



**Canley Heights RSL
& Sporting Club**



ANNUAL REPORT

FOR THE FINANCIAL YEAR END 30TH JUNE 2023

Board of Directors 2023



Ennio Facchetti
PRESIDENT



Mark Wheatley
VICE-PRESIDENT



Donald Henry
DIRECTOR



Christine Simmons
DIRECTOR



Richard Robinson
DIRECTOR



Kevin Todd
DIRECTOR



Ian Davidson
DIRECTOR



Canley Heights RSL & Sporting Club Limited

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

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President's Report



I am pleased to report the Club recorded a bottom-line profit of **\$2,992,418**

I would like to personally thank the Board of Directors, the Club CEO Mark Gavinel, his Management Team and Staff for this result.

The Board and management's focus on strengthening the Club facilities for its members and guests has seen renovations in the Club's restrooms. We have also increased the Bistro Dining seating capacity with our new Alfresco dining area due to open end of October

The Board will continue to invest in the future of the Club while ensuring the Club remains a viable and safe environment for members and guests to enjoy in 2024 to improve the facilities, services and comfort for our loyal members.

To my fellow Board of Directors thank you for your support over the past 12 months, who put the Club's interest first and enabled us to guide our wonderful Club. To the Club's CEO, Mark Gavinel, the management team and the hard-working staff for their ongoing commitment to live our vision and truly embrace what we want to provide for our members.

To Richard (Taffy) Pritchard and his Sub Branch Committee, thank you for your continuing support and for having the best ANZAC Day ceremony in the district.

To the Sporting Groups, again, thank you for your continuing support of the Club. Congratulations to the Rugby League and the Football club on their premierships. On behalf of the Board, I wish everyone a successful sporting season in 2024.

Finally, to the Club's loyal members and guests, a big thank you to you for your support and patronage. Thank you for your continuing loyalty and support of our great Club. Clubs are nothing without their members. I wish you all the best wishes and health for the year ahead.

Ennio Facchetti
President

Canley Heights RSL & Sporting Club Limited

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CEO's Report



Dear Members,

I'm delighted to present to you the Annual Financial Report of the Canley Heights RSL & Sporting Club for the year ending June 30th 2023.

In the last 12 months the Club has continued to achieve a remarkable yearly profit, this achievement is a testament to the collective efforts, dedication and support of each and every one of our valued members.

I'm proud to announce a Net Profit of \$2,992,418 for year ending June 30th 2023.

This year's profit not only demonstrates our financial strength but also upholds our commitment to building a thriving community Club. It is our mission, along with your belief and active participation that has allowed us to reach this significant milestone.

As we celebrate this achievement, we want to ensure you that we are committed to reinvesting in the Canley Heights RSL & Sporting Club's facilities and amenities. Our goal is to continually enhance your club experience, offering you even more opportunity to enjoy your favourite activities and connect with fellow members.

We view this profit not as an end in itself, but as a means to further elevate your Club's experience.

By the end of this year, we will deliver the final stage of this year's renovations, being the refurbishment and modernisation of our alfresco dining space and bistro amenities, this is on the back of a new Roulette room adjacent to our current gaming room and both male and female bathrooms, handed over in August 2023.

I would like to thank our dedicated team of staff who have continued to work faithfully to provide the best customer service and friendly atmosphere for a great, fun club. A heartfelt thank you to everyone for the contribution to our ongoing success, I would also like to welcome all the new staff that have joined our team in the past 12 months.

I want to thank my entire management team, who continue to hold the front-line of the Club to the highest standards. I thank you for your support and dedication to the Club over the past 12 months.

A big thank also, to our catering team for the countless hours, food creations and, hard work in providing our club with great food day in and day out.

Thank you to our Club President, Mr Ennio Facchetti and the Clubs Board of Directors for their ongoing support, significant leadership, trust and devotion to what makes our club special.

Members, your feedback and suggestions are invaluable to us, so please feel free to share your thoughts as we embark on this journey together. We will remain committed to transparency, accountability and above all your satisfaction as a member of Canley Height RSL & Sporting Club.

Once again, from the entire Club leadership team, I extend our heartfelt gratitude for your unwavering support and loyalty. Your involvement and passion are the heart of our club, and we look forward to a future with shared achievements and memorable moments.

Thank you for being an integral part of Canley Heights RSL & Sporting Club, and here's to another year of shared success and growth.

Thank you

Mark Gavinel ACCM
Chief Executive officer



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Chief Financial Officer's Report



Dear Members,

As a testament to your continuous support and patronage of our Club, we are happy to report a record profit of \$2,992,418 for the year ended 30 June 2023. The increase showed significant improvement, rising from \$1.85 million in 2022 to \$2.99 million in 2023. This demonstrates the club's ability to generate more profit from its core operations.

What a fantastic year of operations without any lockdowns seen since the start of the Covid-19 pandemic. Revenue from ordinary activities experienced substantial growth, surging from \$13.15 million in 2022 to \$20.97 million in 2023. This impressive increase can be attributed to higher service revenue and sales of goods, indicating a full year of the club's operations was needed for our members and guest to visit and enjoy their experiences here. Total expenditure increased from \$11.73 million in 2022 to \$17.98 million in 2023. Key drivers of the increase were due to increases in employment and promotion expenses. However, it's worth noting that these expenses were well-managed in proportion to the revenue growth.

