



# ANNUAL REPORT

2020 - 2021



## Chairman's Report

On behalf of the Board of Directors, I am proud to submit for your approval and adoption the Annual Report and Financial Statements for the year ending 31 March 2021. Although this year has seen us face unprecedented challenges, due to a global pandemic and a one-in-hundred-year flood, our Board continued to focus on responsible financial management to secure our Club's long-term future.

The best way I can describe the last year, is like a roller coaster. In March 2020, with 15 hours' notice, we were given a government mandate to close, resulting in no revenue and almost 100 workers with no work. Whilst the shock was palpable, the experience itself made me proud of our Club. Instead of panic and locking down the hatches, we identified opportunities. We looked at all the things we do, identified where improvements could be made and set about making those changes. In those uncertain times, we decided to delay some major projects and concentrate on the business of providing services to the Hawkesbury region.

Our Club was severely impacted by the lockdown and our General Manager and senior staff were able to manage the situation very efficiently by utilising the available support from the State and Federal Governments. Tony and his team had to deal with a situation never before experienced with, you, our members having to be locked out of our facilities. However, using the support programs available, we were able to keep the vast majority of our staff throughout the closure.

During the close-down, we took the opportunity to keep some of our staff working by making improvements to our Club using our staff to do most of the work. This gave us the opportunity to support our great staff through a very difficult time. After a nine-week closure, we came back strong. In order to help control COVID 19, we decided that only members would be allowed access to our Club and all visitors would be asked to join or leave. This allowed us to have contact details of all patrons well before mandatory tracing was required. It also increased our number of members to over 50,000.

The closure of our Club was a very dark period of time for all. Upon reopening, numbers, spacing, restrictions and events all had to be addressed and ready to change at a moment's notice. I remain in awe at the way all staff embraced the jobs that had to be done with such professionalism and positiveness again identifying that we have the best staff in the industry. Your continued patience during our redevelopment and 'new norm' COVID-19 regulations is truly appreciated.

This pandemic has had a terrible impact on the normal lives of our members. Our business is based on social inclusion and not to be able to provide the community hub for people to meet with friends, enjoy time with families and take a break from the normal stress and grind of daily life has been challenging.

We continued to support our community charities, Hawkesbury Helping Hands, sporting clubs, etc. Last July, we found out that the Windsor Country Golf Club had come upon challenging times after the devastating flood in February 2020. The Golf Club struggled to survive as repair of the course was eating away at their resources and course closure eliminated their income and COVID restrictions forced full closure.

Again, we saw this an opportunity to help the Hawkesbury community. We offered to amalgamate with the Windsor Country Golf Club and to assist them in making Windsor an outstanding course in North Western Sydney. Keeping the Golf Club in local hands ensured we could continue providing excellent service and diversify across two locations. Once again at the end of March 2021, another

one-in-a-century flood hit the Golf Course. Due to the on-going amalgamation process, we were able to assist Windsor Country Golf Club from total closure.

After a strong reopening and great business through the summer, Windsor RSL came out strong again posting a net profit of \$2.4 million, our largest profit in history. I am sure you agree that the outcome is phenomenal and has brought some sunshine to what has been some pretty gloomy months.

A culture of mutual respect between Board and Management is paramount for success. On behalf of the Board, I would truly like to applaud Tony and his great team's effort to manage a most challenging year for our Club and the world. Their professionalism and team spirit have kept Windsor RSL Club not only operating but thriving.

I must also thank the dedication and support of our Board of Directors, who handled the major challenges of the last year with professionalism and strong teamwork.

Lastly, I need to thank our wonderful loyal members who came back to our Club after the unprecedented closure and continue to support us. As you know, we have started our next renovation project and when it is completed, we will welcome you back with open arms. The future still holds challenges due to COVID-19 but with your help, we will continue to grow and thrive.

