

South Hurstville RSL Club Ltd
16 000 955 626
Financial Statements
For the Year ended 31 December 2017

South Hurstville RSL Club Ltd
16 000 955 626
Directors' Report
for the Year Ended 31 December 2017

The directors present their report on the company for the financial year ended 31 December 2017.

Information on Directors

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

FELTON, Kevin
PAYNE, Terence
FERN, Robyn
BAILEY, Sue
MORRISON, John
THOMSON, Gerald
BUSUTTIL, John
BRUNNING, Robert
CAHILL, Adrian
JONES, Greg
HEMPERGER, Les
WEDES, Patrick
SPEER, Randal
WARE, Paul

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 activities of the company during the financial year were:

Licensed Club Operations

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

Review of Operations

The profit of the company after providing for income tax amounted to \$2,861,589.

The company's operations during the year performed as expected in the opinion of the directors.

Significant Changes in State of Affairs

There have been no significant changes in the state of affairs of the company during the financial year.

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.

South Hurstville RSL Club Ltd
16 000 955 626
Directors' Report
for the Year Ended 31 December 2017

Future Developments and Results

Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

Environmental Issues

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

Indemnification and Insurance of Officers and Auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.

Information on Directors

As at the date of this report the particulars of the qualifications, experience and special responsibilities of the directors are:

DIRECTOR	POSITION	RESPONSIBILITIES, EXPERIENCE & QUALIFICATIONS
G. Jones	President	Director 1 year
K. Felton	Jnr Vice President	Director 15 years
T. Payne J.P.	Treasurer	Director 19 years
R. Fern	Director	Director 19 years
P. Wedes	Director	Director 1 year
R. Speer	Director	Director 1 year
L. Hemperger	Snr Vice President	Director 1 year
P. Ware	Director	Director 1 year
J. Morrison	Director	Director 10 years

Auditor's Independence Declaration

The lead auditor's independence declaration in accordance with section 307C of the Corporations Act 2001, for the year ended 31 December 2017 has been received and is included with the financial statements.

South Hurstville RSL Club Ltd
16 000 955 626
Directors' Report
for the Year Ended 31 December 2017

Members

The number of members of each class registered in the register of members at the date of preparation of this report are:

Life members	8
RSL members	47
Social members	15,792

Meetings of Directors

During the year 12 meetings of directors were held. Absences were by apology or prior leave of absence.

Attendances were:	No. Eligible to attend	Number attended
J. Busutil – retired	4	4
G. Jones	8	8
A. Cahill – retired	4	4
L. Hemperger	8	6
K. Felton	12	11
T. Payne	12	11
R. Fern	12	11
S. Bailey – retired	4	3
P. Wedes	8	7
R. Brunning - retired	4	4
R. Speer	8	6
G. Thomson - retired	4	4
J. Morrison	12	12
P. Ware	8	8

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

G. JONES

Director

T. PAYNE

Director

Dated this.....day of..... 2018

South Hurstville RSL Club Ltd
16 000 955 626
Independent Auditor's Report
to the Members of
South Hurstville RSL Club Ltd

Report on the Financial Report

We have audited the accompanying financial report of South Hurstville RSL Club Ltd (the company), which comprises the statement of financial position as at 31 December 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Financial Report

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

In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that the financial statements comply with International Financial Reporting Standards (IFRS).

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

South Hurstville RSL Club Ltd
16 000 955 626
Independent Auditor's Report
to the Members of
South Hurstville RSL Club Ltd

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of South Hurstville RSL Club Ltd, would be in the same terms if given to the directors as at the date of this auditor's report.

Opinion

In our opinion:

- a. the financial report of South Hurstville RSL Club Ltd is in accordance with the Corporations Act 2001, including:
 - i. giving a true and fair view of the company's financial position as at 31 December 2017 and of its performance for the year ended on that date; and
 - ii. complying with Australian Accounting Standards and the Corporations Regulations 2001; and

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



Andrew Finney
Finncorp Auditors Pty Limited
Suite 7, 2-4 Northumberland Dr, CARINGBAH

Dated this 15th day of February 2018



FINNcorp
AUDITORS PTY LIMITED

Andrew Finney B Com FCA
Peter Cunneen B Bus FCA
Amanda McHugh B Fin Admin CA

Suite 7, 2-4 Northumberland Drive,
Caringbah NSW 2229
PO Box 2606, Taren Point 2229

p 02 9531 0201 f 02 9531 1632
www.finncorp.com.au

ABN 50 161 567 013 Liability limited by a Scheme,
approved under the Professional Standards Legislation

Auditors Independence Declaration Under Section 307C of the Corporations Act 2001

To the Directors of South Hurstville RSL Club Ltd

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2017, there have been:

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

Andrew Finney
Finncorp Auditors Pty Limited
Suite 7, 2-4 Northumberland Dr, CARINGBAH

Dated this 15th day of February 2018

South Hurstville RSL Club Ltd
16 000 955 626
Income Statement
For the Year ended 31 December 2017

	Note	2017 \$	2016 \$
Revenue	2	12,034,187	10,193,854
Expenses excluding Finance Costs	3	9,172,598	8,183,793
Finance Costs	4	-	15,210
Profit Attributable to Members of the Company		<u>2,861,589</u>	<u>1,994,851</u>

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Independent Auditors Report.*

South Hurstville RSL Club Ltd
16 000 955 626
Statement of Financial Position
As at 31 December 2017

