend	Number attended
Bruce O'Hara	14	14
Stephen Johnson	14	12
Raymond Kebby	14	11
Gary Mason	14	11
Ian McCarron	14	12
John Watling	14	9
Sally Phelps	14	10
Barry Stanford	5	4
Helen Hanns	5	3

Membership Details

The company is incorporated as a company limited by guarantee that requires the members of the company to contribute \$2 per member towards the company liabilities on the winding up of the company. These membership numbers are at 30 June 2017.

Membership Class	Number of Members	Individual Members Contribution on winding up of Company	Total Members Contribution on winding up of Company
Life members	7	\$ 2	\$ 14
Ordinary members	2,777	\$ 2	\$ 5,554
Golf members	289	\$ 2	\$ 578
Total	3,073	\$ 2	\$ 6,146

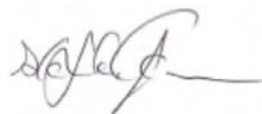
Auditors' Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is attached to these financial statements.

Signed in accordance with a resolution of the Board of Directors



Bruce O'Hara
 Director



Stephen Johnson
 Director

Dated: 11 October 2017

**AUDITORS' INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATION ACT 2001
TO THE DIRECTORS OF
NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED**

ABN 41 001 030 593

I declare that, to the best of my knowledge and belief, during the financial year to 30 June 2017 there has been:

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

CROWE HORWATH CENTRAL NORTH



Kylie Ellis
Audit Partner
Registered Company Auditor (ASIC RAN 483424)
90 Rusden Street
ARMIDALE NSW 2350

Dated: 11 October 2017

NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED
ABN 41 001 030 593

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
Sales revenue	2	958,872	863,997
Cost of goods sold		<u>(407,868)</u>	<u>(350,442)</u>
Gross profit		<u>551,004</u>	<u>513,555</u>
Other revenue	2	2,512,776	2,589,015
Gain on business combination	2, 22	1,437,526	-
Administration expenses		(196,447)	(184,002)
Advertising expenses		(107,259)	(112,202)
Depreciation, amortisation and impairments	3	(512,634)	(453,022)
Employee benefits expenses		(1,018,663)	(1,020,871)
Gaming expenses		(452,368)	(466,881)
Occupancy expenses		(336,303)	(307,695)
Other expenses		(292,536)	(221,811)
Loss on sale of assets		<u>(4,114)</u>	<u>(6,476)</u>
Profit before income tax expense		<u>1,580,982</u>	<u>329,610</u>
Income tax revenue	1(a), 4	<u>95,974</u>	<u>536</u>
Profit after income tax expense		<u>1,676,956</u>	<u>330,146</u>
<u>Other comprehensive income</u>			
Other comprehensive income - gain on investment		-	1,526
Other comprehensive income for the year, net of tax		-	1,526
Total comprehensive income for the year		<u>\$ 1,676,956</u>	<u>\$ 331,672</u>
Total comprehensive income attributable to members of the entity		<u>\$ 1,676,956</u>	<u>\$ 331,672</u>

NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED
ABN 41 001 030 593

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

	Note	2017 \$	2016 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	2,039,485	1,753,275
Trade and other receivables	6	34,330	15,215
Inventories	7	89,957	48,176
Financial assets	8	23,928	-
Other current assets	9	27,085	-
TOTAL CURRENT ASSETS		2,214,785	1,816,666
NON CURRENT ASSETS			
Property, plant and equipment	10	5,420,447	4,723,919
Deferred tax asset	11	135,907	39,933
Intangible assets	12	1,099,775	450,915
TOTAL NON CURRENT ASSETS		6,656,129	5,214,767
TOTAL ASSETS		8,870,914	7,031,433
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	342,143	316,098
Borrowings	14	35,478	1,209
Provisions	15	519,902	428,631
Other liabilities	16	19,954	120
TOTAL CURRENT LIABILITIES		917,477	746,058
NON CURRENT LIABILITIES			
Borrowings	14	9,541	-
Provisions	15	6,331	22,844
Other liabilities	16	20,116	22,038
TOTAL NON CURRENT LIABILITIES		35,988	44,882
TOTAL LIABILITIES		953,465	790,940
NET ASSETS		\$ 7,917,449	\$ 6,240,493
EQUITY			
Retained earnings		7,917,449	6,240,493
TOTAL EQUITY		\$ 7,917,449	\$ 6,240,493

NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED
ABN 41 001 030 593

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017

	Retained Earnings \$	Total \$
Balance at 1 July 2015	5,908,821	5,908,821
Profit after income tax expense	330,146	330,146
Total other comprehensive income for the year	<u>1,526</u>	<u>1,526</u>
Balance at 30 June 2016	<u>\$ 6,240,493</u>	<u>\$ 6,240,493</u>
Profit after income tax expense	1,676,956	1,676,956
Total comprehensive income for the year	<u>-</u>	<u>-</u>
Balance at 30 June 2017	<u>\$ 7,917,449</u>	<u>\$ 7,917,449</u>

NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED
ABN 41 001 030 593

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		3,623,551	3,744,549
Payments to suppliers and employees		(3,130,713)	(3,118,038)
Interest received		24,552	20,029
Income tax paid		-	29,957
Net cash provided by (used in) operating activities		<u>517,390</u>	<u>676,497</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		17,271	-
Purchase of property, plant and equipment		(173,333)	(323,417)
Purchase of intangible assets		(95,000)	(50,287)
Purchase of financial assets		(23,928)	4,047
Net cash used in investing activities		<u>(274,990)</u>	<u>(369,657)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		46,693	-
Repayment of borrowings		(2,883)	-
Net cash provided by financing activities		<u>43,810</u>	<u>-</u>
Net increase in cash held		286,210	306,840
Cash at the beginning of the financial year		<u>1,753,275</u>	<u>1,446,435</u>
Cash at the end of the financial year	5 (a)	<u>\$ 2,039,485</u>	<u>\$ 1,753,275</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 1: Statement of Significant Accounting Policies

Basis of Preparation

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

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for not-for-profit oriented entities.

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

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

The financial statements were authorised for issue on 11 October 2017 by the directors of the company.

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Accounting Policies

(a) Revenue

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvements in those goods.

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

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

(b) 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 the profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income 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.

Deferred tax assets and liability are calculated at the tax rates that are expected to apply for 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.

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.

The mutuality principle has been applied to the income tax calculation of the Club.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 1: Statement of Significant Accounting Policies

(c) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchange or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled with 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

(d) 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.

(e) Inventories

Inventory is recorded on a first in first out (FIFO) basis. Inventories are measured at the lower of cost and net realisable value.

(f) Property, Plant and Equipment

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

Property

Freehold land and buildings are shown at cost less subsequent depreciation for buildings.

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 1: Statement of Significant Accounting Policies

Depreciation

The depreciable amount of all fixed assets including building and capitalised leased assets, but excluding freehold land, is depreciated on a prime cost basis over their useful lives to the company commencing from the time the asset is held ready for use.

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

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Plant and equipment	13 - 40%
Furniture, fixtures and fittings	7.5 - 33%
Carpet and curtains	25 - 30%
Restaurant and kitchen equipment	15 - 33%
Poker machines	20 - 50%

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

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

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

(g) Intangibles

Poker Machine Entitlements

The poker machine entitlements shown in the accounts represent licences purchased by the club. The company holds other poker machine entitlements that potentially have a market value. If the company were to be wound up or the number of entitlements were in excess of requirements then the poker machine entitlements would be able to be sold at the prevailing market price. Poker machine entitlements are intangible assets classified with an indefinite life. The intangible asset is subject to annual impairment testing to the higher of fair value less related costs to sell and value in use.

Water Licences

The water licences held by the club are recorded at cost. The water licences are subject to annual impairment testing to the higher of fair value less related costs to sell and value in use.

