



**Canley Heights RSL
& Sporting Club**

2021 ANNUAL REPORT

Financial Year Ending 30th June 2021

Board of Directors 2021



Ennio Facchetti
PRESIDENT



Frank Tedesco
VICE-PRESIDENT



Mark Wheatley
DIRECTOR



Robert Neesam
DIRECTOR



Christine Simmons
DIRECTOR



Donald Henry
DIRECTOR



Kathryn Dawson
DIRECTOR

Please Note:

* Kevin Todd Appointed Director 16 May 2021

* Ian Davidson Appointed Director 16 May 2021



Canley Heights RSL & Sporting Club Limited

(A Company Limited by Guarantee ABN 44 001 783 124)

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President's Report



I submit my report for the financial year ending June 2021. In these unprecedented times, your Club has been deeply impacted, just like all businesses around Australia and the world, faced with another Government closure on June 26th 2021.

Fortunately, we were allowed to open the Club again on October 11th 2021, in a limited capacity. It was great to see all our members back enjoying their Club again, all be it in a Covid safe environment. Your Club went above the Covid safe requirements deploying extra staff as cleaners and Covid Marshals and doing temperature checks on arrival, face masks, social distancing, and hygiene management. This all contributed to your Club being regarded as a very safe Club to visit.

Thanks to the efforts of the Board, Management, Staff and the support of you, the members the Club is pleased to announce an operating profit of \$548,066.

On this note would like to thank the Club's C.E.O, Mr Mark Gavelin, his management team and staff for all their hard work, ongoing dedication and commitment and forgoing the extra mile to keep our Club operating successfully in these challenging times to achieve this result.

The Board made some hard but necessary decisions to ensure your Club remains in a strong position. I want to thank Mr Richard Pritchard (Taffy) and the Sub Branch committee for your continued support over the last 12 months.

I want to thank former Directors Kathy Dawson and Robert Neesam for their years of service to Canley Heights R.S.L and Sporting Club. On behalf of all of us on the Board, we wish Kathy and Rob all the very best, and I would like to welcome Kevin Todd and Ian Davidson to the Board of Directors.

I offer my condolences to all those who have lost someone close to you. To those who are unwell, I wish you a speedy recovery.

Finally, I thank you, our loyal Members, for supporting and enjoying your Club throughout this past challenging year and look forward to seeing you all enjoying your Club in 2022 and the years to come.

Again, to my Board Colleagues, thank you for your guidance and support throughout the year. I am looking forward to a safer year ahead.

All the very best,

Ennio Facchetti
President



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CEO's Report



Dear Members,

I wish to present the 6-month Annual Financial Report of the CHRSL & Sporting Club for the year ending June 2021.

On reflection, 2021 has seen perhaps the most significant change in our lifetime. Naturally, all of the restrictions and closures have had a tremendous impact on the Club's operation and an even greater impact on our Staff, Members and the wider community. It was a mixture of relief to have the year almost over and nervous anticipation for what the year ahead will bring. The last six months was the hardest, strangest and most challenging year of my working life. Our Club was shut for 106 days after the NSW health mandated government-ordered closures.

I write this report after coming back from a second lockdown that lasted 106 days, never the less this report reflects the first six months of 2021 with our shortened financial year. Unknowingly the next six months of 2021 would be the most challenging thus far for us all, as we had to close our Club again on the 26th of June 2021. NSW Government ordered a further lockdown to deal with the fast-spreading outbreak of covid 19 "delta variant", and the length of this lockdown was unknown and unclear.

Little did we know that we would be shut down for a lengthy period which required your Board of Directors and Management team to be in regular communication after the Clubs shutdown period. The closure of our Club was a very dark period for all. Upon reopening, numbers, spacing, restrictions and events all had to be addressed and ready for change at a moment's notice. I remain in absolute awe at the way all staff embraced their jobs that had to be done with such professionalism and positiveness. However, we are all united again by a common culture of discipline, integrity, respect, reliability and teamwork, which makes us unbeatable in the face of events like this, in the face of adversity.

On the back of 2020, the continued uncertainty has brought our team together and stronger as the rules and regulations continued to change and ease, as we modified our operating procedures and rewrote our COVID safety plans on numerous occasions.

I'm very proud and honoured to continue leading my management team, Gilbert, Andrew, Michelle, Ivy, Barbara, Michael, Rhonda and James, who hold the front end of the Club to the highest standards. I thank you for your support and dedication to the Club. Thank you for what was a challenging six months to June 2021.

The Board of Directors, Gilbert (CFO), and my team have counted to pay down debt and maintain our venue for its members and the community despite all the challenges of the past six months. As a result, I am very pleased to report another successful profit of \$548,066, especially under challenging circumstances for the six-month year-end.

On that note, I would like to thank our Board of Directors – lead by President Mr Ennio Facchetti, for their ongoing support, decisive leadership, trust and dedication. Thank you for trusting us to drive our Club through this pandemic. Your continued belief and support is appreciated.

On a sad note, we farewelled two of our directors in, Kathryn Dawson and Robert Neesam. I'd personally like to thank them for their support and friendship since I commenced at the Club and wish them the very best for the future and thank them for their contribution to our Club.

In addition, I also want to congratulate Kevin Todd and Ian Davidson on their appointment to the position of Director.

I would like to acknowledge and thank all our loyal staff, we all recognise what has been a challenging part of the year, both mentally and physically and you have all continued to unite together. I wish to farewell Skye-Lea Gordon & several long-term staff who left throughout the year, and wish them all the best in their future endeavours.

To our valued members who were there to support and visit our Club through this pandemic, we thank you for your understanding in following the government's rules and guidelines. Our community has displayed remarkable resilience and strength throughout these challenging times. Thank you for playing an integral part in the reopening of our Club.



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CEO's Report (continued)

We will continue to monitor and provide the necessary resources and maintain the maximum protection possible to our community and their families. Clubs are nothing without their members. Best wishes and good health for the year ahead.

We are now focusing and looking forward to introducing some new activities to our weekly schedule.

I want to thank you all again and look forward to a strong and healthy 2022 as we enter the festive season, let's have a happy and safe summer ahead.

Thank you, stay Safe

Mark Gavelin ACCM
Chief Executive officer



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Chief Financial Officer's Report



Dear Members,

Greetings and it is with pleasure for me to provide my report for the financial year ended 30 June 2021. It has only been a little over 6 months since we had our last AGM presenting the 2020 annual report. Changing our Club's financial year to a Tax year end of 30 June 2021 resulted with the Club reporting a six (6) month Annual financial report. I am happy to announce that we have recorded a Net profit of \$548,066 for the 2021 year.

In 2020, we all had experienced and reflected on the effects of the Bushfires and Covid-19 pandemic. And just as we thought that we could continue on with our lives, news of the new Covid-19 Delta variant emerged in the early parts of 2021 which eventually saw a second phase of an extended lockdown in NSW and across the entire country via a mandated health order issued by the NSW government. After 106 days of lockdown which started from 26 June 2021, our Club was closed for business for the entire period. And it is again with my warmest sympathy and condolences to everyone who experienced the loss of their loved ones. Despite the adversity and hardship seen across the country, I applaud with a great sense of humility, respect and warmth to all the Front-liners (past and present) who braved this pandemic (and all previous disasters) and we all thank you for your services.

Despite the Health Orders being implemented and thanks to technology, the Board of Directors, with Mark (CEO) and the management team was still able to be kept in touch and informed thru Board Meetings and manager meetings held to discuss ongoing Club matters.

With the opening of business resuming on the 11th October 2021, adoption of strict restrictions was issued by the Health Order which saw our Club meeting all the requirements which we took very seriously. We continue to see positive improvements in the easing of restrictions as the state's vaccination rate meets its expected target percentage (95%). Memberships saw an increase and we are still seeing it going in an upward trend. This position provides a good indication and overview that the general public's confidence levels to get back to normality is positive and evident.

Due to the change in our reporting period which only saw a period of six (6) months of operations this year, I will not be providing comparable figures between the two periods. It is however important for me to inform members of how the Club has performed during the period.

Total Revenue from ordinary activities for the financial year 2021 was \$7,377,574. The Gaming department derives approximately 82.28% of the revenues reported. Cost of sales and direct expenses was reasonable during the year. The gaming activities expenses of \$1,839,114, which includes poker machine taxes of \$1,389,357. Employment cost of \$2,192,231 includes the employer superannuation contribution guarantee and other related expenses. Depreciation of \$589,389 is reasonable and net loss on disposal of asset amounted \$182,939. We have also recently had the Solar system installed by Origin. The system should be operational in the coming days and we hope to see some positive outcomes for both the environment and the Club's power bills reducing. We are also reducing our loan facilities progressively and consistently.

At the end of August 2021, our Club provided \$219,808 in Club Grants which comprises \$94,178 for Category A and \$125,630 for category B. Further information and details of Club Grants is provided by the PA report in this booklet.

Our Cash Flow at the end of period was \$4,741,025, providing an additional \$175,756 during the year. Operating activities provided net cash funds of \$745,116. We were also reducing our loans and hire purchases during the period totaling \$291,553. Capital purchases of \$554,527 includes the Right of Use (ROU) asset. The ROU liability of \$241,860 was also applied in the period. It is important as a business to see positive and increased generation of funds in the Cash Flow. With continuous positive cash flow generation and a strong balance sheet, our Club will be able to deliver positive progress and outcomes for the members.