This increase in profit can be primarily attributed to significant growth in Poker Machine Trading income, which increased by 62.59% from \$6,782,597 in 2022 to \$11,027,911 in 2023. Whilst Gaming revenue jumped positively, Poker Machine Tax also saw an increase of 68.2% to \$4,065,295 in 2023. The Board of Directors have also approved for the construction of a new Gaming Room to house the new Gaming Roulettes machines, providing members a comfortable and enjoyable Gaming experience and atmosphere which is now completed. An amount of \$358,068 was contributed in Club Grants for 2023 and full details of the recipients to these grants can be seen on this annual report.

In 2023, we saw administration and general expenses increase with a 12-month trade as compared to the 9-month trade in 2022. The increases are deemed reasonable and justified with the increased in Revenues generated in 2023. Promotion expenses almost doubled as it increased by 93.2% to \$1,710,171. The 3 main cost centers which saw the biggest promotional increase, namely Bistro at 36.15%, Gaming at 40.42% and Bar at 205.42%. These 3 increases totaled \$269,028 compared to the previous year. Employment expense also saw a big jump of 47.82% in 2023, increasing around \$1.7 million to \$5.27 million.

Nevertheless, our club still saw significant growth in its net profit for the year ended June 30, 2023, which is carefully managed to drive for future financial planning. The total assets increased by \$2.145 million, from \$21.94 million in 2022 to \$24.08 million in 2023. This growth is primarily attributed to a substantial increase in cash and cash equivalents, indicating improved liquidity. The rise in non-current assets, particularly property, plant, and equipment, shows continued investment in the club's infrastructure as seen with the new construction of the Joe Kiernan Auditorium and newer Poker Gaming machines during the year.

With that said, our Board of Directors have approved and committed to have more renovations and improvements to be done at the Club for our members to enjoy progressively and over time in the near future. Stay tuned and up to date with more news provided by our Club on this.

From my report last year regarding bank loans, I had a focus, goal and need for this liability being debt free and this has been achieved with paying off our Bank Loan with NAB. Total liabilities decreased from \$3.79 million in 2022 to \$2.97 million in 2023, signaling a positive trend. The decrease in borrowings demonstrates a focus on debt management as discussed.

The net assets of the company saw a notable increase, reaching \$21.12 million in 2023 compared to \$18.15 million in 2022. This growth in net assets is reflective of improved profitability and effective financial management. Equity remained stable, contributing to a healthier financial position.

With improved profitability seen in 2023, Net cash provided by operating activities increased substantially (62.64%), reaching \$4.50 million in 2023 compared to \$2.77 million in 2022. This positive cash flow indicates an improved operational efficiency and effective management of working capital.

The club also made investments in property, plant, and equipment, resulting in cash outflows of \$817,986 in 2023. This reflects a commitment to enhancing its infrastructure. The financing activities show a reduction in borrowings, both in current and non-current liabilities, with net cash outflows of \$1.08 million in 2023. As mentioned, we stayed focused on reducing debt levels and optimising the club's financial structure.

With demonstrated substantial financial growth in 2023 compared to the previous year. The increase in total assets, revenue, and profitability is commendable. Furthermore, the prudent management of liabilities, particularly the reduction in borrowings, has strengthened the club's financial stability. The positive cash flow from operating activities indicates efficient day-to-day operations, and the investments made in property and equipment show a commitment to enhancing the club's facilities. Overall, our Club has made significant strides in improving its financial position and operational performance, with EBITDA Margin of 20.7%. This sets a solid foundation for future growth and sustainability.



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Chief Financial Officer's Report (continued)

With all the optimistic outcomes mentioned above, we must also be wary and be on top of any outcomes which can provide a negative and reversed impact towards the Gaming industry. Cashless Card regulation is currently the hottest subject matter. According to a study performed by a consulting firm recently, if Cashless Card is implemented, there is potential of seeing losses and drop in revenues of between 10%-30% in the gaming sector as a whole, which then ripples to losses in Jobs as well. This could be devastating to the Club industry. We will always keep ourselves informed and updated on these matters and brace the impacts with a positive approach and outlook by implementing and reinforcing our set strategies and plans for this.

Lastly, I want to extend my sincere thanks to the Board of Directors, CEO, Finance Manager, the Executive Leadership team and staff for their continuous support and dedication during the year. To our valued Members and guests, thank you for your continuous patronage and looking forward to see you at our Club again.

Stay happy and keep 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 13th November 2022

48 Members in attendance

Main Table: E. Facchetti #160 (President)
M. Gavinel (CEO)
G. Wong (CFO)
A. Frawley (Auditor)
B. Gotterson (Piggot Stinson – Club Solicitors)

Meeting Opened: 9:30am 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;

E. Facchetti #160 – advised all that the yellow cards they were issued upon entry were to be used for Voting on the resolutions/special resolutions. He also advised that the \$15 club gift card the members were issued must be used today, breakfast will be available at the conclusion of the meeting.