	Note	2017 \$	2016 \$
Current Assets			
Cash and Cash Equivalents	6	5,101,051	2,454,673
Inventories	8	39,090	49,440
Other	9	32,993	58,910
Total Current Assets		<u>5,173,134</u>	<u>2,563,023</u>
Non-Current Assets			
Property, Plant and Equipment	10	31,392,174	31,638,277
Intangible Assets	11	1,400,049	922,503
Total Non-Current Assets		<u>32,792,223</u>	<u>32,560,780</u>
Total Assets		<u>37,965,357</u>	<u>35,123,803</u>
Current Liabilities			
Trade and Other Payables	12	488,746	477,817
Financial Liabilities	13	60,321	148,064
Provisions	14	646,042	575,149
Total Current Liabilities		<u>1,195,109</u>	<u>1,201,030</u>
Non-Current Liabilities			
Financial Liabilities	13	-	14,115
Total Non-Current Liabilities		<u>-</u>	<u>14,115</u>
Total Liabilities		<u>1,195,109</u>	<u>1,215,145</u>
Net Assets		<u>36,770,248</u>	<u>33,908,658</u>
Equity			
Reserves	15	2,505,958	2,505,958
Retained Profits	16	34,264,290	31,402,700
Total Equity		<u>36,770,248</u>	<u>33,908,658</u>

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Independent Auditors Report.*

South Hurstville RSL Club Ltd
16 000 955 626
Balance Sheet
As at 31 December 2017

	2017	2016
	\$	\$
Share Capital and Reserves		
Paid Up Capital		
Asset Revaluation Reserve	2,505,958	2,505,958
Unappropriated Profit	34,264,290	31,402,700
Total Share Capital and Reserves	36,770,248	33,908,658
Represented by:		
Current Assets		
Cash on Hand		
- Hopper	-	507
- Till Floats	12,150	12,150
- Club	221,900	216,500
- E-Cash Float	45,000	35,000
Clearing Account		
- EFT POS Clearing	2,219	922
- Keno Clearing	(1,796)	(2,259)
- ATM Clearing Account	90,030	61,860
- TAB Clearing	-	(10,139)
Deposits		
Cash at Bank	10,000	10,000
Cash at Bank	798,902	657,327
Cash at Bank	13,127	15,243
Cash at Bank	3,010,661	649,102
Cash at Bank	291,115	302,352
Cash at Bank	607,743	506,108
Prepayments		
- Lucky Badge Draw Prepaid	(5,000)	(1,200)
- Prepayments	39,193	62,710
Functions Holding Deposits	(1,200)	(2,600)
Stock on Hand	39,090	49,440
	5,173,134	2,563,023
Non-Current Assets		
Freehold Land	21,440,000	21,440,000
Freehold Land	285,000	285,000
	21,725,000	21,725,000
Buildings	7,385,296	7,385,296
Less Accumulated Depreciation & Impairment	1,111,041	898,872
	6,274,255	6,486,424

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Independent Auditors Report.*

South Hurstville RSL Club Ltd
16 000 955 626
Balance Sheet
As at 31 December 2017

	2017	2016
	\$	\$
Plant & Equipment	2,017,081	1,885,878
Less Accumulated Depreciation & Impairment	1,076,441	851,006
	940,640	1,034,872
 Motor Vehicles	 153,100	 119,524
Less Accumulated Depreciation & Impairment	51,285	53,872
	101,815	65,652
 Office Furniture & Equipment	 829,043	 806,685
Less Accumulated Depreciation & Impairment	392,443	320,194
	436,600	486,491
 Furniture & Fittings	 78,514	 98,299
Less Accumulated Depreciation & Impairment	31,955	49,283
	46,559	49,016
 Bistro Equipment	 287,978	 287,978
Less Accumulated Depreciation & Impairment	105,285	96,125
	182,693	191,853
 Poker Machines	 3,444,830	 3,193,493
Less Accumulated Depreciation & Impairment	1,760,218	1,594,524
	1,684,612	1,598,969
	31,392,174	31,638,277
 Intangible Assets		
Poker Machine Entitlements	1,400,049	922,503
	1,400,049	922,503
 Total Assets	37,965,357	35,123,803
 Current Liabilities		
Bonds	3,000	3,000
- BOQ 2015	15,252	45,757
Less Unexpired Charges	1,137	3,413
	14,115	42,344
 - Aristocrat	 49,826	 51,131
Less Unexpired Charges	7,943	4,938
	41,883	46,193
 -BOQ	 -	 57,732
Less Unexpired Charges	-	3,463
	-	54,269

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Independent Auditors Report.*

South Hurstville RSL Club Ltd
16 000 955 626
Balance Sheet
As at 31 December 2017

	2017	2016
	\$	\$
Unclaimed Poker Machine Payouts	1,323	2,258
Accrued Expenses	96,064	29,239
Trade Creditors	369,736	206,326
Other Creditors	-	10,108
Credit Cards Clearing	22,946	36,545
Poker Machine Duty	192,442	143,462
Provision for Holiday Pay	185,341	173,803
Provision for Long Service Leave	217,165	194,959
Provision for Sick Leave	51,094	62,925
GST Liability	-	195,599
	1,195,109	1,201,030
Non-Current Liabilities		
- BOQ 2015	-	15,252
Less Unexpired Charges	-	1,137
	-	14,115
Total Liabilities	1,195,109	1,215,145
Net Assets	36,770,248	33,908,658

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Independent Auditors Report.*

South Hurstville RSL Club Ltd
16 000 955 626
Statement of Changes in Equity
For the Year ended 31 December 2017

	2017	2016
	\$	\$
Opening Balance	33,908,659	31,913,807
Retained Earnings		
Profit Attributable to Members	2,861,589	1,994,851
	<u>2,861,589</u>	<u>1,994,851</u>
Closing Balance	<u>36,770,248</u>	<u>33,908,658</u>
 Reconciliation of Retained Earnings		
Opening Balance	31,402,701	29,407,849
Profit Attributable to Members	2,861,589	1,994,851
Closing balance	<u>34,264,290</u>	<u>31,402,700</u>
 Reconciliation of Reserves		
 Asset Revaluation Reserve		
Opening Balance for the year	2,505,958	2,505,958
Closing Balance	<u>2,505,958</u>	<u>2,505,958</u>

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Independent Auditors Report.*

South Hurstville RSL Club Ltd
16 000 955 626
Cash Flow Statement
For the Year ended 31 December 2017

