

Katoomba RSL All Services Club Limited

ABN 36 000 957 773

Summary Financial Statements

For the Year Ended 30 June 2024

The financial statements and other specific disclosures have been derived from Katoomba RSL All Services Club Limited full financial statements for the financial year. Other information included in the Summary Financial Statements is consistent with the Club's full financial statements.

The Summary Financial Statements do not, and cannot be expected to, provide as full an understanding of the financial performance, financial position and financing and investing activities of Katoomba RSL All Services Club Limited as the full financial statements.

A copy of the Club's 2024 full financial statements, including the independent audit report, is available to all members and will be sent to members without charge upon request.

Katoomba RSL All Services Club Limited

ABN 36 000 957 773

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Katoomba RSL All Services Club Limited

ABN 36 000 957 773

Directors' Report

30 June 2024

Your Directors present their report on Katoomba RSL All Services Club Limited for the financial year ended 30 June 2024.

Directors

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

Name	Position	Occupation	Years' Service
Brian Turner	President	Retired	13
Owen Wood	Vice President	Retired	16
Stephen Barratt	Director	Retired	16
Paul Edmunds	Director	Bus Driver	13
Eric Tasker	Director	Postal Officer	5
Chris Van der Kley	Director	Retired	5
Lorraine Corrigan	Director	Business Owner	2

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

Club Secretary

Mr Nicholas Darias, who is also CEO of the Club has been the Club Secretary since 2009.

Principal activities

The principal activities of Katoomba RSL All Services Club Limited during the financial year was the conduct of a Licensed Club.

No significant change in the nature of these activities occurred during the year.

Members guarantee

Katoomba RSL All Services Club Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the Club, the amount capable of being called up from each member and any person or association who ceased to be a member in the prior year to the winding up, is limited to \$5 for all members, subject to the provisions of the Club's constitution.

At 30 June 2024 the collective liability of members was \$43,285 (2023: \$41,240).

Operating results

The total comprehensive loss of the Club amounted to \$248,360 (2023: loss of \$544,049).

Katoomba RSL All Services Club Limited

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Directors' Report

30 June 2024

Review of operations

Gross profit from bar trading amounted to \$847,448 and a gross profit percentage of 59% was obtained from sales of \$1,447,698.

Gross profit from brasserie & cafe trading amounted to \$2,021,065 and a gross profit percentage of 60% was obtained from sales of \$3,387,287.

Net gaming revenue amounted to \$4,560,286 and compares with \$4,403,843 in 2023.

The following table outlines the Club's profit after the add back of depreciation and also shows the Club's EBITDA performance as a percentage of revenue.

	2024 \$	2023 \$
Reported profit / (loss) after tax	(248,360)	(544,049)
Add: depreciation and amortisation	910,765	1,294,218
Add: interest paid	142,774	157,227
Less: interest received	(15,424)	(4,490)
Add: income tax expense / (benefit)	(53,876)	18,307
EBITDA	735,879	921,213
Total Revenue	9,852,720	9,173,432
EBITDA % of Revenue	7.47%	10.04%

Meetings of Directors

During the financial year, 11 meetings of Directors were held. Attendances by each Director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Brian Turner	11	11
Owen Wood	11	7
Stephen Barratt	11	11
Paul Edmunds	11	11
Eric Tasker	11	11
Chris Van der Kley	11	11
Lorraine Corrigan	11	11

Katoomba RSL All Services Club Limited

ABN 36 000 957 773

Directors' Report

30 June 2024

Significant changes in state of affairs

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

After balance date events

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

Environmental issues

The Club's operations are subject to environmental regulations under the laws of the Commonwealth and State of Australia. The Directors are not aware of any breaches of the legislation during the financial year which are material in nature.