Apologies: R. Neesam #162, R. Pritchard #3, G. Lewsam #24

E. Facchetti #160 called on CEO Mark Gavinel to announce the results of the Club Election:

President:	Ennio Facchetti	<i>Elected Unopposed</i>
Vice President:	Mark Wheatley	<i>Elected Unopposed</i>
Directors:	D. Henry	<i>Elected</i>
	I. Davidson	<i>Elected</i>
	Richard Robinson	<i>Elected</i>
	Christine Simmons	<i>Elected</i>
	Kevin Todd	<i>Elected</i>

Confirmation and Acceptance of the Annual General Meeting Minutes held on Saturday 18th December 2021.

Moved: F. Tedesco #129

Seconded: M. Wheatley #4376

Carried

Club Update – M. Gavinel

The club produced a strong result of \$1.8M for the financial year end 30th June 2022. The club will continue to bring down our debt and update the club facilities. The last project being the refurbishment of the Wakeley Room, come up well and has received a lot of positive feedback. 2023 will see further projects take place to continue the upkeep of the club facilities.

Catering has been quite difficult, with staff shortages. This is an industry problem. The HR Department is doing their best to hire chefs. M. Gavinel would like to thank the members for their patience and understanding, especially on the busy nights, when the wait times can push out, the team are doing their best to bring the wait times down. Raj will continue with the Blackboard specials and our \$10 pizza deal and \$12 lunch specials for the members, even with the rising food costs.

We will continue on with the club entertainment that we brought back this year. The next 6 months of free entertainment have been booked. We will also continue on with our Member's swipe draws, which will change from month to month as we have been doing. We are also looking at bringing some new games to the floor.

There were no financial questions received from the Members in relation to the Financial Report for the financial year ended 30th June 2022 so it was moved for: **Confirmation and Acceptance of the Year End 30th June 2022 Financial Report.**

Moved: I. Davidson #1730

Seconded: D. Henry #1182

Carried

Bruce Gotterson (Pigott Stinson Solicitors) spoke on the Resolutions as outlined in the Notice of Annual General Meeting.



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The Members are to Receive and Consider and if thought fit adopt the Annual Report issued to members for the year ending 30th June 2022 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.

B. Gotterson (Pigott Stinson Solicitors) advised that the resolutions need to be accepted individually, not as a whole.

Resolutions

- **Resolution 1** – Directors' Expenses
Vote taken and accepted. **Carried**
- **Resolution 2** – Directors' Honorariums
Vote taken and accepted. **Carried**
- **Resolution 3** – Sub-Clubs, Sporting Groups, Charitable Organizations & Other Intra-Club Bodies
Vote taken and accepted. **Carried**
- **Resolution 4** – Members Service Badges
Vote taken and accepted. **Carried**
- **Resolution 5** – Life Members – Complimentary Beverage
Vote taken and accepted. **Carried**
- **Resolution 6** – Life Members - Designated Car Spaces
Vote taken and accepted. **Carried**
- **Resolution 7** – Welfare Officers
Vote taken and accepted. **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.

B. Gotterson read through the Notes to the Special Resolutions as outlined in the Notice of AGM.

SPECIAL RESOLUTION 1

Notes to Members on the First Special Resolution

1. The First Special Resolution proposes a series of amendments to the Club's Constitution to bring it into line with best practice and the requirements of the Corporations Act, Liquor Act and Registered Clubs Act (RCA).
2. Paragraph (a) inserts new definitions in the Constitution.
3. Paragraph (b) relate to a change to Temporary membership to bring into line with the RCA.
4. Paragraphs (c) to (i) inclusive amend existing provisions relating to the admission of persons to membership of the Club to bring the Constitution into line with the Registered Clubs Act.
5. Paragraph (j) amends the provision dealing with member subscriptions to remove the requirement to charge an annual subscription fee of no less than a minimum of \$2.00. This requirement has recently been removed from the RCA.
6. Paragraph (k) amends an existing provision relating to the payment of membership subscriptions to bring the Constitution into line with best practice.
7. Paragraph (l) amends the Constitution to bring it into line with best practice.



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8. Paragraph (m) sets out additional grounds upon which a member will be ineligible to be elected to the board including if they are a contractor to the Club or an employee of a contractor or if they are a director of another registered club.
9. Paragraph (n) inserts a new Rule 48B which requires all directors to have a Director Identification Number as required under the Corporations Act.
10. Paragraph (o) simply clarifies that a nominee for election to the Board is responsible to make sure that their nomination form has been completed correctly.
11. Paragraph (p) amend an existing provision relating to the powers of the Board to bring the Constitution into line with best practice. The powers of the Board remain unchanged.
12. Paragraph (q) amends existing Rule to allow the Board to meet whenever required but at least once every 3 months. This reflects a recent change to the RCA which removed the requirement for the board of a club to meet at least once a month and replaced it with a requirement to meet at least once every 3 months.
13. Paragraph (r) simply clarifies that a quorum for a Board meeting includes those directors that are attending the Board meeting using electronic means to bring the Constitution into line with the Corporations Act and recent amendments to the RCA.
14. Paragraphs (s) and (t) amends Rule 66 which deals with the grounds upon which a casual vacancy on the Board of the Club will arise.
15. Paragraphs (u) and (v) amend existing provisions regarding notices to members to bring the Constitution into line with the Corporations Act and adds a new Rule 98 which reflects recent changes to the RCA including allowing the Club to send Notice of a general meeting and documents relating to a meeting electronically.