	2017	2016
	\$	\$
Cash Flows from Operating Activities		
Receipts from Members & Visitors	11,432,805	9,860,117
Payments to Suppliers & Employees	(5,640,787)	(5,600,668)
Duties & Taxes	(1,918,434)	(1,294,841)
Interest Paid	(9,437)	(24,020)
Net Cash Provided by Operating Activities	3,864,147	2,940,589
Cash Flows from Investing Activities		
Payments for Plant & Equipment	(1,287,345)	(1,360,562)
Proceeds from Disposal of Fixed Asset	143,433	-
Interest Received	27,069	21,191
Net Cash Used In Investing Activities	(1,116,843)	(1,339,371)
Cash Flows from Financing Activities		
Proceeds of Borrowings	-	-
Repayment of Borrowings	(100,924)	(998,145)
Net Cash Used in Financing Activities	(100,924)	(998,145)
Net Increase/(Decrease) In Cash Held	2,646,379	603,073
Cash at Beginning of Year	2,454,672	1,851,598
Cash at End of Year	5,101,051	2,454,672

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Independent Auditors Report.*

South Hurstville RSL Club Ltd
16 000 955 626
Consolidated Profit and Loss Statement
For the Year ended 31 December 2017

	2017	2016
	\$	\$
Income		
Commissions Received	80,881	72,992
Members Subscriptions	45,438	57,829
Catering Income	152,191	135,012
Interest Received		
- Other Corporations	27,069	21,191
Other Revenue		
- Proceeds from Insurance Policies	10,706	10,832
- GST Rebate	34,360	34,360
Profit (Loss) on Sale of Non-current Assets	43,978	-
Profit on Rental Operations	59,367	59,747
Gross Profit from Trading	6,219,049	5,059,109
	6,673,039	5,451,072
Expenditure		
Advertising	17,250	27,734
Auditor's Remuneration		
- Audit & review of financial statements	16,380	18,637
Bank Charges	8,847	6,915
Cash Float Variance	1,293	1,201
Cleaning	187,990	175,483
Collection Costs	14,678	13,518
Consultancy Fees	-	9,712
Computer Expenses	80,309	81,740
Depreciation - Plant & Equipment	538,609	527,458
Directors' Expenses	48,290	35,674
Donations	177,949	127,036
Employee Entitlements		
-Annual Leave	249	28,322
-Long Service Leave	6,453	3,330
-Sick Leave	(11,830)	13,517
Fringe Benefits Tax	5,958	15,915
Insurance	110,522	131,829
Interest Paid		
- Bank	-	15,210

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Independent Auditors Report.*

South Hurstville RSL Club Ltd
16 000 955 626
Consolidated Profit and Loss Statement
For the Year ended 31 December 2017

	2017	2016
	\$	\$
Leasing Charges		
- Finance Lease Charges	5,323	11,767
Legal Costs	19,267	25,376
Light & Power	257,871	225,631
Management Expenses	58,117	12,994
Members Entertainment & Amenities	1,356,525	1,077,865
Motor Vehicle Expenses	12,140	9,569
Payroll Tax	83,214	71,795
Postage	795	900
Printing & Stationery	27,858	24,193
Rates & Taxes	97,774	98,582
Repairs & Maintenance	121,959	170,942
Salaries	261,758	197,638
Security Costs	56,331	56,903
Staff Amenities	9,524	6,955
Staff Training	7,266	4,214
Subscriptions	26,528	26,363
Superannuation Contributions	184,860	171,410
Telephone	9,057	8,264
Uniforms	3,936	13,229
Women's Auxiliary Contribution	8,400	8,400
	<u>3,811,450</u>	<u>3,456,221</u>
Profit before Income Tax	<u><u>2,861,589</u></u>	<u><u>1,994,851</u></u>

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Independent Auditors Report.*

South Hurstville RSL Club Ltd
16 000 955 626
South Hurstville Operating Segment
Profit and Loss Statement
For the Year ended 31 December 2017

	2017	2016
	\$	\$
Income		
Commissions Received	47,796	46,102
Members Subscriptions	24,869	21,647
Catering Income	69,282	67,255
Interest Received		
- Other Corporations	26,994	21,158
Other Revenue		
- Proceeds from Insurance Policies	10,706	9,932
- GST Rebate	17,180	17,180
Profit (Loss) on Sale of Non-current Assets	59,099	-
Profit on Rental Operations	59,367	59,747
Gross Profit from Trading	2,766,089	2,477,387
	3,081,382	2,720,408
Expenditure		
Advertising	6,565	12,307
Auditor's Remuneration		
- Audit & review of financial statements	8,505	10,672
Bank Charges	6,467	4,970
Cash Float Variance	(29)	40
Cleaning	78,952	76,511
Collection Costs	6,439	6,233
Consultancy Fees	-	3,500
Computer Expenses	48,083	53,705
Depreciation	299,353	292,690
Directors' Expenses	25,263	25,189
Donations	57,122	47,981
Employee Entitlements		
-Annual Leave	1,992	3,114
-Long Service Leave	2,780	1,142
-Sick Leave	(22,364)	10,187
Fringe Benefits Tax	2,979	3,610
Insurance	56,465	65,797
Interest Paid		
- Bank	-	15,210

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Independent Auditors Report.*

South Hurstville RSL Club Ltd
16 000 955 626
South Hurstville Operating Segment
Profit and Loss Statement
For the Year ended 31 December 2017

	2017	2016
	\$	\$
Leasing Charges		
- Finance Lease Charges	2,689	7,532
Legal Costs	8,307	4,431
Light & Power	108,634	102,345
Management Expenses	13,789	11,114
Members Entertainment & Amenities	720,360	564,350
Motor Vehicle Expenses	12,065	9,569
Payroll Tax	51,223	45,154
Postage	295	519
Printing & Stationery	16,252	11,196
Rates & Taxes	32,407	29,026
Repairs & Maintenance	68,365	56,791
Salaries	99,021	125,574
Security Costs	28,993	30,632
Staff Amenities	8,101	6,515
Staff Training	7,266	3,514
Subscriptions	10,583	10,600
Superannuation Contributions	116,933	106,848
Telephone	5,661	5,081
Uniforms	2,456	7,363
Women's Auxiliary	4,200	8,400
	<u>1,896,172</u>	<u>1,779,412</u>
Profit before Income Tax	<u><u>1,185,210</u></u>	<u><u>940,996</u></u>