Short and long term objectives

The Club has established short and long term objectives as outlined in the Club's business plan which is reviewed on an annual basis. These objectives are aimed towards providing a comfortable and secure environment to its members that continues to meet their needs. These objectives are measured through appropriate key performance indicators that have been determined relevant to the Club industry and may include EBITDA as a percentage of revenue, gross profit percentages as examples. No information is included on the likely developments in the operations of the Club and the expected results of those operations.

Mandatory Director Training

Under the Registered Clubs Amendment (Disclosures) Regulation 2019, the Club is required to disclose to its members certain information relating to mandatory training requirements undertaken by Directors. As the Club has had annual gaming machine profits of greater than \$1 million, the Regulation prescribes that all Directors must have completed their mandatory training within 12 months of appointment unless otherwise exempt.

All Directors have completed their mandatory training.

Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the year ended 30 June 2024 has been received and can be found on page 5 of the financial report.

Disclosure of Core and Non Core Property

Pursuant to Section 41J(2) of the Registered Clubs Act for the financial year ended 30 June 2024:

Address	Current Usage	Classification
86 Lurline Street Katoomba NSW 2780	Katoomba Club	Core

Katoomba RSL All Services Club Limited

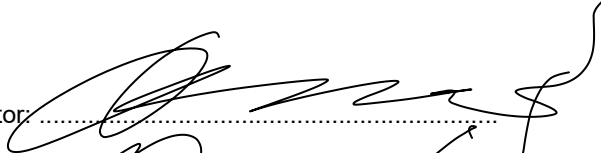
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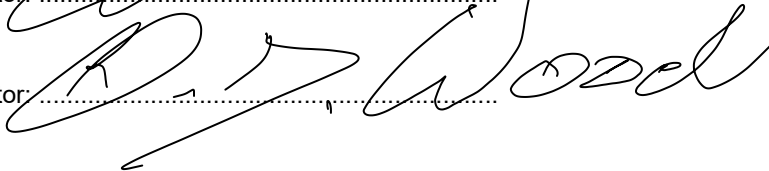
Directors' Report
30 June 2024

Indemnification and insurance of officers

The Club has paid premiums to insure each of the Directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director of the Club, other than conduct involving a wilful breach of duty in relation to the Club.

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

Director: 

Director: 

Dated: 24 September 2024

Katoomba RSL All Services Club Limited

ABN 36 000 957 773

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Katoomba RSL All Services Club Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2024, there have been:

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

Cutcher & Neale Assurance Pty Limited
(An authorised audit company)

N. Nancarrow CA
Director

NEWCASTLE

17 September 2024

SYDNEY

Level 11, Suite 1102, 20 Berry Street,
North Sydney, NSW, 2059

BRISBANE

Suite 5, 36 Agnes Street,
Fortitude Valley, QLD, 4006

NEWCASTLE

Level 3, 130 Parry Street,
Newcastle West, NSW, 2302

CONTACT

PHONE 1800 988 522
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Liability Limited by a scheme approved under Professional Standards Legislation. Cutcher & Neale Assurance Pty Limited ABN 37 126 556 330

Katoomba RSL All Services Club Limited

ABN 36 000 957 773

Independent Audit Report to the members of Katoomba RSL All Services Club Limited

Report on the Audit of the Financial Report

Opinion

The summary financial statements, which comprise the summary statement of financial position as at 30 June 2024, the summary statement of profit or loss and other comprehensive income, the summary statement of changes in equity, the summary statement of cash flows, discussion and analysis of the summary financial statements and the Directors' Declaration for the year then ended, and related notes, are derived from the audited financial report of Katoomba RSL All Services Club Limited for the year ended 30 June 2024.

In our opinion, the accompanying summary financial statements are consistent, in all material aspects with the audited financial statements, on the basis described in Note 1.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by Australian Accounting Standards – Simplified Disclosures. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and auditor's report thereon.

The Audited Financial Report and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial report in our report dated 25 September 2024.

Directors' Responsibility for the Summary Financial Statements

The Directors are responsible for the preparation of the summary financial statements on the basis described in Note 1.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial report based on our procedures, which were conducted in accordance with Auditing Standard ASA 810 Engagements to Report on Summary Financial Statements.