Vote taken and accepted.

Carried

SPECIAL RESOLUTION 2

Notes to Members on the Second Special Resolution

16. The Second Special Resolution proposes to prohibit members from engaging in electioneering on the Club's premises and its surrounding precincts, including the Club's car park.
17. Electioneering refers to members engaging in conduct advocating for or against the election of a member to the Board and it includes distributing "how to vote material" and canvassing for votes.
18. The Club's Constitution currently allows members to engage in electioneering on and away from the Club's premises and its surrounding precincts, subject to any by-laws passed by the Board of the Club.
19. The Board has recently passed a By Law prohibiting members from engaging in electioneering on the Club's premises and in its surrounding precincts, but it has not prohibited other forms of electioneering, including electioneering away from the Club's premises and its surrounding precincts or electioneering by way of email, post, text message or social media.
20. The Board proposes the above restrictions because electioneering on the Club's premises and in its surrounding precincts can adversely affect members use and enjoyment of the Club's facilities. For example, the distribution of how to vote material and the canvassing of votes whilst patrons are having dinner with family and friends may be an unpleasant experience for those patrons.
21. Therefore, if the Second Special Resolution is passed, members:
 - (a) will not be entitled to engage electioneering on the Club's premises and its surrounding precincts; and
 - (b) will be entitled to engage in electioneering:
 - (i) away from the Club's premises and its surrounding precincts; and
 - (ii) by way of post, text message or social media.

Vote taken and accepted.

Carried



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General Business

C. O'Keefe #5527– Thanked the Board for their continued of the Dragons Junior Rugby League.

A. Nourse #9635 – Thanked the Board on behalf of the Gentle Exercise group, for allowing them the space to conduct their weekly exercise classes. They really appreciate it.

E. Facchetti #160– Thanked Frank Tedesco #129 for his 20 years' service on the Board, advising all that Frank decided to call it a day, and spend time with his family. Frank organized the Club's car shows and brought a lot of people to the club. The Board have also decided to name the Pizzeria in Frank's honour – calling the area the Frank Tedesco Room, which should happen in the next couple of weeks.

F. Tedesco #129 – in response to E. Facchetti, also advised that along with Taffy he helped raise \$3,500 for Legacy, as well as sponsoring the soccer club for 10 years, organizing the Breakfast with the Cars for 7 years, the Charity Flea Market for 5 years and the Car Show for 20 years, also raising money for the Cancer Council and Disability South West.

E. Facchetti #160 – invited the Board up to the front of the room, so the members in attendance can see who has been voted in to represent them for the next 2 years.

The members were thanked for their attendance.

Meeting Closed: 9:52am



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Notice Of Annual General Meeting

COMMENCES AT 9:30AM SHARP ON SUNDAY 12 NOVEMBER 2023 IN THE JOE KIERNAN ROOM (formerly the WAKELEY ROOM) AT THE CLUB AT 26 HUMPHRIES RD, WAKELEY.

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, 13th November 2022.

Club Update

Annual Report

2. To receive and consider the Annual report to members for the year ended 30th June 2023 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:

- i) Directors be supplied with Club Directors Uniforms to be worn at Board Meetings and when representing the Club in an official capacity.*
- ii) 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.*
- (i) 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".*
- (ii) A reasonable amount be allocated for provision of food and refreshments to Directors after Board Meetings.*
- (iii) Attendance of Directors at functions, with spouses where appropriate, when required to represent the Club.*
- (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."*

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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 November 2023 until the next Annual General Meeting:

<i>President</i>	<i>\$10,000.00</i>
<i>Vice President</i>	<i>\$8,000.00</i>
<i>Directors</i>	<i>\$6,000.00</i>

(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 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 12 November 2023 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 12 November 2023 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.

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 \$4,800.00 (for the period 12 November 2023 until the next AGM); or*
- (b) If two (2) Welfare Officers are appointed by the Board a maximum of \$2,400.00 (for the period 12 November 2023 until the next AGM each."*



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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 9.00 am 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 31 October 2023 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 Resolution set out below.

PROCEDURAL MATTERS FOR THE SPECIAL RESOLUTION

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.
3. 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.
4. Under the Registered Clubs Act members who are employees of the Club are not entitled to vote and proxy voting is prohibited.
5. 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.
6. The Board of the Club recommends the Special Resolution to members.

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SPECIAL RESOLUTION

That the Constitution of Canley Heights R S L & Sporting Club Ltd be amended by:

(a) **inserting** new Rules 6A to 6D inclusive as follows:

- “6A. A copy of the Constitution of the Club shall be supplied to a member on request being made to the Secretary of the Club, and if demanded by the Secretary from that member, on payment of any fee that may be prescribed by the Act.*
- 6B. The Constitution and By-laws of the Club have effect as a contract between:*
- (a) the Club and each member; and*
 - (b) the Club and each director;*
 - (c) each member and each other member,*
- under which each person agrees to observe and perform the Constitution and By-laws so far as they apply to that person.*
- 6C. Every member is bound by and must comply with the Constitution and By-laws of the Club and any other applicable determination, resolution or policy which may be made or passed by the Board.*
- 6D. This Constitution shall be read and construed subject to the provisions of the Act and the Registered Clubs Act, and to the extent that any of the provisions in this Constitution are inconsistent therewith, those provisions shall be inoperative and have no effect.”*

(b) **inserting** into Rule 7(a) after the words “The Club” the words “is a company limited by guarantee and”.