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Independent Auditors Report.*

South Hurstville RSL Club Ltd
16 000 955 626
South Hurstville Operating Segment
Departmental Trading Statement
For the Year ended 31 December 2017

	2017	2016
	\$	\$
BAR TRADING		
Income		
Sales - Bar	1,001,708	1,033,300
Sales Non Cash - Miscellaneous	256,215	106,731
Sales Non Cash - Bonus Points Redeemed	89,477	62,360
	1,347,400	1,202,391
Less Cost of Sales		
Opening Stock - Bar	28,267	28,021
Purchases - Liquor	484,587	427,987
Purchases - Non Liquor	49,458	49,000
Purchases - Bar Supplies	4,583	5,282
Purchases - Beer Gas	4,156	4,080
Purchases - Stocktake Fee	4,440	4,440
Purchases – Stock Loss	6,485	-
	581,976	518,810
Closing Stock - Bar	25,258	28,267
	556,718	490,543
	790,682	711,848
Less Direct Expenses		
Direct Wages - Bar	771,215	753,949
Provision & Entitlements - Bar		
- Annual Leave	8,633	13,494
- Long Service Leave	12,046	4,949
	791,894	772,392
Gross Loss	(1,212)	(60,544)
Gross Loss Margin	(0.1%)	(5.0%)

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Independent Auditors Report.*

South Hurstville RSL Club Ltd
16 000 955 626
South Hurstville Operating Segment
Departmental Trading Statement
For the Year ended 31 December 2017

	2017	2016
	\$	\$
POKER MACHINE TRADING		
Income		
Net Sales - Poker Machines	4,028,338	3,650,983
	<u>4,028,338</u>	<u>3,650,983</u>
Less Cost of Sales		
Purchases - DMS Service Fee	36,514	35,813
Purchases - Consumables	3,967	3,456
Purchases - Promotions	70,736	92,658
	<u>111,217</u>	<u>131,927</u>
	<u>3,917,121</u>	<u>3,519,056</u>
Less Direct Expenses		
Interest Poker Machines	4,322	5,398
Depreciation	245,119	159,166
Direct Wages - Poker Machines	233,680	226,905
Provisions & Entitlements - Poker Machines		
- Annual Leave	2,656	4,152
- Long Service Leave	3,706	1,523
Licences	7,173	9,286
Taxation - Poker Machines	699,986	624,278
Repairs & Maintenance	22,272	22,344
	<u>1,218,914</u>	<u>1,053,052</u>
	<u>2,698,207</u>	<u>2,466,004</u>
Gross Profit		
	<u>2,698,207</u>	<u>2,466,004</u>
Gross Profit Margin	66.98%	67.5%

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Independent Auditors Report.*

South Hurstville RSL Club Ltd
16 000 955 626
South Hurstville Operating Segment
Departmental Trading Statement
For the Year ended 31 December 2017

	2017	2016
	\$	\$
TAB & KENO TRADING		
Income		
Sales - Commission Received Keno	63,429	59,402
Sales - Commission Received TAB	19,588	15,402
	83,017	74,804
Less Cost of Sales		
Purchases - Keno Expenses	4,284	5,972
Purchases - TAB Expenses	2,476	2,820
	6,760	8,792
Gross Profit	76,257	66,012
Gross Profit Margin	91.9%	88.2%

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Independent Auditors Report.*

South Hurstville RSL Club Ltd
16 000 955 626
South Hurstville Operating Segment
Departmental Trading Statement
For the Year ended 31 December 2017

	2017	2016
	\$	\$
RAFFLES TRADING		
Income		
Sales - Friday Raffle	52,727	52,657
Sales - Saturday Raffle	8,988	8,019
Sales - Sunday Raffle	20,029	20,206
	81,744	80,922
Less Cost of Sales		
Purchases - Friday Raffle	68,227	68,442
Purchases - Saturday Raffle	8,910	8,010
Purchases - Sunday Raffle	22,623	18,745
Purchases - Raffle Tickets & Stationary	1,420	2,095
	101,180	97,292
Gross Loss	(19,436)	(16,370)
Gross Loss Margin	(23.8%)	(20.2%)

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Independent Auditors Report.*

South Hurstville RSL Club Ltd
16 000 955 626
South Hurstville Operating Segment
Departmental Trading Segment
For the Year ended 31 December 2017

	2017	2016
	\$	\$
SPORTS COUNCIL		
Income		
Sales - Golf Club	-	300
Sales - Darts Club	-	91
Sales - Euchre Club	250	-
Sales - Outdoor Cricket	2,000	-
Sales - Sports Council Raffle	13,146	12,008
Sales - Sports Council Sundry Income	22	201
Sports Grants	12,000	12,000
	27,418	24,600
Less Cost of Sales		
Purchases - Golf Club	4,201	3,298
Purchases - Darts Club	1,136	1,324
Purchases - Euchre Club	1,436	1,291
Purchases - Outdoor Cricket	7,556	3,155
Purchases - Sports Council Raffle	12,008	11,284
Purchases - Sports Council Sundry Expenses	341	473
Purchases - Indoor Bowls	2,144	2,629
	28,822	23,454
Gross Loss	(1,404)	1,146
Gross Loss Margin	(5.1%)	4.7%

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Independent Auditors Report.*

South Hurstville RSL Club Ltd
16 000 955 626
South Hurstville Operating Segment
Departmental Trading Statement
For the Year ended 31 December 2017

	2017	2016
	\$	\$
FUNCTIONS TRADING		
Income		
Sales - Functions Income	63,356	79,411
	<u>63,356</u>	<u>79,411</u>
Less Cost of Sales		
Purchases - Functions Expenses	33,112	41,470
	<u>33,112</u>	<u>41,470</u>
	<u>30,244</u>	<u>37,941</u>
Less Direct Expenses		
Direct Wages - Functions	16,567	16,802
	<u>16,567</u>	<u>16,802</u>
Gross Profit	<u><u>13,677</u></u>	<u><u>21,139</u></u>
Gross Profit Margin	21.6%	26.6%