Cutcher & Neale Assurance Pty Limited
(An authorised audit company)

N. Nancarrow CA
Director

NEWCASTLE

25 September 2024

SYDNEY

Level 11, Suite 1102, 20 Berry Street,
North Sydney, NSW, 2059

BRISBANE

Suite 5, 36 Agnes Street,
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Katoomba RSL All Services Club Limited


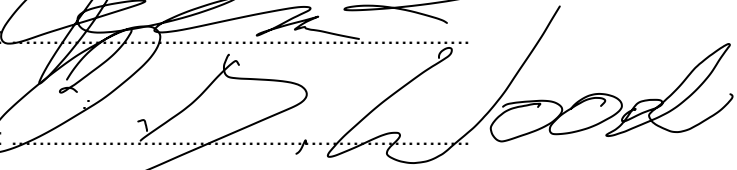
ABN 36 000 957 773

Directors' Declaration

In the Directors' opinion, the summary financial statements of Katoomba RSL All Services Club Limited for the financial year ended 30 June 2024, as set out on pages 8 to 16:

- a. comply with Accounting policies as described in Note 1; and
- b. have been derived from and are consistent with the full financial statements of Katoomba RSL All Services Club Limited.

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

Director: 
Director: 

Dated: 24 September 2024

Katoomba RSL All Services Club Limited

ABN 36 000 957 773

Summary Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2024

	2024	2023
Note	\$	\$
Bar sales	1,447,698	1,423,791
Less: Bar cost of goods sold	<u>(600,250)</u>	<u>(562,597)</u>
	847,448	861,194
Brasserie & cafe sales	3,387,287	2,975,972
Less: Brasserie & cafe cost of goods sold	<u>(1,366,222)</u>	<u>(1,234,856)</u>
	2,021,065	1,741,116
Gross profit	2,868,513	2,602,310
Gaming machine net clearances	4,560,286	4,403,843
Tab and Keno commissions	127,259	95,270
Raffles & bingo income	71,864	64,986
Other revenue from contracts with customers	2 114,018	115,755
Other revenue from ordinary activities	2 144,308	93,815
Borrowing cost expenses	(142,774)	(157,227)
Gaming machine expenses	(805,662)	(804,956)
Tab and Keno expenses	(54,897)	(53,490)
Raffles & bingo expenses	(121,902)	(118,236)
Occupancy expenses	(1,032,240)	(1,011,937)
Club promotion and entertainment expenses	(892,375)	(685,109)
Depreciation and amortisation expenses	(910,765)	(1,294,218)
Administrative expenses	(655,293)	(576,034)
Salaries and wages	(3,572,576)	(3,200,514)
Profit / (loss) before income tax	(302,236)	(525,742)
Income tax (expense) / benefit	53,876	(18,307)
Profit / (loss) after income tax	(248,360)	(544,049)
Other comprehensive income	-	-
Total comprehensive income / (loss)	(248,360)	(544,049)

The accompanying notes form part of these financial statements.

Katoomba RSL All Services Club Limited

ABN 36 000 957 773

Summary Statement of Financial Position

As At 30 June 2024

	2024	2023
	\$	\$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	947,152	739,359
Trade and other receivables	25,608	13,972
Inventories at cost	64,547	83,451
Prepayments	214,164	192,512
TOTAL CURRENT ASSETS	1,251,471	1,029,294
NON-CURRENT ASSETS		
Deferred tax assets	69,108	56,392
Property, plant and equipment	16,967,078	17,508,123
Intangible assets	129,388	129,388
Right-of-use assets	8,580	13,199
TOTAL NON-CURRENT ASSETS	17,174,154	17,707,102
TOTAL ASSETS	18,425,625	18,736,396
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	994,744	775,379
Short-term borrowings	321,709	269,294
Short-term provisions	372,242	334,408
Current tax liabilities	33,024	(82,846)
Lease liabilities	4,837	4,635
Subscriptions in advance	42,441	41,458
TOTAL CURRENT LIABILITIES	1,768,997	1,342,328
NON-CURRENT LIABILITIES		
Long-term borrowings	1,318,661	1,730,574
Deferred tax liabilities	597,416	669,800
Long-term provisions	22,288	22,653
Lease liabilities	4,198	9,035
Subscriptions in advance	48,464	48,045
TOTAL NON-CURRENT LIABILITIES	1,991,027	2,480,107
TOTAL LIABILITIES	3,760,024	3,822,435
NET ASSETS	14,665,601	14,913,961