Net Assets increased by \$512,050 during the financial year resulting from the Club's operations and Deferred Tax Adjustments. I am pleased to announce that our Banking Loan facility is currently being serviced by National Australia Bank (NAB) on a long term facility. This new facility will strengthen our position and I want to take this opportunity to thank our NAB manager and his team for their support and services provided.

This also saw the equity increased by \$512,050 to \$16,282,858 as compared to \$15,770,808 from the previous year. As a measure of financial performance, the return on equity for the year ended 30 June 2021 is 3.37%.

In my professional opinion, I would like to express my increased level of confidence on the Club's Balance Sheet as at 30 June 2021, seeing positive and good improvements in both our current and non-current assets over its liabilities for the last three years.



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Chief Financial Officer's Report (continued)

Despite having to undergo business interruptions from the Covid-19 pandemic restrictions, such as, social distancing, food and beverage consumption and others, the Board of Directors, Mark, the management team and staff managed to overcome the challenges ahead and push forward for our Club to be opened for members to visit and enjoy the venue in a comfortable, proactive and effective manner.

I would like to take this opportunity to thank the Board of Directors (including previous Directors who have stepped down from their duties in 2021), Mark Gavinel and the Management team for their on-going and continued support during the year. To all our dedicated staff, thank you for the hard work, dedication, support and assistance that you have provided consistently.

Lastly, I would like to thank our loyal and valued Members for their continuous support and faith in our business operations. Your continuous patronage and faith in us is appreciated.

Stay safe and well always.

Yours faithfully,

Gilbert Wong CPA, CA(M), B BUS (ACCOUNTING), AD DIP (HOSPITALITY)
Chief Financial Officer



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Annual General Meeting – Sunday 16th May 2021

49 Members in attendance

Main Table: E. Facchetti #160 (President)
M. Gavinel (CEO)
G. Wong (Chief Financial Officer)
A. Frawley (Auditor)
M. McCluskey (Piggott Stinson – Club Solicitors)

Meeting Opened: 9:38am by Chairman E. Facchetti #160

E. Facchetti #160 welcomed all and introduced the Main Table and reminded all of the house rules – switching off of mobile phones during the meeting etc;

Apologies: R. Neesam #162, S. Neesam #2064, R. Press #98, V. Press #2254, P. Press #6205

Confirmation and Acceptance of the 2020 Annual General Meeting Minutes & Financial Reports.

Moved: D. Henry #1182 **Seconded:** M. Wheatley #4376 **Carried**

Club Update – M. Gavinel

Would like to thank the members for their continued support. It has been a great 12 months. M. Gavinel spoke on new food & beverage deals and member's promotions that are upcoming. There will be a Saturday Pizza/Beverage deal during winter. The Club will continue to pay our debt down, which we have been doing successfully.

There were no financial questions received from the Members in relation to the Financial Report so it was moved for: **Confirmation and Acceptance of the 2020 Annual Report**

Moved: D. Henry #1182 **Seconded:** M. Wheatley #4376 **Carried**

Financial Update – G. Wong

Revenue in 2020 – showed a \$2,303,848 profit, being better than 2019 which was a loss of -\$936,346. It was a great year, thank you for your patronage.

Michael McCluskey (Piggott Stinson Solicitors) spoke on the Resolutions as outlined in the Notice of Annual General Meeting.

The Members are to Receive and Consider and if thought fit adopt the Annual Report issued to members for the year ending 31st December 2020 along with Resolutions 1 - 7 & the Special Resolutions as outlined in the Notice of Annual General Meeting along with the necessary changes that must be made to the Clubs Constitution to reflect the outcome on the voting of the Resolutions, Special resolutions and Legislative Changes.



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In relation to the Ordinary Resolutions, R. Pritchard #3 suggested they be read out and 1-7 and then voted upon.

Moved: R. Pritchard #3 **Seconded:** I. Davidson #1730 **Carried**

RESOLUTIONS

- **Resolution 1 – Directors' Expenses**

Moved: R. Pritchard #3 **Seconded:** G. Lewsam #24 **Carried**
Vote taken and accepted.

- **Resolution 2 – Directors' Honorariums**

Moved: R. Pritchard #3 **Seconded:** G. Lewsam #24 **Carried**
Vote taken and accepted.

- **Resolution 3 – Sub-Clubs, Sporting Groups, Charitable Organizations & Other Intra-Club Bodies**

Moved: H. Pickersgill #1718 **Seconded:** C. O'Keeffe #5527 **Carried**
Vote taken and accepted.

- **Resolution 4 – Members Service Badges**

Moved: M. Tedesco #6554 **Seconded:** K. Dawson #362 **Carried**
Vote taken and accepted.

- **Resolution 5 – Life Members – Complimentary Beverage**

Moved: C. Simmons #7602 **Seconded:** D. Henry #1182 **Carried**
Vote taken and accepted.

- **Resolution 6 – Life Members - Designated Car Spaces**

Moved: R. Pritchard #3 **Seconded:** K. Dawson #362 **Carried**
Vote taken and accepted.

- **Resolution 7 – Welfare Officers**

Moved: D. Henry #1182 **Seconded:** M. Wheatley **Carried**

SPECIAL RESOLUTIONS

To be passed, each Special Resolution must receive votes in favour from not less than three quarters (75%) of those members who, being eligible to do so, vote in person on the Special Resolution at the meeting.

SPECIAL RESOLUTION 1

1. Amendments to the Club's Constitution to bring it into line with the Corporations Act, Liquor Act, Registered Clubs Act and their associated regulations
2. Terminating the membership of a provisional member at any time without notice or reason.
3. Director Training Disclosures
4. Amending existing provisions relating to general meetings to bring the Constitution in line with the Corporations Act

A vote was taken and the Special Resolution was accepted. **Carried**

SPECIAL RESOLUTION 2

1. Amendments to the Club's Constitution to change the Club's financial year from 1 January to 31 December in each year to 1 July to 30 June in each year.

A vote was taken and the Special Resolution was accepted. **Carried**



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RESULTS OF THE 2020 BOARD ELECTION

E. Facchetti #160 declared all positions on the Board vacant and the election results were announced.

President	E. Facchetti #160	(Elected unopposed)
Vice-President	F. Tedesco #129	170 Votes (Elected)
	C. Simmons #7602	72 Votes
Directors	K. Todd #1032	153 Votes (Elected)
	D. Henry #1182	165 Votes (Elected)
	C. Simmons #7602	128 Votes (Elected)
	M. Wheatley #4376	174 Votes (Elected)
	I. Davidson #1730	134 Votes (Elected)
	T. Nazor #993	96 Votes
	R. Robinson #424	126 Votes

E. Facchetti introduced the Board for the next 18 months (due to the financial year change). Thanked those other members that ran and showed interest in the Board, which means we are going in the right direction.

GENERAL BUSINESS

D. Henry #1182 – Thanked Kath Dawson & Rob Neesam. Mark & I have been on the board with them for the past 2 years and working with them has been fantastic. Enjoy your retirement.

R. Pritchard #3 – Thanked Kath Dawson – for a job well done in welfare and for her 20 years’ service.

A. Robinson #8527 – Asked whether the Vegas lunch events will be put back on?

M. Gavinel (CEO) advised that we have a show coming up in June that includes a 2-course lunch, comedian, singer and raffle, it will be a bit more expensive than the Vegas lunch but will have a different menu and format.

Y. Craig #349 – Asked if the members will ever be getting the free coffee back?

M. Gavinel (CEO) advised that decisions had to be made to keep things viable, so at this point the answer is no, which is for the long-term benefit of the club. We need to be careful.

E. Facchetti #160 – Rob Neesam served on the Board for 9 years and has now moved up the coast, Rob did welfare and had involvement with Braeside. Kath Dawson – E. Facchetti has known Kath for 21 years – Kath always listened and had an opinion, but always put the club first, which is what a board member should be - she will be missed.

E. Facchetti #160 – thanked the members and staff for their support – it is a great honour to lead the club. Thankyou

E. Facchetti #160 – advised that solar panels will be installed on the roof of the club in the next 4-5 weeks to assist in saving the club money.

R. Pritchard #3 wanted to acknowledge one of the club staff on behalf of the Sub-Branch. Head Office are now doing less and it is falling on sub-branch members to try and get things done themselves, and we have an elderly team of Geoff, Bob and Bill that aren’t as good with all the latest technology, so we often call on Michelle Baxter to come to the rescue. Michelle was called up and presented with a certificate of appreciation. The Sub-branch also want to acknowledge the club President Ennio Facchetti for all his support. R. Pritchard#3 said it is the first time Non-RSL people have received Certificates of Appreciation from the RSL National Office.

Thankyou for your attendance.

Meeting Closed: 10:00am



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Notice Of Annual General Meeting

COMMENCES AT 9:30AM SHARP ON SATURDAY 18 DECEMBER 2021 IN THE WAKELEY ROOM AT THE CLUB AT 26 HUMPHRIES RD, WAKELEY.

Members will recall that at the Annual General Meeting (AGM) held in May this year members approved a change to the date of the Club's financial year. The financial year of the Club now ends on 30 June each year instead of 31 December. As was pointed out at the May AGM the Club needed to hold 2 AGMs in 2021 so the change in the financial year can be put into place. Moving forward from here the Club will hold its AGM during October/November each year.

Please note that because of the Covid 19 Pandemic the ASIC announced that any company with a financial year ending up to 7 July 2021 (which includes the Club) is able to hold its AGM at any time up until 31 January 2022 instead of the usual requirement to hold it within 5 months of the end of the financial year that is on or before 30 November 2021.