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Independent Auditors Report.*

South Hurstville RSL Club Limited
16 000 955 626
Hurstville Operating Segment
Profit and Loss Statement
For the Year ended 31 December 2017

	2017	2016
	\$	\$
Income		
Commissions Received	33,085	26,890
Members Subscriptions	20,569	36,183
Catering Income	82,909	67,757
Interest Received		
- Other Corporations	75	33
Other Revenue		
- Proceeds from Insurance Policies	-	900
- GST Rebate	17,180	17,180
Profit (Loss) on Sale of Non-current Assets	(15,121)	-
Gross Profit from Trading	3,452,956	2,581,722
	3,591,653	2,730,665
Expenditure		
Advertising	10,685	15,426
Auditor's Remuneration		
- Audit & review of financial statements	7,875	7,965
Bank Charges	2,373	1,946
Cash Float Variance	1,323	1,160
Cleaning	109,038	98,972
Collection Costs	8,239	7,285
Consultancy Fees	-	6,212
Computer Expenses	32,227	28,035
Depreciation - Plant & Equipment	239,255	234,769
Directors' Expenses	23,028	10,484
Donations	120,827	79,055
Employee Entitlements		
-Annual Leave	(1,743)	25,208
-Long Service Leave	3,674	2,188
-Sick Leave	10,534	3,330
Fringe Benefits Tax	2,979	12,305
Insurance	54,057	66,032
Leasing Charges		
- Finance Lease Charges	2,634	4,235
Legal Costs	10,960	20,944

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Independent Auditors Report.*

South Hurstville RSL Club Limited
16 000 955 626
Hurstville Operating Segment
Profit and Loss Statement
For the Year ended 31 December 2017

	2017	2016
	\$	\$
Light & Power	149,237	123,286
Management Expenses	44,328	1,880
Members Entertainment & Amenities	636,166	513,516
Motor Vehicle Expenses	75	-
Payroll Tax	31,991	26,641
Postage	499	382
Printing & Stationery	11,606	12,997
Rates & Taxes	65,367	69,557
Repairs & Maintenance	53,594	114,151
Salaries	162,737	72,064
Security Costs	27,338	26,271
Staff Amenities	1,423	439
Staff Training	-	700
Subscriptions	15,945	15,764
Superannuation Contributions	67,927	64,563
Telephone	3,397	3,183
Uniforms	1,480	5,866
Women's Auxiliary	4,200	-
	<u>1,915,275</u>	<u>1,676,811</u>
Profit before Income Tax	<u><u>1,676,378</u></u>	<u><u>1,053,854</u></u>

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Independent Auditors Report.*

South Hurstville RSL Club Limited
16 000 955 626
Hurstville Operating Segment
Departmental Trading Statement
For the Year ended 31 December 2017

	2017	2016
	\$	\$
BAR TRADING		
Income		
Sales - Bar	432,056	446,890
Sales Non Cash - Miscellaneous	132,312	108,356
Sales Non Cash - Bonus Points Redeemed	50,930	36,499
	615,298	591,745
Less Cost of Sales		
Opening Stock - Bar	21,173	16,053
Purchases - Liquor	214,211	210,118
Purchases - Non Liquor	13,798	19,278
Purchases - Bar Supplies	6,896	4,092
Purchases - Beer Gas	2,098	3,616
Purchases - Stocktake Fee	4,320	4,320
Purchases – Stock Loss	7,325	-
	269,821	257,477
Closing Stock - Bar	13,832	21,173
	255,989	236,304
	359,309	355,441
Less Direct Expenses		
Direct Wages - Bar	371,373	355,693
	371,373	355,693
Gross Loss	(12,064)	(252)
Gross Loss Margin	(2.0%)	0.0%

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Independent Auditors Report.*

South Hurstville RSL Club Limited
16 000 955 626
Hurstville Operating Segment
Departmental Trading Statement
For the Year ended 31 December 2017

	2017	2016
	\$	\$
POKER MACHINE TRADING		
Income		
Net Sales - Poker Machines	5,261,998	4,033,712
	<u>5,261,998</u>	<u>4,033,712</u>
Less Cost of Sales		
Purchases - DMS Service Fee	37,565	33,762
Purchases - Consumables	6,161	4,887
Purchases - Promotions	224,427	195,646
	<u>268,153</u>	<u>234,295</u>
	<u>4,993,845</u>	<u>3,799,417</u>
Less Direct Expenses		
Interest Poker Machines	5,115	3,412
Depreciation	172,720	113,336
Direct Wages - Poker Machines	347,549	331,435
Licences	11,653	9,423
Taxation - Poker Machines	982,658	706,399
Repairs & Maintenance	22,253	28,972
	<u>1,541,948</u>	<u>1,192,977</u>
Gross Profit	<u><u>3,451,897</u></u>	<u><u>2,606,440</u></u>
Gross Profit Margin	65.6%	64.6%

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Independent Auditors Report.*

South Hurstville RSL Club Limited
16 000 955 626
Hurstville Operating Segment
Departmental Trading Statement
For the Year ended 31 December 2017

	2017	2016
	\$	\$
TAB & KENO TRADING		
Income		
Sales - Commission Received Keno	15,899	15,982
Sales - Commission Received TAB	21,362	10,986
	37,261	26,968
Less Cost of Sales		
Purchases - Keno Expenses	2,037	1,795
Purchases - TAB Expenses	1,632	2,939
Purchases - SKY Subscriptions	-	16,847
	3,669	21,581
Gross Profit	33,592	5,387
Gross Profit Margin	90.2%	20.0%

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Independent Auditors Report.*

South Hurstville RSL Club Limited
16 000 955 626
Hurstville Operating Segment
Departmental Trading Statement
For the Year ended 31 December 2017