The accompanying notes form part of these financial statements.

Katoomba RSL All Services Club Limited

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Summary Statement of Financial Position

As At 30 June 2024

	2024	2023
	\$	\$
EQUITY		
Reserves	1,624,815	1,624,815
Retained earnings	13,040,786	13,289,146
TOTAL EQUITY	14,665,601	14,913,961

The accompanying notes form part of these financial statements.

Katoomba RSL All Services Club Limited

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Summary Statement of Changes in Equity For the Year Ended 30 June 2024

2024

	Retained Earnings	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 July 2023	13,289,146	1,624,815	14,913,961
Profit / (loss) attributable to members	(248,360)	-	(248,360)
Balance at 30 June 2024	<u>13,040,786</u>	<u>1,624,815</u>	<u>14,665,601</u>

2023

	Retained Earnings	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 July 2022	13,833,195	1,624,815	15,458,010
Profit / (loss) attributable to members	(544,049)	-	(544,049)
Balance at 30 June 2023	<u>13,289,146</u>	<u>1,624,815</u>	<u>14,913,961</u>

The accompanying notes form part of these financial statements.

Katoomba RSL All Services Club Limited

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Summary Statement of Cash Flows For the Year Ended 30 June 2024

	2024	2023
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	10,813,317	10,076,615
Payments to suppliers and employees	(9,909,192)	(8,994,130)
Interest received	11,854	4,490
Interest paid	(142,224)	(156,677)
Income tax (paid) / refunded	84,646	(16,396)
Net cash provided by / (used in) operating activities	<u>858,401</u>	<u>913,902</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of property, plant and equipment	80,717	16,500
Purchase of property, plant and equipment	(367,192)	(415,066)
Net cash used by investing activities	<u>(286,475)</u>	<u>(398,566)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of borrowings	(359,498)	(998,472)
Repayment of leases	(4,635)	(4,450)
Net cash provided by / (used by) financing activities	<u>(364,133)</u>	<u>(1,002,922)</u>
Net increase / (decrease) in cash and cash equivalents held	207,793	(487,586)
Cash and cash equivalents at beginning of year	<u>739,359</u>	<u>1,226,945</u>
Cash and cash equivalents at end of financial year	<u><u>947,152</u></u>	<u><u>739,359</u></u>

The accompanying notes form part of these financial statements.

Katoomba RSL All Services Club Limited

ABN 36 000 957 773

Notes to the Summary Financial Statements For the Year Ended 30 June 2024

1 Material Accounting Policy Information

(a) Basis of preparation

The summary financial statements have been prepared from the audited financial report of Katoomba RSL All Services Club Limited for the year ended 30 June 2024. The audited report for the year ended 30 June 2024 is available at request from Katoomba RSL All Services Club Limited.

The financial statements, specific disclosures and the other information included in the summary financial statements are derived from and are consistent with the full financial statements of Katoomba RSL All Services Club Limited. The summary financial statements cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of Katoomba RSL All Services Club Limited as the full financial statements.

The accounting policies have been consistently applied to Katoomba RSL All Services Club Limited and are consistent with those of the previous financial year in their entirety.

(b) Working Capital Deficit

At balance date, the Club reported negative working capital where current liabilities exceeded current assets by \$517,526 (2023: deficit of \$313,034). The Club's net asset position as at 30 June 2024 was \$14,665,601 (2023: \$14,913,961).