ORDER OF BUSINESS

Welcome & Apologies

- 1) Apologies

Confirmation of Minutes of Last General Meeting

To confirm the minutes of the Annual General Meeting held on Sunday, 16th May 2021.

Club Update

Annual Report

- 2) To receive and consider the Annual report to members for the year ended 30th June 2021 including:

- Directors Report & Declaration
- Auditors Report
- Income Statement
- Balance Sheet
- Cash Flow Statement
- Statement of Changes in Equity
- Notes to the Accounts

Directors Expenses, Honorariums, Sub-Clubs and Members Badges

- 3) To consider and if thought fit pass the following resolutions:

Resolution 1: Directors Expenses

"In accordance with Section 10 (6) and (6A) of the Registered Clubs Act the following resolution is submitted for consideration and approval:

- Directors be supplied with Club Directors Uniforms to be worn at Board Meetings and when representing the Club in an official capacity.*
- The payment of reasonable expenses in relation to the attendance of Directors at the ClubsNSW's AGM, conferences, industry updates and other educational industry meetings or business-related conferences/club related activities to be conversant with:*

- Directors' responsibilities
- Best Club Management Practice
- Latest development in the Club Industry.

- A reasonable amount be allocated to the President (or his delegate) for the provision of refreshments "to persons in circumstances which relate to the President's duties and his role as the President of the club".*

- A reasonable amount be allocated for provision of food and refreshments to Directors after Board Meetings.*

- Attendance of Directors at functions, with spouses where appropriate, when required to represent the Club.*



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(iv) Directors be provided with reserved parking.

(v) Directors be provided with reserved seating, free entry to various shows, concerts, seminars, etc;

(vi) Directors be provided with a ham and a carton of beer at Christmas Time."

Resolution 2: Directors' Honorariums

In accordance with Section 10(6) (b) of the Registered Clubs Act, the following resolutions are submitted for consideration:

"(a) Subject to (b) below Members hereby approve the Directors of the Club receiving the following honorariums for the period from May 2022 until the next Annual General Meeting:

President \$4,000.00

Vice President \$3,000.00

Directors \$2,000.00

(b) The honorariums shall be paid in quarterly instalments in arrears."

Notes to Members in relation to the Resolution 2

The resolution approves the payment of honorariums to the directors of the Club. Pursuant to the Registered Clubs Act honorariums can only be given to directors if they have been approved by members at a general meeting including an Annual General Meeting of the Club.

The amounts listed are of the usual honorarium because they are for the period from May 2022 to the next AGM approximately 6 months later in October/November 2022. Members approved honorariums at the May 2021 AGM of President \$8,000.00, Vice President \$6,000.00, and director \$4,000.00 for the period of one year between the May 2021 to May 2022.

The members acknowledge that the benefits in Resolutions 1 and 2 above are not available to members generally but only for those who are Directors of the Club and are in keeping with their role of Directors.

Resolution 3: Sub-Clubs, Sporting Groups, Charitable Organisations, and other Intra Club Bodies

"That the Board of Directors be authorised to make grants to support Sub-Clubs, Sporting Groups, Charitable Organisations and other Intra Club Bodies where appropriate."

Resolution 4: Members Badges

"That the Club provide to members in recognition of their length of membership at the Club (at the Club's cost) a member's badge upon ten years continuous membership, fifteen years continuous membership, twenty years continuous membership and each five (5) years' continuous membership of the Club thereafter."

Resolution 5: Life Members - Complimentary Beverage

"That, as and from 17 May 2022 and in accordance with section 10(6A) of the Registered Clubs Act, each Life member of the Club will be eligible, to a maximum of, one complimentary beverage (alcoholic or non-alcoholic) on each day they attend the Club."

Resolution 6: Life Members - Designated Car Spaces

"That, as and from 17 May 2022 and in accordance with section 10(6A) of the Registered Clubs Act, the Club will set aside within the Club's car park a designated car space for each Life member of the Club except during any period when a Life Member is entitled to a designated space because he or she is also a Director of the Club or a member of the Sub-Branch committee."

Notes to Members in Relation to the Resolution

This resolution if it is approved by members will authorise the Board of the Club to set aside a designated car parking space within the Club's car park for each Life member of the Club. A Life member that is also a Director or a member of the Subbranch committee (who are entitled to a car space) shall only be entitled to the one car park space.

The Board would like Life members to be assured of a car park space which is not too far from the Club's main entrance when they visit the Club.

The members acknowledge that the benefits in Resolutions 5 and 6 above are not available to members generally, but only for those who are Life members of the Club.



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Resolution 7: Welfare Officers

"That members hereby approve the Welfare Officer(s) receiving an honorarium pursuant to section 53A of the Club's Constitution, being:

- (a) If one (1) Welfare Officer is appointed by the Board, a maximum of \$2,400.00 (for the period 17 May 2022 until the next AGM); or
- (b) If two (2) Welfare Officers are appointed by the Board a maximum of \$1,200.00 (for the period 17 May 2022 until the next AGM each."

Special Resolution – Proposed Amendments to the Constitution

- 4) To consider and, if thought fit, pass the Special Resolutions proposed to amend the Club's Constitution which follow on from this Notice of Annual General Meeting.

General Business

- 5) To transact any business that may be brought before the meeting in conformity with the constitution of the Club.

By order of the Board of Directors

Mark Gavinel
Chief Executive Officer

Notes to Members

- 1. **The Doors to the Meeting will be closed at 9:30am** and no Members will be permitted entry to the meeting after this time
- 2. Members are reminded only financial questions on notice will be dealt with at the AGM. Any questions relating to the Annual Report must be in writing addressed to the Chief Executive Officer and received prior to the 4 December 2022 to enable the appropriate research to be undertaken on the questions by the Board. Any questions received after this date will not be addressed at the AGM.

NOTICE OF SPECIAL RESOLUTIONS FOR ANNUAL GENERAL MEETING

Members will be asked to consider and if thought fit pass the Special Resolutions set out below.

PROCEDURAL MATTERS FOR THE SPECIAL RESOLUTIONS

- 1. To be passed, each Special Resolution must receive votes in favour from not less than three quarters (75%) of those members who, being eligible to do so, vote in person on the Special Resolution at the meeting. The Special Resolutions should be read in conjunction with the notes to members which follow each Special Resolution.
- 2. Only Life members, Financial Service members and Financial Ordinary members who have been financial Ordinary members for a continuous period of at least twelve (12) months immediately preceding this meeting may vote on the Special Resolutions.
- 3. Under the Registered Clubs Act members who are employees of the Club are not entitled to vote and proxy voting is prohibited.
- 4. Amendments to the Special Resolutions (other than minor typographical corrections or other changes which do not change the substance or effect of the Special Resolution) will not be permitted from the floor of the meeting.
- 5. The Board of the Club recommends the Special Resolutions to members.



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FIRST SPECIAL RESOLUTION

That the Constitution of Canley Heights RSL & Sporting Club Limited be amended by:

(a) **inserting** the following definitions into Rule 2:

“**Executive positions**” means the positions of president and vice president.

“**Full Term**” means the entire and unbroken period between one biennial general meeting to the next Biennial General Meeting.”

(b) **deleting** Rule 47(a) and **inserting** the following new Rules 47(a) and (a1):

(a) Only Financial Service members, Financial Ordinary members and Life members who have been members of the Club for three (3) consecutive years at the close of nominations shall be entitled to take part in the management of the Club and to stand for or be elected or appointed to the Board of Directors of the Club.

(a1) The following shall apply in respect of the Executive Positions:

(i) Without limiting any other provisions in this Constitution, a member shall only be entitled to be elected or appointed to an Executive Position if the member has been a member of the Board for two (2) Full Terms immediately preceding the proposed date of the member’s election or appointment to an Executive Position (Eligible Member).

(ii) Notwithstanding anything contained in this Constitution, if, at the close of nominations, an Eligible Member has not nominated for an Executive Position, the following shall apply:

(A) the vacancy shall be a casual vacancy that may be filled by the Board in accordance with Rule 67; and

(B) the Board may appoint any member who is otherwise eligible to hold office on the Board to that casual vacancy (including, for the avoidance of doubt, a member who may not satisfy Rule 47(a1) above).

(iii) Notwithstanding anything contained in this Constitution, if a casual vacancy arises in respect of an Executive Position, the Board:

(A) if there is one or more Eligible Members on the Board, must appoint an Eligible Member to the casual vacancy; and

(B) if there are no Eligible Members on the Board, can appoint any member who is otherwise eligible to hold office on the Board to that casual vacancy (including, for the avoidance of doubt, a member who may not satisfy Rule 47(a1) above).”

Notes on First Special Resolution

1. The First Special Resolution proposes to amend the eligibility requirement for election or appointment to the positions of President and Vice President (**the Executive Positions**).
2. At present, a member cannot be elected or appointed to an Executive Position unless that person has been a director for at least one (1) year.
3. If the First Special Resolution is passed, a person must be director for at least two (2) Full Terms (being a period of approximately four (4) years) before they can hold an Executive Position (except if an Eligible Member is unable or unwilling to hold such a position).
4. The Board recommends this amendment because it will ensure the President and Vice President will have significant experience as directors and they have significant understanding of the Club and its operations, legal obligations, members, and business environment.