	2017	2016
	\$	\$
RAFFLES TRADING		
Income		
Sales - Friday Raffle	11,460	12,305
Sales - Sunday Raffle	12,192	11,616
Sales - Wednesday Raffle	-	879
	23,652	24,800
Less Cost of Sales		
Purchases - Friday Raffle	22,705	31,449
Purchases - Sunday Raffle	23,886	23,048
Purchases - Raffle Tickets & Stationary	2,075	2,135
Purchases - Wednesday Raffle	-	2,400
	48,666	59,032
Gross Loss	(25,014)	(34,232)
Gross Loss Margin	(105.8%)	(138.0%)

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Independent Auditors Report.*

South Hurstville RSL Club Limited
16 000 955 626
Hurstville Operating Segment
Departmental Trading Statement
For the Year ended 31 December 2017

	2017	2016
	\$	\$
FUNCTIONS TRADING		
Income		
Sales - Functions Income	4,545	4,379
	<u>4,545</u>	<u>4,379</u>
Gross Profit	<u>4,545</u>	<u>4,379</u>
Gross Profit Margin	100.0%	100.0%

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Independent Auditors Report.*

South Hurstville RSL Club Ltd
16 000 955 626
Notes to the Financial Statements
For the Year ended 31 December 2017

1. Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

These financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The significant accounting policies used in the preparation and presentation of these financial statements are provided below and are consistent with prior reporting periods unless otherwise stated.

The financial statements are based on historical costs, except for the measurement at fair value of selected non current assets, financial assets and financial liabilities.

(b) Cash and Cash Equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts also form part of cash equivalents and presented within current liabilities on the statement of financial position.

(c) 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.

(d) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employees may satisfy vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Defined Contribution Schemes

Obligations for contributions to defined contribution superannuation plans are recognised as an employee benefit expense in profit or loss in the periods in which services are provided by employees.

These notes should be read in conjunction with the attached Independent Audit Report.

South Hurstville RSL Club Ltd
16 000 955 626
Notes to the Financial Statements
For the Year ended 31 December 2017

(e) **Property, Plant and Equipment**

Classes of property, plant and equipment are measured using the cost or revaluation model as specified below.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Assets measured using the revaluation model are carried at fair value at the revaluation date less any subsequent accumulated depreciation and impairment losses.

Revaluations are performed whenever there is a material movement in the value of an asset under the revaluation model.

Property

Land and buildings are measured using the revaluation model.

Plant and Equipment

Plant and equipment are measured using the cost model.

Depreciation

The depreciable amount of all property, plant and equipment, except for freehold land is depreciated on a straight line method from the date that management determine that the asset is available for use.

Assets held under a finance lease and leasehold improvements are depreciated over the shorter of the term of the lease and the assets useful life.

The useful lives used for each class of depreciable asset are shown below:

Fixed Asset Class	Useful Life
Plant and Equipment	7 - 11 years
Furniture, Fixtures and Fittings	4 - 10 years
Motor Vehicles	5 - 12 years
Computer Equipment	5 - 7 years

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.

When an assets is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

(f) **Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

These notes should be read in conjunction with the attached Independent Audit Report.

South Hurstville RSL Club Ltd
16 000 955 626
Notes to the Financial Statements
For the Year ended 31 December 2017

(g) **Intangible Assets**

Patents and Trademarks

Patents and trademarks are recognised at cost of acquisition. Patents and trademarks have a finite life and are carried at cost less any accumulated amortisation and any impairment losses. Patents and trademarks are amortised over their estimated useful life.

(h) **Trade and Other Receivables**

Trade receivables are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

At the end of each reporting period, the carrying amount of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in statement of comprehensive income.

(i) **Inventories**

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first in first out basis and are net of any rebates and discounts received.

(j) **Investment Property**

Investment property is held to generate long term rental yields and capital growth. Investment property is carried at fair value, determined annually by independent valuers. Changes to fair value are recorded in the statement of comprehensive income as other income/expenses.

(k) **Leases**

Finance Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the company, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the company will obtain ownership of the asset or over the term of the lease.

These notes should be read in conjunction with the attached Independent Audit Report.

South Hurstville RSL Club Ltd
16 000 955 626
Notes to the Financial Statements
For the Year ended 31 December 2017

(1) **Financial Instruments**

Financial instruments are recognised initially using trade date accounting, i.e. on the date that 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

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables;
- financial assets at fair value through profit or loss;
- available-for-sale financial assets; and
- held-to-maturity investments.

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the statement of comprehensive income in the 'finance income' or 'finance costs' line item respectively.

Financial Assets at Fair Value through Profit and Loss

Financial assets at fair value through profit or loss include financial assets:

- acquired principally for the purpose of selling in the near future
- designated by the entity to be carried at fair value through profit or loss upon initial recognition or
- which are derivatives not qualifying for hedge accounting.

Assets included within this category are carried in the statement of financial position at fair value with changes in fair value recognised in finance income or expenses in profit or loss.

Impairment of Financial Assets

At the end of each reporting period the company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial Assets at Amortised Cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

South Hurstville RSL Club Ltd
16 000 955 626
Notes to the Financial Statements
For the Year ended 31 December 2017

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

Available-for-Sale Financial Assets

A significant or prolonged decline in value of an available-for-sale asset below its cost is objective evidence of impairment, in this case, the cumulative loss that has been recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Any subsequent increase in the value of the asset is taken directly to other comprehensive income.

(m) **Financial Guarantees**

Where material, financial guarantees issued that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due are recognised as a financial liability at fair value on initial recognition.

The fair value of financial guarantee contracts has been assessed using a probability-weighted discounted cash flow approach. The probability has been based on:

- the likelihood of the guaranteed party defaulting during the next reporting period;
- the proportion of the exposure that is not expected to be recovered due to the guaranteed party defaulting; and
- the maximum loss exposed if the guaranteed party were to default.

Financial guarantees are subsequently measured at the higher of the best estimate of the obligation in accordance with AASB 137: Provisions, Contingent Liabilities and Contingent Assets, and the amount initially recognised less, when appropriate, cumulative amortisation in accordance with AASB 118: Revenue. Where the entity gives guarantees in exchange for a fee, revenue is recognised under AASB 118.