(c) **deleting** Rule 47(d)(viii) and in its place **inserting** the following new Rules 47(d)(viii) and (ix) and **renumbering** the remaining provisions accordingly:

- “(viii) was an employee of the Club, or any club that has amalgamated with the Club, within the period of three (3) years prior to nomination, election or appointment to the Board;*
- (ix) is a former employee of the Club whose services were terminated by the Club for misconduct;”*

(d) **deleting** Rule 53(m)(i) and in its place **inserting** the following new Rule 53(m)(i):

- “(i) To create sections and committees for the conduct, management and control of any sport or other activity within the Club and to define and limit the persons (being members of the Club) eligible for membership of all or any such sections to fix or approve any supplemental subscription or any charge (whether annual or special) for membership of such sections or any of them and from time to time to prepare or approve and amend rules and by-laws for the control and regulation of such sections or committees and the conduct and activities thereof and also to terminate and dissolve any such section or committee or to reconstitute the same on a similar or different basis. The Board shall have power to dissolve any Sub club or remove committee members from office of Sub club. All assets in the possession and control of a Sub club (including cash reserves) are owned by and the property of the Club.*

Notes to Members on the Special Resolution

1. The Special Resolution proposes amendments to the Club's Constitution.
2. Paragraphs (a) clarifies that members are bound by and must comply with the Constitution, By-laws and any other applicable determinations, resolutions, and policies of the Club and that the Club's Constitution constitutes a contract between the Club and its members.
3. Paragraph (b) simply clarifies that the Club is a public company limited by guarantee.
4. Paragraph (c) sets out additional grounds upon which a member will be ineligible to be elected to the Board.



Canley Heights RSL & Sporting Club Limited

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5. Paragraph (d) clarifies that the Board can create and dissolve sub clubs and committees of the Club and that all assets in the possession and control of a Sub Club are owned by and the property of the Club.

Dated: 26th September 2023

By order 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 2023:

- (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 are pleased to present to members their report on Canley Heights RSL & Sporting Club year ending 30th June 2023

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

Result of Operations

The net Profit of the economic entity for the year after income tax expense was: \$2,992,418

Net Profit for June 30th 2022: \$1,85,0056 (3 months closed due to covid lockdowns in the reporting 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
- Maintain financial stability of the club by placing measurable KPI's in place
- Be an "employer of choice" in the south west suburbs
- Plan for the continued development and future expansion of the club

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
- Improve Club facilities
- 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



Canley Heights RSL & Sporting Club Limited

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Directors' Report (continued)

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 (Earing's before interest, Tax and depreciation) to revenue

Rounding of amounts

The Club is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to "Rounding-off". Amounts in this report have been rounded off in accordance with that Corporation Instrument to the nearest dollar.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

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

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

In June 2023 the club started undergoing renovation to the bathrooms, Roulette room and upgrading the alfresco dining area

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 12 month financial year the Board held 16 meetings. The following attendance records are reported.

Directors	Number of meetings attended	Number of eligible meetings
Ennio Facchetti	15	15
Frank Tedesco	1	3
Mark Wheatley	12	15
Christine Simmons	15	15
Richard Robinson	10	11
Donald Henry	10	15
Kevin Todd	15	15
Ian Davidson	15	15

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 \$884.43.

Signed in accordance with a Resolution of the Directors.

Signed in accordance with a Resolution of the Directors.

E. Facchetti
President

25th September 2023



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, 2023.

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

25th September, 2023



Canley Heights RSL & Sporting Club Limited

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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, 2023, 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 28th September, 2023



Canley Heights RSL & Sporting Club Limited

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BALANCE SHEET AS AT 30TH JUNE 2023

	Note	2023	2022
CURRENT ASSETS		\$	\$
Cash and cash equivalents	4	9,379,270	6,775,511
Receivables		16,283	32,345
Inventories	5	185,043	153,748
Prepayments		319,589	253,975
TOTAL CURRENT ASSETS		9,900,185	7,215,579
NON-CURRENT ASSETS			
Property, plant and equipment	6	13,309,793	13,740,181
Intangible assets	7	364,010	444,630
Deferred tax assets	14	508,278	533,502
Other assets	8	750	4,250
TOTAL NON-CURRENT ASSETS		14,182,831	14,722,563
TOTAL ASSETS		24,083,016	21,938,142
CURRENT LIABILITIES			
Trade and other payables	9	1,890,687	1,674,300
Provisions	12	828,424	789,552
Borrowings	10	150,000	324,000
Lease liabilities	11	83,150	80,078
TOTAL CURRENT LIABILITIES		2,952,261	2,867,930
NON-CURRENT LIABILITIES			
Borrowings	10	-	823,501
Lease liabilities	11	14,165	97,315
TOTAL NON-CURRENT LIABILITIES		14,165	920,816
TOTAL LIABILITIES		2,966,426	3,788,746
NET ASSETS		21,116,590	18,149,396
EQUITY			
Retained earnings		21,116,590	18,149,396
TOTAL EQUITY		21,116,590	18,149,396

The above Balance Sheet should be read in conjunction with the accompanying notes.