SECOND SPECIAL RESOLUTION

That the Constitution of Canley Heights RSL & Sporting Club Limited be amended by:

(a) **deleting** Rule 19 and **inserting** the following new Rule 19:

19” For the purposes of section 246B of the Act, the rights of a class of membership may be varied or cancelled by way of eligible members passing a special resolution in accordance with Rule 46 and without the need for a separate resolution to be passed by members of that class of membership.”



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(b) **deleting** Rule 24(b) and **inserting** the following new Rule 24(b):

"(b) Honorary members who are Full members of the Club shall be entitled to the rights and privileges of the category of membership of which they are a Full member. However, Honorary members who are not Full members of the Club shall be entitled to the social facilities and amenities of the Club and to introduce guests into the Club, but they shall not be entitled to attend or vote at any meeting of the Club, nominate for, or be elected or appointed to the Board or any office in the Club or participate in the management, business and affairs of the Club".

(c) **deleting** Rule 29(c) and inserting the following new Rule 29(c):

"(c) Temporary members shall be entitled to the social facilities and amenities of the Club and subject to any restrictions in this Constitution, to introduce guests into the Club".

(d) **deleting** Rule 29(d) and **inserting** the following new Rule 29(d):

"(d) The Secretary or senior employee then on duty may refuse a person admission to the Club as a Temporary member and/or terminate the membership of any Temporary member at any time without notice and without having to provide any reason".

(e) **inserting** at the end of Rule 29(e) the words "unless that person is a member of another registered club and satisfies the requirements of Rule 28(c)."

(f) **deleting** from Rule 31 the words "within six weeks from the date of lodging the nomination form with the Secretary or should that person's application for membership be refused (whichever is sooner)".

(g) **inserting** into Rule 32 the words "to introduce guests into the Club if he or she is an applicant for a class of membership which is permitted to do so but" after the words "amenities of the Club and".

(h) **inserting** into Rule 33 the word "Life," before the word "Provisional".

(i) **inserting** the following new Rule 33(d):

"(d) An interval of at least fourteen (14) days shall elapse between the deposit at the office of the nomination form of a person for election and the election of that person to membership of the Club."

(j) **deleting** Rule 39(b) and **inserting** the following new Rule 39(b):

"(b) Any person who has not paid his or her joining fee, subscription, levy or other payment:

- (i) by the due date shall cease to be entitled to the privileges of membership of the Club; and
- (ii) within one (1) month after the due date shall cease to be a member of the Club."

(k) **deleting** from Rule 39(c) the figure "(a)" and **inserting** the figure "(b)".

(l) **deleting** the heading "Addresses of Members" and Rule 41 and inserting the following new heading and Rule 41:

"NOTIFICATION TO CLUB REGARDING CHANGE IN MEMBER'S DETAILS

"41 Every member must advise the Chief Executive Officer of any change to their personal details (including their address, email address and telephone number) within seven (7) days of the change to their personal details."

(m) **deleting** from Rule 43(a)(i) the words "sent as a prepaid letter posted to the member's last known address".

(n) **inserting** at the end of Rule 43(a)(ii) the words "provided that if a proposed witness fails to attend the hearing or provide evidence at the hearing, the Board can still hear and determine the charge and the Club cannot and will not force any person (including a member) proposed by the member charged as a witness to attend and provide evidence at the hearing."

(o) **inserting** the following new Rules 43(a)(iii) and (iv) and **renumbering** the remaining provisions of Rule 43(a) accordingly:

"(iii) If the chairperson determines (in their absolute discretion) that the member charged is not acting in an appropriate manner, the chairperson may issue the member charged with a warning regarding the member's conduct and advise the member that if the member fails to comply with the warning, the member may be asked to leave the meeting and the Board will continue to consider and deal with the charge in the absence of the member.

(iv) If the member charged does not comply with the warning given in accordance with Rule 43(a)(iii), the chairperson (in their absolute discretion) may exclude the member charged from the meeting and continue to consider and deal with the charge in his or her absence."

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- (p) **inserting** the following new Rules 43(a)(ix) and (x):
- (ix) The Board may authorise the Secretary and other persons to attend the meeting to assist the Board in considering and dealing with the charge, but those persons cannot vote at the meeting.
 - (x) The outcome of disciplinary proceedings shall not be invalidated or voided if the procedure set out in Rules 43 and 43A is not strictly complied with provided that there was no substantive injustice for the member charged."
- (q) **deleting** from Rule 43(b) the words "or for five weeks whichever is sooner".
- (r) **inserting** into Rule 43(c)(v) the words "or any employee exercising this power" after the word "Secretary".
- (s) **inserting** into Rule 43(c) (vi) the words "or by law" after the words "liquor accord".
- (t) **inserting** at the end of Rule 43(e) the words "or any other employee authorised to exercise this power".
- (u) **deleting** from Rule 44(a) the words "Temporary members, Honorary members and Provisional members".
- (v) **inserting** at the end of Rule 44(a) the words "A Temporary member may introduce a guest only in accordance with Rule 45".
- (w) **deleting** from Rule 44(c) the words "pursuant to Rule 43" and inserting the words ", been expelled from the Club or been refused admission to or been turned out of the Club".
- (x) **deleting** from Rule 44(i) the words "or require a guest of a member to leave the Club's premises" before the words "(or any part thereof)".
- (y) **deleting** Rule 45 and **inserting** the following new Rule 45:
- "45. A Temporary member may bring into the non restricted areas of the Club premises as the guest of that Temporary member a minor:
- (a) who at all times while on the Club premises remains in the company and immediate presence of that Temporary member; and
 - (b) who does not remain on the Club premises any longer than that Temporary member;
 - (c) in relation to whom the member is a responsible adult (as defined in the Registered Clubs Act)."
- (z) **inserting** the following new Rules 47(c)(iv) to (vi) inclusive:
- (iv) is disqualified from managing any company under the Act;
 - (v) is of unsound mind or whose person or estate is liable to be dealt with any way under the law relating to mental health;
 - (vi) is prohibited from being a director by reason of any order or declaration made under the Act, Liquor Act, Registered Clubs Act or any other applicable legislation."
- (aa) **inserting** the following new Rule 49(f):
- "(f) The election of the Board (including without limitation, the results of the election of the Board) shall not be invalidated or voided if the procedure in Rule 49 is not strictly complied with provided there is no substantive injustice for any candidates."
- (bb) **deleting** from Rule 50 the words "other documents" and **inserting** the words "other material".
- (cc) **deleting** from Rule 50 the words "are distributed to all eligible members by post" and inserting the words "and other material are distributed in accordance with the applicable by-laws (if any) adopted by the Board".
- (dd) **inserting** at the end of Rule 53(a) the words "The Board shall have the power to dissolve committees or remove committee members from office."
- (ee) **inserting** at the end of Rule 53(m) the words "The Board dissolve Sub clubs or remove committee members from office of Sub Clubs and all assets in the possession and control of a Sub Club (including cash reserves) are owned by the Club."
- (ff) **inserting** the following new Rules 53(q) and (r):
- (q) delegate any of its powers to directors, members, employees, committees, sub clubs or any combination thereof.
 - (r) issue requests and directions to members which may be reasonably required for the proper conduct and management of the Club."
- (gg) **deleting** from Rule 55(c) the word "personally".



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(hh) **inserting** the following new Rule 61A:

"61. In addition to Rule 61, a resolution may be passed by the Board if the proposed resolution is emailed to all directors and all directors agree to the proposed resolution by sending a reply email to that effect. The resolution shall be passed when the last director sends their email agreeing to the resolution."

(ii) **deleting** Rule 66 and **inserting** the following new Rule 66:

"66. The office of a member of the Board shall automatically be vacated if the person holding that office:

- (a) dies; or
- (b) is disqualified for any reason referred to in Section 206B of the Act;
- (c) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health;
- (d) is absent from meetings of the Board for a period of ninety (90) days (calculated from the last meeting of the Board attended) without the prior written consent of the Board unless the Board determines that their office has not been vacated as a result of that absence;
- (e) by notice in writing resigns from office as a director;
- (f) becomes prohibited from being a member of the Board by reason of any order or declaration made under the Act, the Registered Clubs Act, or the Liquor Act;
- (g) ceases to be a member of the Club;
- (h) becomes an employee of the Club;
- (i) fails to complete the mandatory training requirements for directors referred to in Rule 48A within the prescribed period (unless exempted).
- (j) was not eligible to stand for or be elected or appointed to the Board;
- (k) ceases to hold the necessary qualifications to be elected or appointed to the Board;
- (l) is convicted of an indictable offence;
- (m) is removed from office as a director in accordance with the Act or this Constitution."

(jj) **deleting** Rule 70(e) and **inserting** the following new Rules 70(e) to (h) inclusive:

- "(e) The Board may cancel or postpone any general meeting prior to the date on which it is to be held, except where such cancellation or postponement would be contrary to the Act. The Board may give such notice of the cancellation or postponement as it thinks fit but any failure to give notice of the cancellation or postponement does not invalidate the cancellation or postponement or any resolution passed at a postponed meeting. This Rule will not operate in relation to a meeting called pursuant to a request or requisition of members.
- (f) The Board may withdraw any resolution which has been proposed by the Board and which is to be considered at a general meeting, except where the withdrawal of such a resolution would be contrary to the Act.
- (g) If permitted by the Act, the Club may hold virtual only general meetings or Annual General Meetings. The provisions of the Act shall apply to such meetings and to the extent of any inconsistencies between the Act and the Constitution, the provisions of the Act shall prevail.
- (h) The Club may record general meetings (including Annual General Meetings) using audio and/or visual technology but members are not permitted to do so."