(n) **Revenue and Other Income**

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

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

Sale 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 there is no longer any ownership or effective control over the goods.

These notes should be read in conjunction with the attached Independent Audit Report.

South Hurstville RSL Club Ltd
16 000 955 626
Notes to the Financial Statements
For the Year ended 31 December 2017

Interest Revenue

Interest is recognised using the effective interest method.

Rendering of Services

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.

Rental Income

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

Other Revenue

Other revenue is recognised when the entity is entitled to the funds.

(o) **Trade and Other Payables**

Trade and other payables represent the liabilities at the end of the reporting period for goods and services received by the company that remain unpaid.

Trade payables are recognised at their transaction price. Trade payables are obligations on the basis of normal credit terms.

(p) **Goods and Services Tax (GST)**

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

Receivables and payables are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis and the GST component of cash flows arising from investing or financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

These notes should be read in conjunction with the attached Independent Audit Report.

South Hurstville RSL Club Ltd
16 000 955 626
Notes to the Financial Statements
For the Year ended 31 December 2017

(q) **Comparative Amounts**

Comparatives are consistent with prior years, unless otherwise stated. Where a change in comparatives has also affected the opening retained earnings previously presented in a comparative period, an opening statement of financial position at the earliest date of the comparative period has been presented.

(r) **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 Judgments - Provision for Impairment of Receivables

The value of the provision for impairment of receivables is estimated by considering the ageing of receivables, communication with the debtors and prior history.

Key Judgments - Taxes

Deferred Tax Assets

Determining income tax provisions involves judgment on the tax treatment of certain transactions. Deferred tax is recognised on tax losses not yet used and on temporary differences where it is probable that there will be taxable revenue against which these can be offset. Management has made judgments as to the probability of future taxable revenues being generated against which tax losses will be available for offse

(s) **New Accounting Standards for Application in Future Periods**

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The company has decided not to early adopt any of new and amended pronouncements and that it would not have any material effect on the company's financial statements.

These notes should be read in conjunction with the attached Independent Audit Report.

South Hurstville RSL Club Ltd
16 000 955 626
Notes to the Financial Statements
For the Year ended 31 December 2017

	2017	2016
	\$	\$
2. Revenue		
Sales Revenue		
Sale of Goods	11,574,028	9,794,716
Rendering Services	278,510	265,833
	11,852,538	10,060,549
Other Income		
Interest Received	27,069	21,191
Other Revenue	45,066	45,192
Profit on Sale of Non-Current Assets	43,978	-
Rent Received	65,536	66,922
	181,649	133,305
	12,034,187	10,193,854
3. Expenses		
Decrease in Inventories of Finished Goods or Wip	10,350	(5,366)
Raw Materials, Purchases and Consumables Used	1,376,450	1,374,174
Employee Benefits Expense	446,618	369,048
Depreciation and Amortisation	538,609	527,458
Advertising	17,250	27,734
Bank Charges	8,847	6,915
Insurance	110,522	131,829
Light & Power	257,871	225,631
Postage	795	900
Printing & Stationery	27,858	24,193
Rates & Taxes	97,774	98,582
Repairs & Maintenance	121,959	170,942
Telephone	9,057	8,264
Other Expenses	6,148,638	5,223,489
	9,172,598	8,183,793
4. Finance Costs		
- Other Persons/Corporations	-	15,210
	-	15,210

These notes should be read in conjunction with the attached Independent Audit Report.

South Hurstville RSL Club Ltd
16 000 955 626
Notes to the Financial Statements
For the Year ended 31 December 2017

	2017	2016
	\$	\$
5. Profit for the Year		
Profit before income tax expense from continuing operations includes the following specific expenses:		
Charging as Expense		
Cost of Goods Sold	1,359,759	1,344,690
Finance Costs	-	15,210
Finance Lease Charges	5,323	11,767
Movements in Provisions		
Depreciation		
- Direct Expense Depreciation	417,840	272,502
- Plant and Equipment	538,609	527,458
	956,449	799,960
Impairment		
- Direct Expense Impairment	9,437	8,810
	9,437	8,810
Net Expenses Resulting from Movement in Provisions	965,886	808,770
Remuneration of the Auditor:-		
- Audit & review of financial statements	16,380	18,637
	16,380	18,637
Crediting as Income:		
Interest from:		
- Bank	27,069	21,191
Total Interest Revenue	27,069	21,191
6. Cash and Cash Equivalents		
- Hopper	-	507
- Till Floats	12,150	12,150
- Club	221,900	216,500
- E-Cash Float	45,000	35,000
- EFT POS Clearing	2,219	922
- Keno Clearing	(1,796)	(2,259)
- ATM Clearing Account	90,030	61,860
- TAB Clearing	-	(10,139)

These notes should be read in conjunction with the attached Independent Audit Report.

South Hurstville RSL Club Ltd
16 000 955 626
Notes to the Financial Statements
For the Year ended 31 December 2017

	2017	2016
	\$	\$
Deposits	10,000	10,000
Cash at Bank	798,902	657,327
Cash at Bank	13,127	15,243
Cash at Bank	3,010,661	649,102
Cash at Bank	291,115	302,352
Cash at Bank	607,743	506,108
	<u>5,101,051</u>	<u>2,454,673</u>

Reconciliation of Cash

Cash and Cash Equivalents	<u>5,101,051</u>	<u>2,454,673</u>
	<u>5,101,051</u>	<u>2,454,673</u>

7. Cash Flow Information

Reconciliation of Cash Flow from Operations with Profit after Income Tax

Operating Profit after Tax	2,861,589	1,994,851
Interest Received	27,069	21,191
Depreciation & Losses on Disposal	990,816	763,803
Changes in Assets & Liabilities		
Decrease/(Increase in receivables	25,918	47,820
Decrease/(Increase) in inventories	10,350	(5,366)
(Decrease)/Increase in creditors & accruals	(73,509)	49,004
(Decrease)/Increase in Provisions	21,914	69,287
Net Operating Cash Flows	<u>3,864,147</u>	<u>2,940,589</u>

8. Inventories

Current

Stock on Hand	<u>39,090</u>	<u>49,440</u>
	<u>39,090</u>	<u>49,440</u>
Total Inventories	<u>39,090</u>	<u>49,440</u>

These notes should be read in conjunction with the attached Independent Audit Report.