David Ingram

President

## Windsor RSL Community Support

In 2020-21 Windsor RSL Club has supported numerous community and school groups. Below is a list of some of the groups who have received support.

| Community Groups                                  |  |
|---|--|
| Australian War Memorial                           | One80TC                                  |
| Bede Polding College                              | PCYC                                     |
| Blacktown TPI Social and Welfare Club             | Pink Finss                               |
| Bligh Park Football Club                          | Ronald McDonald House Charities          |
| Glossodia Public School P&C Association           | Rouse Hill Public School P&C Association |
| Hawkesbury and District Basketball Association    | State Emergency Services                 |
| Hawkesbury City Football Club                     | Wilberforce Early Learning Centre        |
| Hawkesbury City Little Athletics                  | Windsor Girl Guides                      |
| Hawkesbury Helping Hands                          | Windsor Golf Club                        |
| Hawkesbury Hospital                               | Windsor High School                      |
| Hawkesbury Saints AFL Club                        | Windsor Pre School                       |
| Kokoda Youth Leadership Challenge                 | Windsor RSL Fishing Club                 |
| Kurrajong Public School P&C Association           | Windsor RSL Sub Branch                   |
| Little Wings                                      | Windsor South Public School              |
| NSW Rural Fire Service                            | Windsor Wolves Junior Rugby League       |
| Support for Local Sporting Clubs                  |  |
| Bligh Park Football Club                          | Richmond Veteran's Golf Club             |
| Hawkesbury and District Basketball Association    | Ski Racing NSW                           |
| Hawkesbury City Football Club                     | Windsor Bowling Club                     |
| Hawkesbury City Junior Rugby League Football Club | Windsor RSL Fishing Club                 |
| Hawkesbury City Little Athletics                  | Windsor RSL Indoor Bowls Club            |
| Poppets Netball Club                              |  |

**ANNUAL FINANCIAL REPORT**

**OF**

**WINDSOR RSL CLUB LTD  
ACN 000 811 290**

**FOR THE YEAR ENDED**

**31 MARCH 2021**

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**WINDSOR RSL CLUB LTD  
ACN 000 811 290**

**DIRECTORS' REPORT**

The Directors of Windsor RSL Club Ltd submit herewith the annual report for the financial year ended 31 March 2021. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

DIRECTORS - The names of the directors in office at any time during or since the end of the financial year are:

**David Ingram**

Age: 60

Retired

11 years Director, 3 years President

**Colin Wilson**

Age: 80

Retired

3 years Vice-President, 8 years President, 21 years Treasurer

**Albert Duclos (deceased 2/9/2020)**

Age: 86

Retired

27 years Director, 4 years Treasurer

**Ross Ryan**

Age: 80

Retired

22 years Director, 11 years Vice-President

**Darrell Logue**

Age: 73

Funeral Director

11 years Director

**Jason Read (resigned 25/10/2020)**

Age: 51

Club Manager

11 years Director

**Les Sheather**

Age: 71

Building Contractor

9 years Director

**Paul Thomas**

Age: 57

Director

7 years Director

**Sarah Richards**

Age: 38

Lawyer

3 years Director

**David Ross (appointed 23/11/2020)**

Age: 49

Hotel Manager

1 year Director



**WINDSOR RSL CLUB LTD  
ACN 000 811 290**

**DIRECTORS' REPORT (continued)**

**MEETING OF COMPANY DIRECTORS**

The number of directors' meetings including meetings of committees of directors and number of meetings attended by each of the directors of the company during the financial year are:

| Director      | BOARD MEETINGS              |                          |
|---------------|-----------------------------|--------------------------|
|               | Number of meetings attended | Number of meetings held* |
| Mr D Ingram   | 11                          | 12                       |
| Mr C Wilson   | 10                          | 12                       |
| Mr R Ryan     | 12                          | 12                       |
| Mr D Logue    | 12                          | 12                       |
| Mr L Sheather | 11                          | 12                       |
| Mr P Thomas   | 10                          | 12                       |
| Ms S Richards | 10                          | 12                       |
| Mr D Ross     | 5                           | 6                        |
| Mr A Duclos   | 2                           | 4                        |
| Mr J Read     | 3                           | 5                        |

\* Number of meetings held during the time the directors held office during the year.

As a requirement of the Registered Clubs Regulation directors are required to undertake continuing professional development addressing the key skills and knowledge that directors need to successfully govern their club. The Board are ensuring that all Board members undertake the appropriate mandatory continuing professional development training programs.

**COMPANY SECRETARY**

The following person held the position of Company Secretary at the end of the financial year:

Anthony Rhett Jeffcott

**MEMBERS' GUARANTEE**

The company is limited by guarantee. If the company is wound up the constitution of the company states that each member is required to contribute a maximum of \$4 each towards meeting any outstanding obligations of the company. The total amount contributed would be \$207,996.