(kk) **inserting** the following new Rules 35.30 and 35.31:

"35.30 The chairperson:

- (a) is responsible for the conduct of the general meeting; and
- (b) shall determine the procedures to be adopted and followed at the meeting;
- (c) may refuse a member admission to a general meeting or require a member to leave a general meeting if in his or her opinion, the member is not complying with reasonable directions and/or is acting in an offensive and disruptive manner at the meeting.

35.31 The Board may authorise persons other than members to attend and speak at a general meeting, but those persons shall not be entitled to vote at general meetings."

(ll) **deleting** from Rule 81(d) the words "forty-eight (48) hours" and **inserting** the words "seven (7) days".



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(mm) **deleting** from Rule 83(b) the word "December" and **inserting** the word "June".

(nn) **deleting** Rules 91A to 91C inclusive and **inserting** the following new Rules 91A to 91C inclusive:

"91A. Where a notice is personally given to a member in accordance with Rule 90(a), the notice is received on the day the member is given the notice.

91B. Where a notice is sent to a member in accordance with Rules 90(b) and (c), the notice shall be deemed to have been received by the members on the day following that on which the notice was sent.

91C. Where a notice of general meeting (including Annual General Meeting) is sent to a member in accordance with Rules 90(d) and 91, the notice is taken to be given on the day following that on which the member is notified that the notice of meeting is available."

(oo) **inserting** the following new heading and Rules 97 and 98:

"RESIGNATION FROM MEMBERSHIP

97. A member may at any time resign from his or her membership of the Club by either:

- (a) giving notice in writing to the Secretary; or
- (b) returning his or her membership card to an officer of the Club and clearly indicating to the officer that he or she resigns from membership.

98. A resignation pursuant to Rule 97 shall take effect from the date on which the notice is received by the Secretary or the date on which the membership card is received by the officer of the Club."

Notes to Members on the Second Special Resolution

1. The Second Special Resolution proposes a series of amendments to the Constitution to bring it into line with best practice and the requirements of the Corporations Act, Liquor Act and Registered Clubs Act
2. **Paragraph (a)** clarifies that the rights of a class of membership may be varied or cancelled by way of a special resolution passed by eligible members (and without the members of that class of membership passing a separate resolution).
3. **Paragraphs (b) to (g) inclusive** amend existing provisions relating to Honorary, Temporary and Provisional membership to bring the Constitution into line with the Registered Clubs Act.
4. **Paragraph (h)** inserts an appropriate reference to Life members.
5. **Paragraph (i)** amends existing provisions relating to the application process for membership of the Club to bring the Constitution into line with the Registered Clubs Act.
6. **Paragraph (j)** clarifies that any person who has not paid his or her joining fee, subscription, levy, or other payment:
 - (a) by the due date, shall cease to be entitled to the privileges of membership of the Club; and
 - (b) within one (1) month after the due date, shall cease to be a member of the Club.
7. **Paragraph (k)** amends a cross reference to the Constitution.
8. **Paragraph (l)** clarifies that every member must advise the Club of any change to their personal details (including their address, email address and telephone number).
9. **Paragraphs (m) to (p) inclusive** amend existing provisions relating to disciplinary proceedings to bring the Constitution into line with best practice.
10. **Paragraph (q)** clarifies that a member who has been issued with a notice of disciplinary charge and hearing can be provisionally suspended from membership pending their disciplinary hearing.
11. **Paragraphs (r) to (t) inclusive** amend existing provisions relating to the removal of persons from the Club's premises to bring the Constitution into line with the Liquor Act.
12. **Paragraphs (u) to (y) inclusive** amend existing provisions relating to guests of members to bring the Constitution into line with the Registered Clubs Act.



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13. **Paragraph (z)** clarifies that a member can not be a director if he or she is:
 - (a) disqualified from managing any company under the Corporations Act; and
 - (b) of unsound mind or whose person or estate is liable to be dealt with any way under the law relating to mental health;
 - (c) is prohibited from being a director by reason of any order or declaration made under the Corporations Act, Liquor Act and Registered Clubs Act.
14. **Paragraphs (aa) to (cc) inclusive** amend existing provisions relating to the election of the Board to bring the Constitution into line with best practice.
15. **Paragraphs (dd) to (ff) inclusive** amend existing provisions relating to the powers of the Board to bring the Constitution into line with best practice. The powers of the Board remain unchanged.
16. **Paragraphs (gg) and (hh)** amend existing provisions relating to board meetings to bring the Constitution into line with the Corporations Act.
17. **Paragraph (ii)** amends existing provisions relating to vacancies on the Board to bring the Constitution into line with the Corporations Act, Liquor Act and Registered Clubs Act.
18. **Paragraphs (jj) and (kk)** amend existing provisions relating to general meetings to bring the Constitution into line with the Corporations Act.
19. **Paragraphs (ll) and (mm)** amend existing provisions relating to the Club's financial and reporting requirements to bring the Constitution into line with the Corporations Act.
20. Paragraph (nn) amend existing provisions relating to notices to members to bring the Constitution into line with the Corporations Act.
21. **Paragraph (oo)** inserts new provisions relating to resignation from membership of the Club to bring the Constitution into line with best practice.

THIRD SPECIAL RESOLUTION

That the Constitution of Canley Heights RSL & Sporting Club Limited be amended by:

- (a) **inserting** the following new Rule 43B and **renumbering** the existing Rule 43B as Rule 43C:
 - (a) Notwithstanding anything else contained in this Constitution, if, in the opinion of the Secretary (or his or her delegate), a member has engaged in conduct that is unbecoming of a member or prejudicial to the interests of the Club, then the Secretary (or his or her delegate) may suspend the member from some or all rights and privileges as a member of the Club for a period of up to twelve (12) months.
 - (b) In respect of any suspension pursuant to this Rule, the requirements of Rules 43 and 43A shall not apply.
 - (c) If the Secretary (or his or her delegate) exercises the power pursuant to this Rule, the Secretary (or his or her delegate) must notify the member in writing that:
 - (i) the member has been suspended as a member of the Club and the relevant details of that suspension, including the period of suspension and the privileges of membership which have been suspended; and
 - (ii) if the member wishes to do so, the member may make a written request to the Secretary within seven (7) days of the date of the notice for the matter be formally dealt in accordance with this Constitution.
 - (d) If a member submits a request under Rule 43B(c)(i):
 - (i) the member shall remain suspended until such time as the charge is heard and determined by the Board; and
 - (ii) the Club must commence disciplinary proceedings against the member in accordance with the requirements of Rule 43 and/or Rule 43A;
 - (iii) the determination of the Board in respect of those disciplinary proceedings shall be in substitution for and to the exclusion of any suspension imposed by the Secretary (or his or her delegate)."
- (a) **deleting** from the existing Rule 43B(a) the words "or 43A" and **inserting** the words "43A or 43B".

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Notes to Members on Third Special Resolution

1. The Third Special Resolution proposes to insert a new provision into the Club's Constitution which provides the Club's Chief Executive Officer (CEO) with the power to suspend the membership of any person who has engaged in unacceptable conduct (that is, conduct that is unbecoming of a member or prejudicial to the interests of the Club) for a period of up to twelve (12) months. However, any member disciplined by the CEO may appeal the CEO's decision to the Board.
2. At present, if a person engages in unacceptable conduct, then:
 - (a) a notice of disciplinary charge and hearing is issued to the member; and
 - (b) the disciplinary matter is heard by the Board;
 - (c) if the person is found guilty, the Board may impose a penalty (including reprimand, suspension, or expulsion).
3. The Board believes the above procedure is time-consuming and cumbersome and unnecessarily distracts the Board from its strategic orientation. The Board also believes that the vast majority of members who are disciplined by the Club accept that a penalty must be imposed and would prefer a simpler process. Accordingly, the Board recommends the CEO be provided with greater disciplinary powers.
4. The Third Special Resolution proposes to provide the CEO (or, in the CEO's absence, the CEO's delegate) with the power to suspend the membership rights of any person (who has engaged in unacceptable conduct) for a period of up to twelve (12) months.
5. If the CEO exercises the power, then the Club must notify the member that:
 - (a) their membership has been suspended and the relevant details of the suspension; and
 - (b) the member may request the matter be dealt with by the Board (in the manner set out in paragraph number 2 above).
6. If a member elects to have the matter dealt with by the Board, then the decision of the Board shall be in substitution of and to the exclusion of the penalty imposed by the CEO.
7. The Board believes the above procedure provides the Club with greater flexibility (in respect of disciplining members who have engaged in unacceptable conduct) whilst also providing any member (who considers any penalty imposed by the CEO to be unreasonable) to have their matter determined by the Board.