(h) Impairment of Assets

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use to the asset's carrying value. Any excess of the asset's carrying value of its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

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

Impairment testing is performed annually for intangible assets with indefinite lives.

(i) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 1: Statement of Significant Accounting Policies

(j) 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.

(k) Employee Benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are recognised in non-current liabilities, provided there is an unconditional right to defer settlement of the liability. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government or commercial bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

(l) Goods and Services Tax

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). In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense. 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.

Commitments and contingencies are disclosed on a gross basis.

(m) Comparative Figures

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

(n) Membership Subscriptions

The accrual method of accounting has been adopted whereby subscriptions received in advance are brought into account as a liability of the Club.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 1: Statement of Significant Accounting Policies

(o) Critical Accounting Estimates and Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Employee benefits provision

As discussed in note 1 (k), the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

(p) Business Combination

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets and liabilities transferred. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date.

(q) New, revised or amending Accounting Standards and Interpretations adopted

The company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
Note 2: Revenue			
Sales revenue:			
Bar trading		<u>958,872</u>	<u>863,997</u>
Total sales revenue		<u>958,872</u>	<u>863,997</u>
Other revenue:			
Commissions received		23,216	24,051
Donations		2,247	134,733
Golf income		29,122	-
Interest received		24,552	20,029
Member subscriptions		11,743	11,812
Poker machine revenue		2,191,823	2,182,156
Rental revenue for property investment		9,880	10,016
TAB, Keno and promotions income		194,458	201,617
Other revenue		<u>25,735</u>	<u>4,601</u>
Total other revenue		<u>2,512,776</u>	<u>2,589,015</u>
Gain on business combination		<u>1,437,526</u>	-
Total revenue		<u>\$ 4,909,174</u>	<u>\$ 3,453,012</u>
Note 3: Profit for the Year			
(a) Significant expenses:			
Cost of sales		407,868	350,442
Depreciation		512,634	453,022
Electricity		119,961	113,444
Poker machine duty		329,135	329,335
Repairs and maintenance		110,398	91,084
Salaries and wages		908,832	890,554
Superannuation		95,945	97,100
(b) Remuneration of auditor			
- audit of the financial report		22,470	19,600
- other non audit services		<u>5,510</u>	-
		<u>\$ 27,980</u>	<u>\$ 19,600</u>
Note 4: Income Tax Revenue/Expense			
(a) The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:			
Prime facie tax payable on profit from ordinary activities before income tax at 30% (2016: 30%)		474,295	99,341
Less tax effect of:			
- Non-deductible and non-assessable items		<u>(570,269)</u>	<u>(99,877)</u>
		<u>\$ (95,974)</u>	<u>\$ (536)</u>