The Board and management continue to review expenses and monitor financial performance.

The statement of profit or loss and other comprehensive income for the year ending 30 June 2024 reports a loss after income tax of \$248,360 (2023: loss of \$544,049).

The Directors and Management recognise that an extended period of negative operating results is unsustainable. The Club remains in a strong net asset position as at 30 June 2024.

Katoomba RSL All Services Club Limited

ABN 36 000 957 773

Notes to the Summary Financial Statements For the Year Ended 30 June 2024

2 Revenue

	2024	2023
	\$	\$
Revenue from contracts with customers		
- Trading revenue	9,594,394	8,963,862
Other revenue from contracts with customers		
- Membership subscriptions	52,142	38,933
- Other income	61,876	76,822
Total other revenue from contracts with customers	114,018	115,755
Total revenue from contracts with customers	9,708,412	9,079,617
Other revenue from ordinary activities		
- Interest received	15,424	4,490
- Commissions received	29,623	30,116
- Rebate for GST on gaming machine duty	18,612	15,748
- Wage subsidies	-	25,612
- Profit on sale of assets	78,625	10,989
- Other income	2,024	6,860
Total other revenue from ordinary activities	144,308	93,815
Total Revenue	9,852,720	9,173,432

Katoomba RSL All Services Club Limited

ABN 36 000 957 773

Discussion and Analysis of the Summary Financial Statements For the Year Ended 30 June 2024

Information on Katoomba RSL All Services Club Limited Summary Financial Statements

The financial statements, disclosures and discussion and analysis in the summary financial statements have been derived from the 2024 financial statements of Katoomba RSL All Services Club Limited.

A copy of the full financial statements and auditor's report will be sent to any member, free of charge, upon request. The summary financial statements cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the entity as the full financial statements.

The discussion and analysis is provided to assist members in understanding the summary financial statements

Summary Statement of Profit and Loss and Other Comprehensive Income

The Club has reported a loss of \$248,360 after tax compared to a loss of \$544,049 last year.

Overall, the Club has seen good growth in revenue with brasserie and café sales up \$435k, gaming machine net clearances up \$156k & tab and keno commissions up \$32k.

Club promotions and entertainment expenses are up \$207k in 2024, with the Club increasing member promotions and giveaways, commencing trivia and increasing poker nights in the Club to attract members to the Club.

Salaries and wages have increased \$371k with award rate and super increases, increased brasserie wages in line with increased sales, and a full year of the inhouse IT manager role.

Administration expenses have increased \$79k in line with increased insurance premiums and other supplier costs.

Depreciation and amortisation expenses have decreased \$383k due to a large number of assets (primarily gaming machines) becoming fully depreciated early in the year.

Summary Statement of Financial Position

The main changes in assets and liabilities include:

Cash and cash equivalents increased \$208k.

Property, plant and equipment decreased by \$541k which is the net difference between additions of \$367k, disposals of \$2k, depreciation expense of \$906k.

Total short-term and long-term borrowings decreased \$359k due to repayments made to existing debt.

Trade and other payables have increased \$219k, primarily due to increase in unpaid progressive gaming machine jackpot (\$88k) and a \$59k increase in trade creditors.

Summary Statement of Changes in Equity

The equity of the Club has decreased this year due to the reported total comprehensive loss of \$248,360

Katoomba RSL All Services Club Limited

ABN 36 000 957 773

Discussion and Analysis of the Summary Financial Statements For the Year Ended 30 June 2024

Summary Statement of Cashflows

The main changes in cash flows include:

Operating cash flows have decreased compared to 2023 with a greater increase in payments to suppliers than receipts from customers.

Investing cash flows is negative this year relating to capital additions net of proceeds from disposals. Capital additions primarily related to gaming machines purchased.

Financing cash flows relate to the repayment of the Bendigo Bank loan made during the year and lease repayments.