Dated: 15th November 2021

By direction of the Board of Directors



Mark Gavinel
Chief Executive Officer



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Notice of Core Property

Pursuant to Section 41E of the Registered Clubs Act for the financial year ended 30 June 2021:

- (a) the following properties are core property of the Club:
 - (i) the land upon which the Club's licensed premises are located;
 - (ii) the land upon which the Club's car park is located.
- (b) the following properties are non-core property of the Club:
 - (i) Nil

Notes to Members

1. Section 41E of the Registered Clubs Act requires the annual report to specify the core property and non-core property of the Club as at the end of the financial year to which the report relates.
2. Core property is any real property owned or occupied by the Club that comprises:
 - (a) the defined premises of the Club; or
 - (b) any facility provided by the Club for use of its members and their guests; or
 - (c) any other property declared by a resolution passed by a majority of the members present at a general meeting of Ordinary members of the Club to be core property of the Club.
3. Non-core property is any other property other than that referred to above as core property and any property which is declared by the members at a general meeting of ordinary members of the Club not to be core property.
4. The significance of the distinction between core property and non-core property is that the Club cannot dispose of any core property unless:
 - (a) the property has been valued by a registered valuer within the meaning of the Valuers Act 2003; and
 - (b) the disposal has been approved at a general meeting of the ordinary members of the Club at which the majority of the votes cast support the approval; and
 - (c) any sale is by way of public auction or open tender conducted by an independent real estate agent or auctioneer.
5. These disposal provisions and what constitutes a disposal for the purposes of section 41E are to some extent modified by regulations made under the Registered Clubs Act and by Section 41E itself. For example, the requirements in paragraph 4 above do not apply to:
 - Core property that is being leased or licensed for a period not exceeding 10 years on terms that have been the subject of a valuation by a registered valuer;
 - Core property that is leased or licensed to a telecommunications provider for the purposes of a telecommunication tower.



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Directors' Report

Your Directors have pleasure in presenting to members their report on Canley Heights RSL & Sporting Club year ending 30th of June 2021

OPERATIONS

The Principle activity of the club is the promotion of a licensed club for the members of the club, and that the income of the club is directed towards the improvements and maintenance of the Clubs facilities and promotion of the social welfare of members including sub clubs

COMPANY SECRETARY

Mark Gavinel was appointed to the position of Chief Executive Officer 1st January 2021.

RESULT OF OPERATIONS

The 6 month net Profit of the economic entity for the year after income tax expense was: \$548,066

Net Profit for 2020: \$2,303,848 (12 month period)

Short-term objectives

The Clubs short term objectives are to:

- Provide entertainment, food and beverages for the community at reasonable prices.
- Serve our community by providing exceptional customer service & Facilities
- Encourage new membership
- Obtain income to support local sporting groups and charitable organisations
- Improve profitability and efficiency of Club operations

Long term objectives

The Clubs long term objectives are to:

- Maintain and Support the Canley Heights RSL Sub-Branch and maintain the ANZAC Tradition
- Support our Sub Clubs, Charities and Community organisations
- Ensure facilities continue to cater for members needs
- Repay the Debt incurred in modernising the Club's premises
- Maintain financial stability of the club by placing measurable KPI's in place

Strategy for achieving the objectives:

To achieve these objectives, the Club has adopted the following strategies:

- Provide best possible facilities to members
- Provide entertainment and activities to attract patronage to the Club
- Offer high quality, low priced meals and reasonably priced beverages
- Annual development of a financial budget and monthly monitoring of financial performance to ensure the Club operates within its financial capabilities



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Performance measures:

The following measures are used within the Club to monitor performance:

- Monitoring performance by comparing actual results to past performance and budget forecasts
- Reviewing key performance indicators such as gross profit margins, wages to turnover ratios, net returns from trading and average return per poker machine
- EBITD (Earning's before interest, Tax and depreciation) to revenue

IMPACT OF COVID-19 DURING OPERATIONS

The Club was forced to close due to the PHO (public health order) from 26th June 2021 to 10th of October 2021 due to the outbreak of the Covid -19 Delta variant

Subsequent to the re-opening of the Club on 11th of October 2021, it is currently operating under government restrictions, and has an impact on our capacity levels

Through 2021 the Club was focusing on reducing variable expenses where possible.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Due to the changes made on the Club's Financial year end to 30 June 2021, the Board of Directors would like to advise that this financial year-end Annual Report to members is for a period of six (6) months. The shorter reporting period is also recorded in the Notes to the financial statements.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There were no other material post balance events which would affect the financial position of the Club.



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Attendance at Meetings

During the 6 month financial year the Board held 6 meetings. The following attendance records are reported.

	Number of meetings held	Number of meetings attended
E. Facchetti	6	6
F. Tedesco	6	5
M. Wheatley	6	6
R. Neesam	6	4
C. Simmons	6	6
D. Henry	6	6
K. Dawson	6	5
K. Todd	6	1 *(Appointed May 2021)
I. Davidson	6	1 *(Appointed May 2021)

INSURANCE OF OFFICERS

During the year Canley Heights RSL & Sporting Club Limited paid a premium to insure certain officers of the Company. The liabilities insured include costs and expenses that may be incurred defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Company. The premium paid was \$5,148.93.

Signed in accordance with a Resolution of the Directors.

E. Facchetti
President

15th November 2021



Canley Heights RSL & Sporting Club Limited

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Directors' Declaration

WITH RESPECT TO THE ACCOUNTS OF CANLEY HEIGHTS RSL & SPORTING CLUB FOR THE FINANCIAL YEAR ENDED AND AS AT JUNE 30TH, 2021.

In the opinion of the Directors:

- (a) The accompanying Profit and Loss Account is drawn up so as to give a true and fair view of the result of the Company for the financial year; and
- (b) The accompanying Balance Sheet is drawn up so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year; and
- (c) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due within a 12 month period; and
- (d) The accounts of the Company have been made out in accordance with applicable accounting standards.

Signed in accordance with a Resolution of the Directors

E. Facchetti
President

15th November, 2021



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Auditors Independence Declaration

AUDITORS' INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

TO THE DIRECTORS OF THE CANLEY HEIGHTS RSL & SPORTING CLUB LIMITED

I declare that to the best of my knowledge and belief, during the year ended 30th June, 2021, 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.

**D M Walsh & Co.
Chartered Accountants**

**Anthony M. Frawley
Registered Company Auditor**

Suite 4, 1st Floor, 100 Pacific Highway,
Waitara NSW 2077

Dated 16th November, 2021.



Canley Heights RSL & Sporting Club Limited

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BALANCE SHEET AS AT 30TH JUNE 2021

	Note	2021 (6-month period) January 2021 - June 2021	2020 (12-month period) January 2020 - December 2020
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	4	4,741,025	4,565,269
Receivables		100,077	8,841
Inventories	5	173,836	146,816
Prepayments		44,145	33,743
TOTAL CURRENT ASSETS		5,059,083	4,754,669
NON-CURRENT ASSETS			
Property, plant and equipment	6	14,794,113	15,288,634
Intangible assets	7	525,250	283,390
Deferred tax assets	15	517,020	553,036
Other assets	8	43,096	61,430
TOTAL NON-CURRENT ASSETS		15,879,479	16,186,490
TOTAL ASSETS		20,938,562	20,941,159
CURRENT LIABILITIES			
Trade and other payables	9	1,934,882	2,433,353
Provisions	12	856,638	823,120
Borrowings	10	1,598,962	1,867,153
Lease liabilities	11	64,467	-
TOTAL CURRENT LIABILITIES		4,454,949	5,123,626
NON-CURRENT LIABILITIES			
Borrowings	10	23,362	46,725
Lease liabilities	11	177,393	-
TOTAL NON-CURRENT LIABILITIES		200,755	46,725
TOTAL LIABILITIES		4,655,704	5,170,351
NET ASSETS		16,282,858	15,770,808
EQUITY			
Retained earnings		16,282,858	15,770,808
TOTAL EQUITY		16,282,858	15,770,808



Canley Heights RSL & Sporting Club Limited

(A Company Limited by Guarantee ABN 44 001 783 124)

INCOME STATEMENT FOR THE YEAR ENDED 30TH JUNE 2021

	Note	2021 (6-month period) January 2021 - June 2021	2020 (12-month period) January 2020 - December 2020
		\$	\$
Revenue from ordinary activities	2	7,377,574	13,672,358
Expenses from ordinary activities			
Cost of sales and direct expenses:			
Bar		282,426	420,147
Bistro		384,612	615,076
Gaming activities		1,839,114	2,961,902
Entertainment and TV Sport		(4,140)	12,504
Sporting group allocations		47,500	95,050
Depreciation and amortisation	3a	589,389	1,626,280
Employment expenses		2,192,231	4,175,855
Borrowing costs and interest	3a	66,142	104,458
Other expenses		1,432,234	2,805,571
Total expenses		6,829,508	12,816,843
Government grants and subsidies received		-	1,448,333
Profit from ordinary activities before income tax		548,066	2,303,848



Canley Heights RSL & Sporting Club Limited

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30TH JUNE 2021

	Note	2021 (6-month period) January 2021 - June 2021	2020 (12-month period) January 2020 - December 2020
		\$	\$
Retained earnings at the beginning of the year		15,770,808	13,503,140
Operating profit/(loss) after current year income tax		548,066	2,303,848
		<hr/>	<hr/>
		16,318,874	15,806,988
Add/(Less): Provision for deferred tax	15	(36,016)	(36,180)
		<hr/>	<hr/>
Retained earnings at the end of the year		16,282,858	15,770,808
		<hr/> <hr/>	<hr/> <hr/>



Canley Heights RSL & Sporting Club Limited

(A Company Limited by Guarantee ABN 44 001 783 124)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2021

	2021 (6-month period) January 2021 - June 2021	2020 (12-month period) January 2020 - December 2020
Note	\$	\$
<i>Cash flows from operating activities</i>		
Receipts from customers	7,286,191	13,684,743
Payments to suppliers and employees	(6,475,080)	(11,270,409)
Government	-	1,448,333
Interest received	147	594
Interest paid	(44,590)	(52,896)
Borrowing costs (Including term charges)	(21,552)	(51,562)
<i>Net cash provided by (used in) operating activities</i>	17 <u>745,116</u>	<u>3,758,803</u>
<i>Cash flows from investing activities</i>		
Sale of property, plant and equipment	34,860	-
Payments for property, plant and equipment	(554,527)	(129,107)
<i>Net cash provided by (used in) investing activities</i>	<u>(519,667)</u>	<u>(129,107)</u>
<i>Cash flows from financing activities</i>		
Addition/(Reduction) in bank loans	(179,410)	(119,620)
Addition/(Reduction) in Right of Use liabilities	241,860	-
Addition/(Reduction) in hire purchase liabilities	(112,143)	(225,804)
<i>Net cash provided by (used in) financing activities</i>	<u>(49,693)</u>	<u>(345,424)</u>
<i>Net increase (decrease) in cash held</i>	<u>175,756</u>	<u>3,284,272</u>
Cash at the beginning of reporting period	4,565,269	1,280,997
Cash at the end of reporting period	4 <u>4,741,025</u>	<u>4,565,269</u>



Canley Heights RSL & Sporting Club Limited

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

Note 1: Statement of significant accounting policies

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

In preparing the financial report the company has taken the exemptions available to non-profit entity.