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
Note 5: Cash and Cash Equivalents			
Cash on hand		73,137	60,558
Cash at bank		823,791	451,752
Deposits at call		1,142,557	1,240,965
	5(a)	<u>\$ 2,039,485</u>	<u>\$ 1,753,275</u>
 (a) Reconciliation of cash and cash equivalents			
Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:			
Cash and cash equivalents		<u>2,039,485</u>	<u>1,753,275</u>
		<u>\$ 2,039,485</u>	<u>\$ 1,753,275</u>
 Note 6: Trade and Other Receivables			
CURRENT			
Trade receivables		<u>34,330</u>	<u>15,215</u>
		<u>\$ 34,330</u>	<u>\$ 15,215</u>
 Note 7: Inventories			
CURRENT			
Stock on hand		<u>89,957</u>	<u>48,176</u>
		<u>\$ 89,957</u>	<u>\$ 48,176</u>
 Note 8: Financial assets			
Held-to-maturity financial assets		<u>23,928</u>	<u>-</u>
Current portion		<u>\$ 23,928</u>	<u>\$ -</u>
 (a) Held-to-maturity financial assets comprise:			
- term deposits		<u>\$ 23,928</u>	<u>\$ -</u>
 Held-to-maturity financial assets comprise term deposits with financial institutions. There are fixed rate returns upon maturity of these assets.			
 Note 9: Other Assets			
CURRENT			
Other assets		<u>27,085</u>	<u>-</u>
		<u>\$ 27,085</u>	<u>\$ -</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
Note 10: Property, Plant & Equipment			
Land and Buildings (at cost)			
Freehold land		<u>1,049,738</u>	<u>549,738</u>
Buildings		<u>4,034,482</u>	<u>3,597,291</u>
Less: Accumulated depreciation		<u>(721,736)</u>	<u>(600,824)</u>
		<u>3,312,746</u>	<u>2,996,467</u>
Total Land and Buildings		<u>4,362,484</u>	<u>3,546,205</u>
Plant, Equipment & Fittings (at cost)			
Plant and equipment		<u>1,265,395</u>	<u>1,151,273</u>
Less: Accumulated depreciation		<u>(967,912)</u>	<u>(851,722)</u>
		<u>297,483</u>	<u>299,551</u>
Furniture, fixture and fittings		<u>186,785</u>	<u>186,785</u>
Less: Accumulated depreciation		<u>(161,894)</u>	<u>(155,961)</u>
		<u>24,891</u>	<u>30,824</u>
Carpet and curtains		<u>94,640</u>	<u>91,291</u>
Less: Accumulated depreciation		<u>(82,182)</u>	<u>(77,288)</u>
		<u>12,458</u>	<u>14,003</u>
Restaurant and kitchen equipment		<u>854,335</u>	<u>854,335</u>
Less: Accumulated depreciation		<u>(573,485)</u>	<u>(540,818)</u>
		<u>280,850</u>	<u>313,517</u>
Poker machines		<u>1,714,820</u>	<u>1,581,862</u>
Less: Accumulated depreciation		<u>(1,272,539)</u>	<u>(1,062,043)</u>
		<u>442,281</u>	<u>519,819</u>
Total Plant, Equipment and Fittings		<u>1,057,963</u>	<u>1,177,714</u>
Total Property, Plant & Equipment		<u>\$ 5,420,447</u>	<u>\$ 4,723,919</u>

(a) Movements in carrying amounts

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

	Land and Buildings \$	Plant and Equipment \$	Total \$
Balance at the beginning of the year	3,546,205	1,177,714	4,723,919
Additions	7,191	166,142	173,333
Additions via business combination	930,000	114,486	1,044,486
Disposals	-	(8,657)	(8,657)
Depreciation expense	<u>(120,912)</u>	<u>(391,722)</u>	<u>(512,634)</u>
Carrying amount at the end of the year	<u>\$ 4,362,484</u>	<u>\$ 1,057,963</u>	<u>\$ 5,420,447</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
Note 11: Tax Assets			
NON CURRENT			
Deferred tax asset - opening balance		39,933	39,397
Charge to statement of profit or loss and other comprehensive income		95,974	536
		<u>\$ 135,907</u>	<u>\$ 39,933</u>
Note 12: Intangible Assets			
Poker machine entitlements (at cost)		678,415	450,915
Less: accumulated impairment losses		-	-
		<u>678,415</u>	<u>450,915</u>
Water licences		421,360	-
Less: accumulated impairment losses		-	-
		<u>421,360</u>	<u>-</u>
		<u>\$ 1,099,775</u>	<u>\$ 450,915</u>

(a) Movements in carrying amounts

	Poker Machine Entitlements \$	Water Licences \$	Total \$
Balance at the beginning of the year	450,915	-	450,915
Additions	-	95,000	95,000
Additions via business combination	232,000	326,360	558,360
Disposals	(4,500)	-	(4,500)
Impairment losses	-	-	-
Carrying amount at the end of the year	<u>\$ 678,415</u>	<u>\$ 421,360</u>	<u>\$ 1,099,775</u>

Poker Machine Entitlements

Poker machine entitlements are assessed as having an indefinite useful life. The measurement and recognition criteria is outlined in Note 1(g) to the financial statements.