Canley Heights RSL & Sporting Club Limited

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INCOME STATEMENT FOR THE YEAR ENDED 30TH JUNE 2023

	Note	2023 \$	2022 \$
Revenue from ordinary activities	2	20,973,066	13,150,185
Expenses from ordinary activities			
Cost of sales and direct expenses:			
Bar		771,504	478,187
Bistro		1,404,220	707,843
Gaming activities		5,217,468	3,287,215
Entertainment and TV Sport		35,380	284
Sporting group allocations		198,818	120,130
Depreciation and amortisation	3a	1,328,994	1,327,139
Employment expenses		5,268,466	3,564,037
Borrowing costs and interest	3a	36,265	103,629
Other expenses		3,719,533	2,137,071
Total expenses		17,980,648	11,725,535
Government grants and subsidies received		-	425,406
Profit from ordinary activities before income tax		2,992,418	1,850,056



Canley Heights RSL & Sporting Club Limited

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30TH JUNE 2023

	Note	2023 \$	2022 \$
Retained earnings at the beginning of the year		18,149,396	16,282,858
Operating profit/(loss) after current year income tax		2,992,418	1,850,056
		<u>21,141,814</u>	<u>18,132,914</u>
Add/(Less): Provision for deferred tax	14	(25,224)	16,482
		<u>21,116,590</u>	<u>18,149,396</u>



Canley Heights RSL & Sporting Club Limited

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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2023

	Note	2023 \$	2022 \$
<i>Cash flows from operating activities</i>			
Receipts from customers		20,894,705	13,217,170
Payments to suppliers and employees		(16,454,125)	(10,796,204)
Government grants and subsidies received		-	425,406
Proceeds from Sale of Assets		586	22,873
Interest received		94,423	747
Interest paid		(33,403)	(56,790)
Borrowing costs (Including term charges)		(2,863)	(46,839)
<i>Net cash provided by (used in) operating activities</i>	17	4,499,324	2,766,363
<i>Cash flows from investing activities</i>			
Sale of property, plant and equipment		-	-
Payments for property, plant and equipment		(817,986)	(192,587)
<i>Net cash provided by (used in) investing activities</i>		(817,986)	(192,587)
<i>Cash flows from financing activities</i>			
Addition/(Reduction) in bank loans		(973,501)	(402,712)
Addition/(Reduction) in Right of Use liabilities		(80,078)	(64,467)
Addition/(Reduction) in hire purchase liabilities		(24,000)	(72,111)
<i>Net cash provided by (used in) financing activities</i>		(1,077,579)	(539,290)
Net increase (decrease) in cash held		2,603,759	2,034,486
Cash at the beginning of reporting period		6,775,511	4,741,025
Cash at the end of reporting period	4	9,379,270	6,775,511



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

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.



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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.



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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.

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.

Mutuality Principle

The company calculates its income in accordance with the mutuality principle which excludes from income, any amounts of subscriptions and contributions from members, and payments received from members for particular services provided by the club or association, eg. Poker machines, bar and dining room service in the case of social clubs. The Commissioner of Taxation accepts this method of calculating income as appropriate for recognised clubs and associations.

Amendments to the Income Tax Assessments Act 1997 ensure social clubs continue not to be taxed on receipts from contributions and payments received from members.

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.



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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.

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 subsequent to balance date

The 2 pending matters relating to Workers Compensation and Public Liability from 2022 is still an on-going event. Both matters are still covered by the Club's insurance.



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

	2023	2022
	\$	\$
Note 2: Revenue		
Sale of goods	3,517,657	1,971,648
Services revenue	17,109,151	10,919,996
Member subscriptions	40,889	19,123
Interest income	94,423	747
Other income / (loss)	210,945	238,670
Total revenue	20,973,066	13,150,185



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

	2023	2022
	\$	\$
Note 3: Profit from ordinary activities		
Profit from ordinary activities before income tax expense has been determined after:		
(a) Expenses		
Cost of sales	2,175,724	1,186,030
Borrowing costs and interest expenses		
Borrowing costs	-	-
Interest - bank	33,403	35,233
Interest - other	-	21,557
Term charges and hire purchase	2,863	46,839
Total interest and borrowing costs	36,265	103,629
Depreciation, amortisation and impairment		
Buildings	349,265	347,519
Equipment and other fixed assets	979,728	979,620
Total depreciation, amortisation and impairment	1,328,994	1,327,139
Remuneration of auditor		
Audit fee	30,000	22,500
Total remuneration of auditor	30,000	22,500
(b) (Loss)/Profit on disposal of fixed assets	586	22,873