The Financial statements of the Canley Heights RSL & Sporting Club comply with Australian Accounting Standards – Reduced Disclosure Requirements as issued by the Australian Accounting Standards Board (AASB)

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Reporting basis and conventions

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

Inventories

Inventories are valued at the lower of the cost or net realisable value.

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.

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 the expected net cash flows that will be received from the assets employment and subsequent disposal.

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

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

Depreciation

The depreciation amount of all fixed assets including building and capitalised lease assets, but excluding freehold land and Gaming machines, is depreciated on straight line basis over their useful lives to the economic entity commencing from the time the asset is held ready for use. The depreciation rates used for each class of depreciable assets are:

Class of fixed asset	Depreciation rate
Buildings	2.50%
Plant and Equipment	5-33.33%
Gaming room equipment	10-33.33%

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.



Canley Heights RSL & Sporting Club Limited

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement.

Leases

The Club assesses at the start of a contract whether or not the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the company where the company is a lessee. However, all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

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

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

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

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

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

Impairment of assets

At each reporting date, the group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that the higher of the asset's fair value less cost to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

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

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

As a result of uncertainties regarding the valuation of various items of Plant, it is anticipated that impairment might arise in future accounting periods.

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 balance sheet.



Canley Heights RSL & Sporting Club Limited

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Income tax

The charge of current income tax expenses is based on the profit for the year adjusted for the year adjusted for any non- assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the balance sheet date.

Deferred tax is calculated for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that future is based on the assumption that no adverse change will occur in come taxation legislation and the anticipation that the economic entity will derive future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the assets or as part of an item of the expenses. Receivable and payables in the statement of financial position are shown inclusive of GST.

Employee benefits

Provision is made for the company's liability for employee benefit arising from services rendered by employees to balance date. Employee benefits that are expected to be settled with in one year have been measured at the amount expected to be paid when the liability is settled, plus related on-costs.

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.

Provisions

Provisions are recognised when the entity has legal or constructive obligation, as result of past events, for which it is probable that an outflow can be reliably measured.

Change of end of reporting period and comparative figures

The proposed changes to the Club's financial year end to 30 June, was due to the following:-

1. Majority of companies have the financial year end to align with their tax obligations, and
2. Board of Directors believe this change is in the best interest of members and will assist all statutory obligations.

Critical accounting estimates and judgements

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

Events occurring after the reporting date

Due to the Covid-19 Pandemic and the new Delta variant seeing infections spike at record levels, the NSW Government placed a mandatory lockdown from 26 June 2021 to 11 October 2021. Due to this lockdown, our venue was closed for the entire duration which resulted in loss of revenues, standing down of employees and on-going fixed cost which resulted in a reduction of the Club's cash position.



Canley Heights RSL & Sporting Club Limited

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

Note	2021	2020
	(6-month period) January 2021 - June 2021	(12-month period) January 2020 - December 2020
	\$	\$
Note 2: Revenue		
Sale of goods	1,202,055	2,000,661
Services revenue	6,145,213	11,479,865
Member subscriptions	30,159	44,059
Interest income	147	594
Other income	-	147,179
Total revenue	<u>7,377,574</u>	<u>13,672,358</u>



Canley Heights RSL & Sporting Club Limited

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

Note	2021 (6-month period) January 2021 - June 2021	2020 (12-month period) January 2020 - December 2020
	\$	\$
Note 3: Profit from ordinary activities		
Profit from ordinary activities before income tax expense has been determined after:		
(a) Expenses		
Cost of sales	667,038	1,035,223
Borrowing costs and interest expenses		
Borrowing costs	13,225	25,014
Interest - bank	22,935	5,000
Interest - other	21,655	47,896
Term charges and hire purchase	8,327	26,548
Total interest and borrowing costs	66,142	104,458
Depreciation, amortisation and impairment		
Buildings	173,906	349,868
Equipment and other fixed assets	415,483	746,190
Impairment of fixed assets	-	530,222
Total depreciation, amortisation and impairment	589,389	1,626,280
Remuneration of auditor		
Audit	20,000	25,000
Total remuneration of auditor	20,000	25,000
(b) (Loss)/Profit on disposal of fixed assets	(182,939)	14



Canley Heights RSL & Sporting Club Limited

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

Note	2021 (6-month period) January 2021 - June 2021	2020 (12-month period) January 2020 - December 2020
	\$	\$
Note 4: Cash and cash equivalents		
Cash at bank	4,115,925	3,940,169
Cash on hand	625,100	625,100
Total cash and cash equivalents	4,741,025	4,565,269
Note 5: Inventories		
Club merchandise stock / prize on hand	27,702	29,990
Bar stock	131,872	103,709
Bistro stock	14,262	13,117
Total inventories	173,836	146,816
Note 6: Property, plant and equipment		
Land	1,014,636	1,014,636
Buildings	14,210,546	14,185,846
Less: Accumulated depreciation	(5,317,333)	(5,143,427)
	9,907,849	10,057,055
Plant and equipment at cost & fair value	9,265,709	9,141,602
Less: Accumulated depreciation	(7,723,663)	(7,433,180)
	1,542,046	1,708,422
Poker machines at fair value	4,774,520	4,867,566
Less: Accumulated depreciation	(1,430,302)	(1,344,409)
	3,344,218	3,523,157
Total		
Property, plant & equipment at cost & fair value	29,265,411	29,209,650
Less: Accumulated depreciation	(14,471,298)	(13,921,016)
	14,794,113	15,288,634



Canley Heights RSL & Sporting Club Limited

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

	Land & Buildings	Poker Machines, Furniture, Plant & Equipment	Total
Carrying amount at	10,406,923	6,378,884	16,785,807
Additions	-	129,107	129,107
Change in fair value	(530,222)	(530,222)	(1,060,444)
Depreciation	(349,868)	(746,190)	(1,096,058)
Carrying amount at	10,057,055	5,231,579	15,288,634
Additions	24,700	287,967	312,667
Disposals	-	(217,799)	(217,799)
Depreciation	(173,906)	(415,483)	(589,389)
Carrying amount at	9,907,849	4,886,264	14,794,113

The basis of the valuation is fair value in accordance with Australian Accounting Standard AASB 116.

- The total valuation amount is:

- Land	4,550,000
- Building & Site Improvements	9,400,000
	<u>16,270,000</u>



Canley Heights RSL & Sporting Club Limited

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

Note	2021 (6-month period) January 2021 - June 2021	2020 (12-month period) January 2020 - December 2020
	\$	\$
Note 7: Intangible		
Licenses and entitlements	286,371	286,371
Less: Accumulated amortisation	(2,981)	(2,981)
	283,390	283,390
Right-of-use assets	241,860	-
Less: Accumulated amortisation	-	-
	241,860	-
Total		
Intangible assets	528,231	286,371
Less: Accumulated amortisation	(2,981)	(2,981)
	525,250	283,390
Note 8: Other assets		
Non-current		
Finance charges	42,346	60,680
Unlisted share investment	750	750
	43,096	61,430
Note 9: Trade and other payables		
Trade creditors	396,043	241,684
Other payables and accruals	1,506,648	2,143,093
Subscriptions in advance	32,191	48,576
	1,934,882	2,433,353



Canley Heights RSL & Sporting Club Limited

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

Note	2021 (6-month period) January 2021 - June 2021	2020 (12-month period) January 2020 - December 2020
	\$	\$
Note 10: Borrowings		
Current		
Hire purchase	72,749	161,530
Sub-branch loan	150,000	150,000
Bank loan	1,376,213	1,555,623
Total	1,598,962	1,867,153
Non-current		
Hire purchase	23,362	46,725
Total	23,362	46,725
Note 11: Lease liabilities		
Movement:		
Carrying amount at start of period	-	-
Additions	241,860	-
Payments made towards lease liability during the period	-	-
Carrying amount at end of period	241,860	-
Current	64,467	-
Non-current	177,393	-
Carrying amount at end of period	241,860	-
Note 12: Provision		
Current		
Employee entitlements		
Annual leave	424,774	402,622
Long service leave	431,864	420,498
Aggregate employee entitlement liability	856,638	823,120

The provision has been recognised for employee entitlements relating to annual and long service leave for employees. 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 upon historical data. The measurement and recognition criteria for employee benefits have been included in Note 1.