**REVIEW OF OPERATIONS**

The club made a profit before tax of \$2,210,541 (2020: \$460,896). No income tax is payable.

The club derived an operating profit of \$4,016,372 (2020: \$2,347,667) before depreciation of \$1,620,298 (2020: \$1,632,829) and finance costs of \$185,533 (2020: \$253,942).

COVID-19 Government regulations meant the Club was closed from 1 April - 31 May 2020. Even after re-opening, the Club was subject to government restrictions at times, including caps of patrons in the venue and wearing of masks. The Club has been able to stay open for trade every day since 1 June 2020. The Club will continue to be bound by Government COVID-19 regulations but the Club doesn't expect to have to close its doors again. The Club received \$589,784 in Government COVID-19 assistance made up of JobKeeper payments and Cash Flow Boost payments from the Federal Government.



**WINDSOR RSL CLUB LTD**  
**ACN 000 811 290**

**DIRECTORS' REPORT (continued)**

Club membership was 51,999 as at 31 March 2021 (26,364 as at 31 March 2020) and was made up as follows:

|           | <b>2021</b>          | <b>2020</b>          |
|-----------|----------------------|----------------------|
| Associate | 51,994               | 26,357               |
| Life      | <u>5</u>             | <u>7</u>             |
|           | <u><u>51,999</u></u> | <u><u>26,364</u></u> |

**OBJECTIVES**

The objectives of the club are to operate in a responsible and financially prudent manner with the aim of enhancing membership benefits and contributing to the local community. Windsor RSL Club Ltd plays an important role in honouring present and returned servicemen and servicewomen.

Specific short and long term objectives include:

Short Term

- Provide the best possible facilities to members
- Encourage new membership
- Improve profitability and efficiency of club operations

Long Term

- Maintain financial stability of the club
- Ensure facilities continue to cater for members' needs
- Diversify income streams

**STRATEGY FOR ACHIEVING THE OBJECTIVES**

Attract and maintain quality management and staff.

Be flexible and adapt to the changing environment of the club, economy and member demographic characteristics.

To continually review and upgrade facilities of the club.

**PRINCIPAL ACTIVITIES**

The principal activity of the company during the period was that of Licensed Club conducted for Members and Members' Guests according to the Constitution. No significant change in the nature of these activities occurred during the year.

**HOW THESE ACTIVITIES ASSIST IN ACHIEVING THE OBJECTIVES**

The principal activities of the club contributed to achieving the objectives by providing a stable base of operations. This ensured the financial stability and generated funds to meet the demands of the company and maintain high levels of service to members and guests.

**PERFORMANCE MEASUREMENT AND KEY PERFORMANCE INDICATORS**

The financial performance of the club is measured against the budget set and benchmark data for the industry.

Some of the specific areas reported on and monitored include:

- Earnings before Interest Tax Depreciation and Amortisation (EBITDA)
- Gross Profit Margins
- Expense Ratios and Analysis
- Cash Flow
- Members' Feedback
- Staff Turnover

**WINDSOR RSL CLUB LTD  
ACN 000 811 290**

**DIRECTORS' REPORT (continued)**

**GOING CONCERN**

Covid -19 Government regulations meant the Club was closed from 1 April 2020- 31 May 2020. Even after re-opening, the club was subject to government restrictions, including caps on patrons numbers within the venue and the wearing of masks. The club has been able to remain open from 1<sup>st</sup> June 2020, whilst abiding to Government Regulations relating to Covid-19.

The Club received \$773,500 in Government assistance relating to Covid-19,

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**AUDITOR'S INDEPENDENCE DECLARATION**

The auditor's independence declaration follows and forms part of the directors' report for the financial year ended 31 March 2021.

Signed in accordance with a resolution of the directors.

Dated at Windsor this     day of

.....  
D Ingram  
President

## **AUDITOR'S INDEPENDENCE DECLARATION**

Lead Auditor's Independence Declaration Under Section 307C of the Corporations Act 2001

To the Directors of Windsor RSL Club Ltd

I declare that, to the best of my knowledge and belief, in relation to the audit for the year ended 31 March 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.