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

	2023	2022
	\$	\$
Note 4: Cash and cash equivalents		
Cash at bank	8,754,170	6,150,411
Cash on hand	625,100	625,100
Total cash and cash equivalents	9,379,270	6,775,511
Note 5: Inventories		
Club merchandise stock / prize on hand	25,916	26,650
Bar stock	143,628	115,381
Bistro stock	15,499	11,717
Total inventories	185,043	153,748
Note 6: Property, plant and equipment		
Land	1,014,636	1,014,636
Buildings	14,439,829	14,210,546
Less: Accumulated depreciation	(6,014,117)	(5,664,852)
	9,440,347	9,560,330
Plant and equipment at cost & fair value	9,596,136	9,458,296
Less: Accumulated depreciation	(8,365,776)	(8,112,663)
	1,230,360	1,345,633
Poker machines at fair value	5,129,388	4,774,520
Less: Accumulated depreciation	(2,490,302)	(1,940,302)
	2,639,086	2,834,218
Total		
Property, plant & equipment at cost & fair value	30,179,988	29,371,998
Less: Accumulated depreciation	(16,870,195)	(15,631,818)
	13,309,793	13,740,181



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

Note 6: Property, plant and Equipment (cont'd)	\$	\$	\$
	Land & Buildings	Poker Machines, Furniture, Plant & Equipment	Total
Carrying amount at 30 June 2021	9,907,849	4,886,264	14,794,113
Additions	-	192,587	192,587
Disposals	-	-	-
Depreciation	(347,519)	(899,000)	(1,246,519)
Carrying amount at 30 June 2022	9,560,330	4,179,851	13,740,181
Additions	229,283	588,703	817,986
Disposals	-	-	-
Depreciation	(349,265)	(899,108)	(1,248,374)
Carrying amount at 30 June 2023	9,440,347	3,869,446	13,309,793

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

The total valuation amount is:

(Based on Independent external valuation performed in March 2021)

- Land	4,550,000
- Building & Site Improvements	10,450,000
- Plant & Equipment	2,230,000
	<u>17,230,000</u>



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

	2023	2022
	\$	\$
Note 7: Intangible		
Licenses and entitlements	286,371	286,371
Less: Accumulated amortisation	(2,981)	(2,981)
	<u>283,390</u>	<u>283,390</u>
Right-of-use assets	241,860	241,860
Less: Accumulated amortisation	(161,240)	(80,620)
	<u>80,620</u>	<u>161,240</u>
Total		
Intangible assets	528,231	528,231
Less: Accumulated amortisation	(164,221)	(83,601)
	<u>364,010</u>	<u>444,630</u>
Note 8: Other assets		
Non-current		
Finance charges	-	3,500
Unlisted share investment	750	750
	<u>750</u>	<u>4,250</u>
Total	<u>750</u>	<u>4,250</u>
Note 9: Trade and other payables		
Trade creditors	677,231	512,801
Other payables and accruals	1,165,807	1,108,796
Subscriptions in advance	47,650	52,703
	<u>1,890,687</u>	<u>1,674,300</u>
Total	<u>1,890,687</u>	<u>1,674,300</u>



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

	2023	2022
	\$	\$
Note 10: Borrowings		
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.		
Current		
Hire purchase - Bank	-	24,000
Sub-branch loan	150,000	150,000
Bank loan (secured)	-	150,000
Total	150,000	324,000
Non-current		
Hire purchase – Bank	-	-
Bank Loan (Secured)	-	823,501
Total	-	823,501
Note 11: Lease liabilities – Right of Use (RoU) Assets		
<i>Movement:</i>		
Carrying amount at start of period	177,393	241,860
Additions	-	-
Payments made towards lease liability during the period	(80,078)	(64,467)
Carrying amount at end of period	97,315	177,393
Current	80,078	80,078
Non-current	17,237	97,315
Carrying amount at end of period	97,315	177,393



Canley Heights RSL & Sporting Club Limited

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

	2023	2022
	\$	\$
Note 12: Provision		
Current		
Employee entitlements		
Annual leave	374,406	384,132
Long service leave	454,018	405,421
	<u>828,424</u>	<u>789,552</u>

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.

	No.	No.
Number of employee at the year-end (full time equivalent)		
Permanent	39	38
Casual	57	41
Total	<u>96</u>	<u>79</u>

Note 13: Remuneration and Retirement Benefits

(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	34,000	25,500

(b) Key management personnel compensation

Total Compensation	779,595	680,444
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

	2023	2022
	\$	\$
Note 14: Deferred tax assets		
(a) Deferred tax assets		
The overall movement in the deferred tax account is as follows:		
Opening balance	533,502	517,020
(Charge)/credit to equity statement	(25,224)	16,482
Closing balance	508,278	533,502



Canley Heights RSL & Sporting Club Limited

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

Note 15: 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 2023.