Canley Heights RSL & Sporting Club Limited

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

Note	2021	2020
	(6-month period) January 2021 - June 2021	(12-month period) January 2020 - December 2020
	\$	\$
Number of employee at the year-end (full time equivalent)	No.	No.
Permanent	33	37
Casual	47	46
Total	80	83

Note 13: Remuneration

(a) Directors' remuneration

A number of directors are paid an honorarium in accordance with the amount approved at the Annual General Meeting.

Income band	No. of directors		
\$0-\$10,000	7	13,750	13,750

(b) Top Five (5) Key Management Remuneration

Total	346,827	446,729
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Note 14: Financing facilities

The financial bill facilities are secured by a registered first mortgage over 26 Humphries Road, Wakeley NSW 2176 and a registered mortgage debenture over the whole of the assets and undertaking of the company.



Canley Heights RSL & Sporting Club Limited

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

Note 15: Deferred tax assets	Note	2021 (6-month period) January 2021 - June 2021	2020 (12-month period) January 2020 - December 2020
		\$	\$
(a) Deferred tax assets			
Non-current			
Deferred tax liabilities relating to property, plant & equipment		(82,728)	(81,325)
Deferred tax asset relating to tax losses		540,973	596,981
Deferred tax assets relating to provisions and accruals		58,775	37,380
		<hr/>	<hr/>
Net balance of deferred tax assets		517,020	553,036
		<hr/> <hr/>	<hr/> <hr/>
(b) Reconciliation			
The overall movement in the deferred tax account is as follows:			
Opening balance		553,036	589,216
(Charge)/credit to equity statement		(36,016)	(36,180)
		<hr/>	<hr/>
Closing balance		517,020	553,036
		<hr/> <hr/>	<hr/> <hr/>

Note 16: Financial instruments

The Club's financial instruments consist mainly of deposits with banks, bank bills, accounts receivable and accounts payable. The main purpose of non-derivative financial instruments is to raise finance for club operations.

The Club does not have any derivative instruments as at 30th June 2021.



Canley Heights RSL & Sporting Club Limited

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

(a) Net fair value

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the Statement of Financial Position and in the Notes to and forming part of the financial statements.

The carrying amounts are equivalent to fair value.

(b) Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provision for doubtful debts, as disclosed in the Statement of Financial Position and Notes to and forming part of the Financial statements.

(c) Interest rate risk

All financial assets and liabilities are non-interest bearing with the exception of cash at bank and bank bills.

The weighted average rate for cash during the year was 0.05% (2020: 0.05%)

The weighted average rate for bank bills during the year was 2.21% (2020: 1.50%)

The Club's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:



Canley Heights RSL & Sporting Club Limited

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

Note 16: Financial instruments (Continued)

	Weighted Average Effective Interest Rate		Floating Interest Rate		Within one year		1 to 5 Years		Non-interest Bearing		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	%	%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Financial assets:												
Cash and cash equivalents	-	-	4,115,925	3,940,169	-	-	-	-	625,100	625,100	4,741,025	4,565,269
Receivables	-	-	-	-	-	-	-	-	100,077	8,841	100,077	8,841
			4,115,925	3,940,169	0	0	0	0	725,177	633,941	4,841,102	4,574,110
Financial liabilities:												
Bank Credit Cards	-	-	-	-	7,141	9,119	-	-	-	-	7,141	9,119
Bank Loans	-	-	-	-	1,376,213	1,555,623	-	-	-	-	1,376,213	1,555,623
Trade and other payables	-	-	-	-	-	-	-	-	1,806,951	2,211,009	1,806,951	2,211,009
HP Liabilities (Bank)	-	-	-	-	-	46,725	-	-	-	-	-	46,725
HP Liabilities (Other)	-	-	-	-	72,749	114,805	23,362	46,725	-	-	96,111	161,530
Other Borrowings	-	-	-	-	-	-	-	222,344	-	-	-	222,344
Unsecured Loan	-	-	-	-	-	-	150,000	150,000	-	-	150,000	150,000
			0	0	1,456,103	1,726,272	173,362	419,069	1,806,951	2,211,009	3,436,416	4,356,350



Canley Heights RSL & Sporting Club Limited

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

Note	2021 (6-month period) January 2021 - June 2021	2020 (12-month period) January 2020 - December 2020
	\$	\$
Note 17: Reconciliation of cash		
Cash in all statements of Cash flow includes cash on hand, in bank and Investment in money markets and is net of any bank overdrafts.		
Reconciliation of cash flows from operating activities		
Operating Profit / (Loss)	548,066	2,303,848
Adjustments for:		
Depreciation, amortisation and impairment	589,389	1,626,280
Net loss on disposal of assets	182,939	-
Net changes in working capital:		
Change in accounts payable and accruals	154,359	(102,497)
Change in payments received in advance	(16,385)	(8,948)
Change in other payables	(636,445)	(138,063)
Change in provisions	33,518	22,473
Change in prepayments	(10,403)	(10,530)
Change in accounts receivables	(91,236)	12,980
Change in inventories	(27,020)	45,343
Change in other assets	18,334	7,917
Net cash provided by (used in) operating activities	745,116	3,758,803

Note 18: Related party transactions

There were no related party transactions in the year ended 30 June 2021.

Note 19: Contingent liabilities and contingent Assets

The Club is incorporated as a company limited by guarantee. In accordance with the Memorandum of Articles every member undertakes to contribute an amount equal to \$2.00 per member in the event of winding up.



Canley Heights RSL & Sporting Club Limited

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

Note 20: Guarantee

The National Australia Bank has given an undertaking of \$5,000 to the TAB on behalf of the Club.

Note 21: Sporting Club bank balances

The combined bank balances of the various sporting clubs were \$106,039 as at 30th June 2021. These accounts are not shown elsewhere in the Financial Statements. The balance would be due and payable to the Club if it was wound up.

Note 22: Capital commitments

The Board of Directors have approved the Solar system with Origin for \$63,555. The installation was completed in November 2021.

Note 23: Financial Reporting by Segments

Canley Heights RSL & Sporting Club Limited operates predominantly in one industry conducting the business of a licensed club registered under the Registered Clubs Act 1976 (as amended). The Club operates in one geographical area, being Wakeley NSW.



Canley Heights RSL & Sporting Club Limited

(A Company Limited by Guarantee ABN 44 001 783 124)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CANLEY HEIGHTS RSL & SPORTING CLUB LIMITED

ABN 44 001 783 124

Opinion

We have audited the financial report of Canley Heights RSL & Sporting Club Limited, which comprises the Statement of Financial Position as at 30th June, 2021 and the Statements of Comprehensive Income, Statement of Changes to Equity, Statement of Cash Flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Director's Declaration.

In our opinion the accompanying Financial Report for the Company is in accordance with the Corporations Act 2001, including:

- a) Giving a true and fair view of the financial position of the Company as at 30th June, 2021 and of its financial performance for the year ended on that date; and
- b) Complying with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Regulations 2001.

Basis for Opinion

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

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

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the director's report, but does not include the financial report and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – 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 Company's ability to continue as a going concern, disclosing, as applicable, material relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.



Canley Heights RSL & Sporting Club Limited

(A Company Limited by Guarantee ABN 44 001 783 124)

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

Conclude on the appropriateness of the Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention to our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

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

D M Walsh & Co
Chartered Accountants
A.M. Frawley
Registered Company Auditor

Dated 16th November, 2021



Canley Heights RSL & Sporting Club Limited

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How your Club gave back to the Community via the Club Grants program in 2021!

CLUB GRANTS DONATIONS (2020 - 2021 grant year)

Category A funding	Amount
777 Movement LTD – Helping Hand Project	\$11,360
Autism Advisory & Support Service – The Early Years, early intervention therapy & play group	\$9,900
Careflight Limited – Essential Training for local community and emergency services	\$5,650
Learning Links – Psychology in Schools – Supporting the wellbeing of children in Fairfield	\$15,300
Learning Links – Empowering children to learn, unlimited by circumstance	\$10,000
Miracle Babies Foundation – Nuture Time in Fairfield Hospital	\$21,920
Sunnyfield - Music & Movement program – for locals with intellectual & physically disabilities	\$2,800
The Shepherd Centre for Deaf – Kidscape, an arts & music group learning program	\$6,128
The Shepherd Centre for Deaf – Confident Kids, a social skills development program	\$11,120
Total Funded Charities	\$94,178

Category B funding	Amount
Supporting the following groups:	\$125,630
Canley Heights RSL Football Club (Soccer)	
Canley Heights RSL Junior Rugby League	
Canley Heights RSL Hotshots Netball	
Canley Heights RSL Ballroom Dancing	
Canley Heights RSL Dance Co (Jazz Ballet)	
Fairfield/Liverpool Cricket	

Members that passed to 30th June 2021

Charles Jennings

Gary Dawson

Sarge Betmallo

Hugh Drummond

William Joseph

Joseph Mifsud

Steve Nunn

Robert Lee

Fay Bruce

Milan Savicic



May they Rest in Peace

All effort was taken to include all members that have passed up until 30th June 2021 on our listing, our sincere apologies to the families of anyone that was missed.



**Canley Heights RSL
& Sporting Club**

Annual Report Financial year End 30th June 2021

Canley Heights RSL & Sporting Club Limited

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