.....  
John C Cheadle  
Registered Company Auditor

Dated:

**INDEPENDENT AUDIT REPORT  
TO THE MEMBERS OF WINDSOR RSL CLUB LTD**

**Report on the Audit of the Financial Report**

**Opinion**

I have audited the accompanying financial report of Windsor RSL Club Ltd (the Company), which comprises the Statement of Financial Position as at 31 March 2021, Statement of profit or loss and other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In my opinion, the accompanying financial report of the Company is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the company's financial position as at 31 March 2021 and of its financial performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Regulations 2001.

**Basis of Opinion**

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described as in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am 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 my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Information Other than in 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 comprises the information included in the company's annual report for the year ended 31 March 2021, but does not include the financial report and my auditor's report thereon.

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

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed on the other information obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

**Responsibility of 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 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, matters related to going concern and using the going concern basis of accounting unless the directors intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's Responsibility for the Audit of the Financial Report**

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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 directors' 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I 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 I identify during my audit.

I also provide the directors with a statement that I have complied with the relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

.....  
John C Cheadle  
Registered Company Auditor  
Dated:

**WINDSOR RSL CLUB LTD**  
**ACN 000 811 290**

**DIRECTORS' DECLARATION**

In the opinion of the directors of Windsor RSL Club Ltd (the company):

- (a) the financial statements and notes, set out on pages 11 to 30, are in accordance with the Corporations Act 2001, including:
  - (i) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and
  - (ii) give a true and fair view of the financial position of the company as at 31 March 2021 and of its performance, as represented by the results of its operations and its cash flows, for the year ended on that date; and
- (b) at the date of this declaration there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors.

Dated at Windsor this       day of

.....  
D Ingram  
President

**WINDSOR RSL CLUB LTD**  
**ACN 000 811 290**

**STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 MARCH 2021**

|   | Note | 2021<br>\$              | 2020<br>\$            |
|---|------|-------------------------|-----------------------|
| <b>Revenue from continuing operations</b>   |      |                         |                       |
| Sale of goods   |      | 3,377,719               | 4,744,603             |
| Rendering of services   |      | 11,610,742              | 10,780,784            |
| Other revenue   |      | 986                     | 1,978                 |
| Total revenue from continuing operations  | 2    | <u>14,989,447</u>       | <u>15,527,365</u>     |
| <b>Expenses</b>   |      |                         |                       |
| Cost of Sales   |      | (1,205,261)             | (1,706,314)           |
| Poker machine licence and taxes   |      | (2,288,468)             | (2,211,226)           |
| Employee expenses   |      | (4,223,325)             | (4,835,924)           |
| Entertainment, advertising and promotions   |      | (1,446,135)             | (1,882,515)           |
| Property expenses   |      | (529,540)               | (545,046)             |
| Licence and fees  |      | (27,128)                | (46,744)              |
| Donations   |      | (236,587)               | (241,908)             |
| Printing & stationery   |      | (36,593)                | (25,681)              |
| Other expenses  |      | (980,038)               | (1,684,340)           |
| Total expenses  |      | <u>(10,973,075)</u>     | <u>(13,179,698)</u>   |
| Earnings before depreciation and finance costs  |      | 4,016,372               | 2,347,667             |
| Depreciation and amortisation expenses  | 3(a) | (1,620,298)             | (1,632,829)           |
| Finance costs   | 3(a) | <u>(185,533)</u>        | <u>(253,942)</u>      |
| <b>Profit before income tax</b>   |      | 2,210,541               | 460,896               |
| Income tax expense  | 5(a) | <u>-</u>                | <u>-</u>              |
| <b>Net profit from continuing operations after income tax expense attributable to members</b> | 14   | 2,210,541               | 460,896               |
| <b>Other comprehensive income</b>   |      | -                       | -                     |
| <b>Total comprehensive income for the year attributable to members</b>                        |      | <u><u>2,210,541</u></u> | <u><u>460,896</u></u> |

The Statement of Comprehensive Income should be read in conjunction with  
the accompanying notes to the financial statements