Poker machine entitlements have been impairment tested using calculations of the higher of fair value, less costs to realise, and value in use. The directors believe that the carrying amount of poker machine entitlements are not impaired and annual impairment testing was conducted at 30 June 2017.

Water Licences

The water licence is assessed as having an indefinite useful life. The measurement and recognition criteria is outlined in Note 1(g) to the financial statements

The directors believe that the carrying amount of the water licence is not impaired and annual impairment testing will be conducted at each reporting date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
Note 13: Trade and Other Payables			
CURRENT			
Unsecured liabilities:			
Trade payables		171,083	128,603
Sundry payables and accrued expenses		171,060	187,495
		<u>342,143</u>	<u>316,098</u>
		\$ 342,143	\$ 316,098
Note 14: Borrowings			
CURRENT			
Secured liabilities:			
Credit card		-	1,209
Bank overdraft		7,496	-
Lease liability		27,982	-
		<u>35,478</u>	<u>1,209</u>
		35,478	1,209
NON-CURRENT			
Secured liabilities:			
Lease liability		9,541	-
		<u>9,541</u>	<u>-</u>
		9,541	-
Total Borrowings		<u>\$ 45,019</u>	<u>\$ 1,209</u>
		\$ 45,019	\$ 1,209
(a) Total current and non-current secured liabilities:			
Credit card		-	1,209
Bank loan		7,496	-
Lease liability		37,523	-
		<u>45,019</u>	<u>1,209</u>
		\$ 45,019	\$ 1,209

The Club has a corporate credit card facility with Westpac Banking Corporation for \$40,000. At balance date the unused portion of this facility was \$40,000.

Lease liabilities are secured by the underlying assets

The Australian and New Zealand Banking Corporation have provided a guarantee of \$5,000 (2016: \$5,000) to TAB Limited for the Clubs TAB operations.

Note 15: Provisions

CURRENT			
Provision for employee benefits		\$ 519,902	\$ 428,631
NON-CURRENT			
Provision for employee benefits		\$ 6,331	\$ 22,844

Provision for employee benefits

A provision has been recognised for employee entitlements relating to annual and long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits has been included in Note 1 to this report.

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
Note 16: Other Liabilities			
CURRENT			
Subscriptions received in advance		<u>19,954</u>	<u>120</u>
		<u>\$ 19,954</u>	<u>\$ 120</u>
NON-CURRENT			
Subscriptions received in advance		<u>20,116</u>	<u>22,038</u>
		<u>\$ 20,116</u>	<u>\$ 22,038</u>

Note 17: Capital Commitments

(a) Finance Lease Commitments

Payable - minimum lease payments:

- not later than 12 months

27,982

-

- between 12 months and five years

9,541

-

Minimum lease payments

14 (a)

\$ 37,523

\$ -

The company has entered into a number of lease agreements to purchase Electronic Gaming Machines and Golf Equipment, over varying terms of 2 -3 years each.

(b) Capital Expenditure Commitments

As at 30 June 2017, the company had not engaged in any capital commitments.

Note 18: Events After 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.

Note 19: Financial Risk Management

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

The totals for each category of financial instruments measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

Financial assets

Cash and cash equivalents

5

2,039,485

1,753,275

\$ 2,039,485

\$ 1,753,275

Financial liabilities

Financial liabilities at amortised cost:

Trade and other payables

13

342,143

316,098

Borrowings

14

45,019

1,209

\$ 387,162

\$ 317,307

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
--	------	------------	------------

Note 20: Related Party Transactions

Key Management Personnel

The totals of remuneration paid to key management personnel (KMP) during the year are as follows:

Key management personnel compensation		<u>\$ 455,603</u>	<u>\$ 530,395</u>
No. of key management personnel		<u>4</u>	<u>5</u>

Other 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.

Transactions with related parties were:

Stephen Johnson - during the year the Club operated a charge back agreement between the Southern Cross Motel. Stephen Johnson is a director of the company. Net transactions for the year totalled \$22,195 (2016: \$21,868).