(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 1.01% (2022: 0.20%)

The weighted average rate for bank bills during the year was 0.0% (2022: 2.972%)

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 2022

Fixed Interest Maturing

Note 15: Financial Instruments (Cont'd)

	Weighted Average Effective Interest Rate		Floating Interest Rate		Within one year		1 to 5 Years		Non-interest Bearing		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	%	%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Financial assets:												
Cash and cash equivalents	1.01	0.20	8,754,170	6,150,411	-	-	-	-	625,100	625,100	9,379,270	6,775,511
Receivables	-	-	-	-	-	-	-	-	16,283	32,345	16,283	32,345
			8,754,170	6,150,411	0	0	0	0	641,383	657,445	9,395,553	6,807,856
Financial liabilities:												
Bank Credit Cards	15.50	15.50	-	-	17,453	15,599	-	-	-	-	17,453	15,599
Bank Loans	0	2.97	-	-	-	150,000	-	823,501	-	-	-	973,501
Trade and other payables	0	0	-	-	-	-	-	-	1,890,687	1,674,300	1,890,687	1,674,300
HP Liabilities (Bank)	0	4.08	-	-	-	24,000	-	-	-	-	-	24,000
HP Liabilities (Other)	0	0	-	-	-	-	-	-	-	-	-	-
Other Borrowings	0	0	-	-	-	-	-	-	-	-	-	-
Unsecured Loan	5	5	-	-	-	-	150,000	150,000	-	-	150,000	150,000
			0	0	17,453	189,599	150,000	973,501	1,890,687	1,674,300	2,058,140	2,837,400



Canley Heights RSL & Sporting Club Limited

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2022

Note 16: 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

	2023	2022
	\$	\$
Operating Profit / (Loss)	2,992,418	1,850,056
<i>Adjustments for:</i>		
Depreciation, amortisation and impairment	1,328,994	1,327,139
Net changes in working capital:		
Change in accounts payable and accruals	164,429	116,758
Change in payments received in advance	(5,053)	20,512
Change in other payables	57,011	(397,852)
Change in provisions	38,872	(67,086)
Change in prepayments	(65,614)	(209,830)
Change in accounts receivables	16,062	67,732
Change in inventories	(31,295)	20,088
Change in other assets	3,500	38,846
Net cash provided by (used in) operating activities	4,499,324	2,766,363

Note 17: Related party transactions

There were no related party transactions in the year ended 30 June 2023.

Note 18: 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.

Note 19: Guarantee

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



Canley Heights RSL & Sporting Club Limited

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2022

Note 20: Sporting Club bank balances

The combined bank balances of the various sporting clubs were \$125,000.02 as at 30th June 2023. 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 21: Capital commitments

During the financial year ended 30 June 2023, the Board approved for the Club to undergo further renovations to Club. The construction consists of providing new Poker Gaming Room, renovated lavatory facilities, larger outdoor alfresco dining with small private function room capabilities and kids play area. The Board also approved for a total of 17 new gaming machines to be housed in the new Gaming room. The total cost (Per signed Contractual agreement) for both this capital commitment was \$1,272,231 (Inclusive of GST).

Note 22: 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

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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, 2023, the Statements of Profit or Loss and other Comprehensive Income, the statement of changes in member's funds and the statement of cash flow for the year then ended and notes to the financial report, including a summary of significant accounting policies and other explanatory notes and the Director's Declaration.

In our opinion the accompanying Financial Report of Canley Heights RSL & Sporting Club Limited 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, 2023 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 confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Other Information

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 on the other information obtained prior to the date of this auditor's report, 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.



Canley Heights RSL & Sporting Club Limited

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

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.

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

D M Walsh & Co
Chartered Accountants

A.M. Frawley
Registered Company Auditor
Suite 4, 1st Floor, 100 Pacific Highway,
WAITARA NSW 2077

Dated 28th September, 2023.

In Memory

Members that passed to 30 June 2023

GLYNIS BAKER	BRENDA MIDDLETON
ROCCO BORELLO	YONGKHAM PHABMIXAY
VIOLET CANNON	INES PIROMALLI
RACHEL CHAY	VALERIE PRESS
MARGARET CONNELL	JOHN SHAW
ABDUL DAHER	LORRAINE SHAW
VAN DUC DINH	SIMON SIMON
DOROTHY DITCHBURN	MILAN SKULAR
PAOLO DORET	WILLIAM SMITH
VINCENZA GAGLIANO	TED SULKOWICZ
JOHN GRUNDY	PETAR TRIVUNCEVIC
ANN HENSON	CARMEL WATSON
JERRY KHOV	MERLYN WHEATLEY
MONIKA KNIGHT	JAMES WINSTANLEY
SAMIR MANSOOR	DENNIS WOOLLEY
FLAVIO MARCHETTI	OLINDA YARZA
MARIA MAZURKIEWICZ	

May they Rest in Peace



All effort was taken to include all members that have passed up until 30th June 2023.
Our sincere apologies to the families of anyone that was missed



Canley Heights RSL
& Sporting Club

ClubGRANTS



Local Clubs helping the local community



\$195,068 Category 1

Who your club supported in 2023

Macular Disease Foundation Australia	\$18,517.00
The Parks Community Network Inc	\$13,861.00
Learning Links	\$71,845.00
The Shepherd Centre for Deaf Children	\$5,168.00
Harrington Street Public School	\$20,000.00
Life Education NSW	\$19,000.00
Special Children Services Centre Inc	\$19,900.00
Miracle Babies	\$7,276.50
The All Nations Group	\$19,500.00

\$163,000 Category 2

Canley Heights RSL Football Club	Westfields Athletics
Canley Heights RSL Dragons Rugby League	Fairfield/Liverpool
Canley Heights RSL Hotshots Netball	Lions Cricket Club
Canley Heights RSL Dance Co	
Canley Heights RSL Golf Club	

Board of Directors 2023



Canley Heights RSL & Sporting Club Limited

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