South Hurstville RSL Club Ltd
16 000 955 626
Notes to the Financial Statements
For the Year ended 31 December 2017

	2017	2016
	\$	\$
9. Other		
Current		
- Lucky Badge Draw Prepaid	(5,000)	(1,200)
- Prepayments	39,193	62,710
Functions Holding Deposits	1,200	2,600
	(1,200)	(2,600)
	32,993	58,910
10. Property, Plant and Equipment		
Land and Buildings		
Freehold Land	21,440,000	21,440,000
	21,440,000	21,440,000
Freehold Land	285,000	285,000
	285,000	285,000
Buildings	7,385,296	7,385,296
Less Accumulated Depreciation & Impairment	1,111,041	898,872
	6,274,255	6,486,424
Total Land and Buildings	27,999,255	28,211,424
Plant and Equipment		
Plant & Equipment	2,017,081	1,885,878
Less Accumulated Depreciation & Impairment	1,076,441	851,006
	940,640	1,034,872
Motor Vehicles	153,100	119,524
Less Accumulated Depreciation & Impairment	51,285	53,872
	101,815	65,652
Office Furniture & Equipment	829,043	806,685
Less Accumulated Depreciation & Impairment	392,443	320,194
	436,600	486,491
Furniture & Fittings	78,514	98,299
Less Accumulated Depreciation & Impairment	31,955	49,283
	46,559	49,016

These notes should be read in conjunction with the attached Independent Audit Report.

South Hurstville RSL Club Ltd
16 000 955 626
Notes to the Financial Statements
For the Year ended 31 December 2017

	2017	2016
	\$	\$
Bistro Equipment	287,978	287,978
Less Accumulated Depreciation & Impairment	<u>105,285</u>	<u>96,125</u>
	182,693	191,853
Poker Machines	3,444,830	3,193,493
Less Accumulated Depreciation & Impairment	<u>1,760,218</u>	<u>1,594,524</u>
	1,684,612	1,598,969
Total Plant and Equipment	<u>3,392,919</u>	<u>3,426,853</u>
Total Property, Plant and Equipment	<u><u>31,392,174</u></u>	<u><u>31,638,277</u></u>
11. Intangible Assets		
Non-Current		
Poker Machine Entitlements	1,400,049	922,503
Total Intangible Assets	<u><u>1,400,049</u></u>	<u><u>922,503</u></u>
12. Trade and Other Payables		
Current		
Accrued Expenses	96,064	29,239
Trade Creditors	369,736	206,326
Other Creditors	-	10,108
Credit Cards Clearing	22,946	36,545
GST Liability	<u>-</u>	<u>195,599</u>
	488,746	477,817
Total Trade and Other Payables	<u><u>488,746</u></u>	<u><u>477,817</u></u>
13. Financial Liabilities		
Current		
Bonds	3,000	3,000
Hire Purchase		
- BOQ 2015	15,252	45,757
Less Unexpired Charges	<u>1,137</u>	<u>3,413</u>
	14,115	42,344

These notes should be read in conjunction with the attached Independent Audit Report.

South Hurstville RSL Club Ltd
16 000 955 626
Notes to the Financial Statements
For the Year ended 31 December 2017

	2017	2016
	\$	\$
- Aristocrat	49,826	51,131
Less Unexpired Charges	7,943	4,938
	41,883	46,193
-BOQ	-	57,732
Less Unexpired Charges	-	3,463
	-	54,269
Unclaimed Poker Machine Payouts	1,323	2,258
	60,321	148,064
Non-Current		
Hire Purchase		
- BOQ 2015	-	15,252
Less Unexpired Charges	-	1,137
	-	14,115
	-	14,115
Total Financial Liabilities	60,321	162,179
14. Provisions		
Current		
Poker Machine Duty	192,442	143,462
Provision for Holiday Pay	185,341	173,803
Provision for Long Service Leave	217,165	194,959
Provision for Sick Leave	51,094	62,925
	646,042	575,149
Total Provisions	(646,042)	(575,149)
15. Reserves		
Asset Revaluation Reserve	2,505,958	2,505,958
	2,505,958	2,505,958

These notes should be read in conjunction with the attached Independent Audit Report.

South Hurstville RSL Club Ltd
16 000 955 626
Notes to the Financial Statements
For the Year ended 31 December 2017

	2017	2016
	\$	\$
16. Retained Earnings		
Retained Earnings at the Beginning of the Financial Year	31,402,701	29,407,849
Add		
Net profit attributable to members of the company	2,861,589	1,994,851
Retained Earnings at the End of the Financial Year	34,264,290	31,402,700

17. Remuneration and Retirement Benefits

(a) Directors Remuneration

Remuneration paid or payable to all directors of South Hurstville RSL Club Ltd and each entity associated with the Company -

	48,290	35,674
--	--------	--------

Full particulars have not been disclosed in the notes as the directors believe this would be unreasonable.

18. Auditors Remuneration

Finncorp Auditors Pty Limited were the auditors of South Hurstville RSL Club Ltd

- Audit & review of financial statements	16,380	18,637
	16,380	18,637

19. Core Property

Section 41J of the Registered Clubs Act 1976 requires the club to disclose its core and non-core property as defined in the annual report. The Club's core property comprises the defined premises of the club as follows:

- 72 Connells Point Road, South Hurstville
- 1 – 1A Ormonde Parade, Hurstville.

The club has the following non-core property:

- 66A Connells Point Road, South Hurstville,
- 1/2 The Mall, South Hurstville.

These notes should be read in conjunction with the attached Independent Audit Report.