Bruce O'Hara - during the year the Club purchased products from Delta Agri Business. Bruce O'Hara is a director of the company. Net Transactions for the year totalled \$10 (2016: \$632).

Paul Gordon - during the year Paul rented a house in Maitland Street owned by the Club.

Note 21: Sub Committees

The economic entity which the Narrabri RSL Memorial & Citizens Club Limited comprises the activities of the Club and the RSL Sporting Body and Legends Bar Fishing Club. The directors are of the opinion that it is impractical to consolidate the activities of the RSL Sporting Club and Legends Bar Fishing Club with those of the Narrabri RSL Memorial & Citizens Club Limited on the basis of materiality. At 30 June 2017, the sub committees have a combined net assets \$38,462 (2016: 30,599) and a combined profit of \$7,863 (2016: \$15,444 profit).

NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED
ABN 41 001 030 593

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 22: Business Combinations

On 4 May 2017, Narrabri RSL Memorial & Citizens Club Limited acquired the operations of Narrabri Golf Club Limited, following the completion of a successful amalgamation process. The combination resulted in a gain of \$1,437,526 being the fair value of the net assets acquired under the business combination.

Details of the acquisition are as follows:

	Fair Value \$
Cash and cash equivalents	78,082
Trade and other receivables	3,471
Inventory	40,871
Other assets	13,679
Property, plant and equipment	1,044,486
Intangible assets	558,360
Trade and other payables	(48,298)
Financial liabilities	(167,131)
Provisions	(74,480)
Other liabilities	(11,514)
Net assets acquired	<u>1,437,526</u>
Goodwill	<u>-</u>
Acquisition-date fair value of the total consideration transferred	<u>\$ 1,437,526</u>
Representing:	
Transfer of net assets	<u>\$ 1,437,526</u>

Note 23: Company Details

The club is incorporated and domiciled in Australia as a company limited by guarantee.

The registered office and principal place of business is:

Narrabri RSL Memorial & Citizens Club Ltd
7-11 Maitland Street
NARRABRI NSW 2390

NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED
ABN 41 001 030 593

DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2017

In the directors' opinion

1. The attached financial statements and notes thereto comply with the Corporations Act 2001, the Australian Accounting Standards - Reduced Disclosure Requirements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
2. The attached financial statements and notes thereto give a true and fair view of the company's financial position as at 30 June 2017 and of its performance for the financial year ended on that date; and
3. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001 by:



Bruce O'Hara
Director



S Johnson
Director

Dated: 11 October 2017

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED**

ABN 41 001 030 593

Opinion

We have audited the accompanying financial report of Narrabri RSL Memorial & Citizens Club Limited (the Company), which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, statement of changes in equity and statements of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the financial report of Narrabri RSL Memorial & Citizens Club Limited is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2017 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements as described in Note 1 and the Corporations Regulations 2001.

Basis for Opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED**

ABN 41 001 030 593

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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_files/ar3.pdf . This description forms part of our auditor's report.

CROWE HORWATH CENTRAL NORTH



Kylie Ellis
Audit Partner
Registered Company Auditor (ASIC RAN 483424)
90 Rusden Street
ARMIDALE NSW 2350

Dated: 19 October 2017

**DISCLAIMER
TO THE MEMBERS OF
NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED**

ABN 41 001 030 593

The additional financial data presented on pages 29 - 34 is in accordance with the books and records of the company which have been subjected to the auditing procedures applied in our statutory audit of the company for the financial year ended 30 June 2017. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Narrabri RSL Memorial & Citizens Club Limited) in respect of such data, including any errors of omissions therein however caused.

CROWE HORWATH CENTRAL NORTH



Kylie Ellis
Audit Partner
Registered Company Auditor (ASIC RAN 483424)
90 Rusden Street
ARMIDALE NSW 2350

Dated: 19 October 2017

NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED
ABN 41 001 030 593

DETAILED TRADING STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

RSL CLUB	2017	2016
	\$	\$
Bar Trading		
Bar sales	897,881	863,997
Less: cost of goods sold	<u>(379,021)</u>	<u>(350,442)</u>
Gross profit	518,860	513,555
Less: wages	<u>(159,650)</u>	<u>(199,768)</u>
Net profit from bar trading	\$ 359,210	\$ 313,787
Gross profit percentage to sales	<u>57.79%</u>	<u>59.44%</u>
Poker Machines		
Poker machine revenue	2,181,665	2,182,156
Less: poker machine wages	(64,676)	(68,160)
Less: poker machine expenses	<u>(419,850)</u>	<u>(431,713)</u>
Net profit	\$ 1,697,139	\$ 1,682,283
Promotions		
Goods sold	100,033	102,781
Less: cost of goods sold	<u>(215,081)</u>	<u>(209,090)</u>
Net loss	\$ (115,048)	\$ (106,309)
Keno		
Keno Income	83,107	87,570
Less: Keno wages	(78,000)	(76,000)
Less: Keno expenses	<u>(6,311)</u>	<u>(10,310)</u>
Net profit/(loss)	\$ (1,204)	\$ 1,260
TAB		
TAB income	8,817	11,266
Less: TAB wages	(37,400)	(29,350)
Less: TAB expenses	<u>(24,539)</u>	<u>(24,858)</u>
Net loss	\$ (53,122)	\$ (42,942)

NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED
ABN 41 001 030 593

DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017

RSL CLUB	2017 \$	2016 \$
Income		
Net profit/(loss) from trading:		
Bar	359,210	313,787
Poker Machine	1,697,139	1,682,283
Promotions	(115,048)	(106,309)
Keno	(1,204)	1,260
TAB	(53,122)	(42,942)
Commissions received	23,061	24,051
Donations	-	134,733
Insurance claims	4,275	-
Interest income	24,552	20,029
Members subscriptions	11,698	11,812
Property income	9,880	10,016
Sundry income	9,806	4,601
Total Income	1,970,247	2,053,321
Expenditure		
<u>Administration Expenses</u>		
Audit and accounting fees	27,980	19,600
Bank charges	3,055	4,001
Cash shortages	155	444
Computer support	44,115	46,639
Directors' expenses	6,356	8,679
Licenses	11,899	7,001
Legal expenses	1,866	785
Postage	4,120	4,043
Printing	2,944	6,404
Stationery	4,178	2,866
Staff amenities	22,262	22,085
Staff amenities (GST free)	6,729	5,915
Staff training	9,286	19,732
Uniform	995	956
Telephone	12,910	12,212
Trade subscriptions	13,731	8,557
Vehicle expenses	14,874	14,083
	187,455	184,002
<u>Advertising & Marketing Expenses</u>		
Advertising	45,026	50,568
Donations	22,292	22,900
Entertainment	35,960	38,026
Floral tributes	205	708
	103,483	112,202

NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED
ABN 41 001 030 593

DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017

RSL CLUB	2017	2016
	\$	\$
<u>Employee Benefits Expenses</u>		
Payroll tax	12,282	10,831
Provision expense - annual leave	12,644	15,208
Provision expense - long service leave	(9,856)	7,178
Superannuation	92,432	97,100
Wages	<u>531,696</u>	<u>517,276</u>
	<u>639,198</u>	<u>647,593</u>
<u>Occupancy Expenses</u>		
Cleaning materials	13,233	11,121
Electricity and heating	112,733	113,444
Insurance	53,118	59,341
Laundry	1,135	1,170
Rates	17,337	20,561
Repairs and maintenance	99,288	91,084
Security	5,008	4,181
Trade waste	<u>8,398</u>	<u>6,793</u>
	<u>310,250</u>	<u>307,695</u>
<u>Other Expenses</u>		
Freight	224	717
Golf club expenses	58,969	-
Property expenses	9,279	2,888
Sundry expenses	<u>1,104</u>	<u>9,116</u>
	<u>69,576</u>	<u>12,721</u>
Loss on sale of assets	<u>4,114</u>	<u>6,476</u>
Total Expenditure	<u>1,314,076</u>	<u>1,270,689</u>
Net Operating Profit before Income Tax Expense and Depreciation	<u>\$ 656,171</u>	<u>\$ 782,632</u>
Less: Depreciation	448,859	453,022
Add: Gain on Business Combination	<u>1,437,526</u>	<u>-</u>
Net Operating Profit before Income Tax Expense	<u>\$ 1,644,838</u>	<u>\$ 329,610</u>

NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED
ABN 41 001 030 593

DETAILED TRADING STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

GOLF CLUB	2017	2016
	\$	\$
Bar Trading		
Bar sales	60,991	-
Less: cost of goods sold	<u>(28,847)</u>	<u>-</u>
Gross profit	<u>32,144</u>	<u>-</u>
Less: wages	<u>(9,415)</u>	<u>-</u>
Net profit from bar trading	<u>\$ 22,729</u>	<u>\$ -</u>
Gross profit percentage to sales	<u>52.70%</u>	<u>0.00%</u>
Poker Machines		
Poker machine revenue	10,158	-
Less: poker machine expenses	<u>(1,424)</u>	<u>-</u>
Net profit	<u>\$ 8,734</u>	<u>\$ -</u>
Promotions		
Goods sold	1,748	-
Less: cost of goods sold	<u>(1,094)</u>	<u>-</u>
Net loss	<u>\$ 654</u>	<u>\$ -</u>
Keno		
Keno Income	753	-
Less: Keno expenses	<u>(244)</u>	<u>-</u>
Net profit/(loss)	<u>\$ 509</u>	<u>\$ -</u>

This statement is to be read in conjunction with the attached disclaimer.
 Figures stated are for 2 months trade subsequent to acquisition.

NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED
ABN 41 001 030 593

DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017

GOLF CLUB	2017	2016
	\$	\$
Income		
Net profit/(loss) from trading:		
Bar	22,729	-
Poker Machine	8,734	-
Promotions	654	-
Keno	509	-
Commissions received	155	-
Donations	2,247	-
Golf income	29,122	-
Members subscriptions	45	-
Sundry income	11,654	-
Total Income	75,849	-
Expenditure		
<u>Administration Expenses</u>		
Bank charges	754	-
Cash shortages	160	-
Computer support	1,765	-
Interest	2,341	-
Licenses	530	-
Printing	618	-
Stationery	(185)	-
Staff amenities	143	-
Staff training	700	-
Telephone	1,146	-
Trade subscriptions	813	-
Vehicle expenses	207	-
	8,992	-
<u>Advertising & Marketing Expenses</u>		
Advertising	219	-
Donations	168	-
Entertainment	3,389	-
	3,776	-

This statement is to be read in conjunction with the attached disclaimer.
 Figures stated are for 2 months trade subsequent to acquisition.

NARRABRI RSL MEMORIAL & CITIZENS CLUB LIMITED
ABN 41 001 030 593

DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017

GOLF CLUB	2017	2016
	\$	\$
<u>Employee Benefits Expenses</u>		
Provision expense - annual leave	(1,313)	-
Provision expense - long service leave	129	-
Superannuation	3,513	-
Wages	27,995	-
	30,324	-
<u>Occupancy Expenses</u>		
Cleaning materials	563	-
Electricity and heating	7,228	-
Insurance	3,823	-
Rates	2,848	-
Repairs and maintenance	11,110	-
Security	(130)	-
Trade waste	611	-
	26,053	-
<u>Other Expenses</u>		
Golf club expenses	5,057	-
Sundry expenses	1,728	-
	6,785	-
Total Expenditure	75,930	-
Net Operating Profit before Income Tax Expense and Depreciation	\$ (81)	\$ -
Less: Depreciation	63,775	-
Net Operating Profit before Income Tax Expense	\$ (63,856)	\$ -

This statement is to be read in conjunction with the attached disclaimer.
 Figures stated are for 2 months trade subsequent to acquisition.