**WINDSOR RSL CLUB LTD**  
**ACN 000 811 290**

**BALANCE SHEET**  
**AS AT 31 MARCH 2021**

|                                      | Note | 2021<br>\$        | 2020<br>\$        |
|--------------------------------------|------|-------------------|-------------------|
| <b>CURRENT ASSETS</b>                |      |                   |                   |
| Cash and cash equivalents            | 6    | 2,038,042         | 832,687           |
| Trade and other receivables          | 7    | 26,700            | 12,605            |
| Inventories                          | 8    | 93,915            | 128,004           |
| Other current assets                 | 9    | 80,607            | (632)             |
| <b>TOTAL CURRENT ASSETS</b>          |      | <u>2,239,264</u>  | <u>972,664</u>    |
| <b>NON-CURRENT ASSETS</b>            |      |                   |                   |
| Property, plant and equipment        | 10   | 15,966,931        | 15,134,186        |
| Intangible assets                    | 9    | 1,936,033         | 1,936,033         |
| <b>TOTAL NON-CURRENT ASSETS</b>      |      | <u>17,902,964</u> | <u>17,070,219</u> |
| <b>TOTAL ASSETS</b>                  |      | <u>20,142,228</u> | <u>18,042,883</u> |
| <b>CURRENT LIABILITIES</b>           |      |                   |                   |
| Trade and other payables             | 11   | 1,505,536         | 1,613,437         |
| Financial liabilities                | 12   | 1,657,140         | 1,081,027         |
| Employee benefits                    | 13   | 332,057           | 383,002           |
| <b>TOTAL CURRENT LIABILITIES</b>     |      | <u>3,494,733</u>  | <u>3,077,466</u>  |
| <b>NON-CURRENT LIABILITIES</b>       |      |                   |                   |
| Financial liabilities                | 12   | 3,704,711         | 4,246,694         |
| Employee benefits                    | 13   | 201,136           | 187,616           |
| <b>TOTAL NON-CURRENT LIABILITIES</b> |      | <u>3,905,847</u>  | <u>4,434,310</u>  |
| <b>TOTAL LIABILITIES</b>             |      | <u>7,400,580</u>  | <u>7,511,776</u>  |
| <b>NET ASSETS</b>                    |      | <u>12,741,648</u> | <u>10,531,107</u> |
| <b>MEMBERS' FUNDS</b>                |      |                   |                   |
| Retained profits                     | 14   | 10,237,163        | 8,026,622         |
| Asset revaluation reserve            | 15   | 2,504,485         | 2,504,485         |
| <b>TOTAL MEMBERS' FUNDS</b>          |      | <u>12,741,648</u> | <u>10,531,107</u> |

The Balance Sheet should be read in conjunction with  
the accompanying notes to the financial statements

**WINDSOR RSL CLUB LTD**  
**ACN 000 811 290**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 MARCH 2021**

|   | Note | Asset<br>Revaluation<br>Reserve | Retained<br>Earnings | Total<br>Equity |
|---|------|---------------------------------|----------------------|-----------------|
| <b>Balance at 1 April 2019</b>          |      | 2,504,485                       | 7,565,726            | 10,070,211      |
| <b>Change in equity for 2020</b>        |      |                                 |                      |                 |
| Total comprehensive income for the year |      | -                               | 460,896              | 460,896         |
| <b>Balance at 31 March 2020</b>         |      | 2,504,485                       | 8,026,622            | 10,531,107      |
| <b>Change in equity for 2021</b>        |      |                                 |                      |                 |
| Total comprehensive income for the year |      | -                               | 2,210,541            | 2,210,541       |
| <b>Balance at 31 March 2021</b>         |      | 2,504,485                       | 10,237,163           | 12,741,648      |

The Statement of Changes in Equity should be read in conjunction with  
the accompanying notes to the financial statements

**WINDSOR RSL CLUB LTD**  
**ACN 000 811 290**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

|   | Note  | 2021<br>\$         | 2020<br>\$         |
|---|-------|--------------------|--------------------|
| <b>Cash Flows from Operating Activities</b>                         |       |                    |                    |
| Cash receipts from customers  |       | 14,974,366         | 15,514,848         |
| Cash paid to suppliers and employees                                |       | (11,105,472)       | (12,329,834)       |
| Interest received   |       | 986                | 1,978              |
| Borrowing costs paid  |       | <u>(185,531)</u>   | <u>(253,942)</u>   |
| <b>Net cash inflows from operating activities</b>                   | 18(b) | <u>3,684,349</u>   | <u>2,933,050</u>   |
| <b>Cash Flows from Investing Activities</b>                         |       |                    |                    |
| Acquisition of property, plant and equipment and club refurbishment |       | <u>(2,512,853)</u> | <u>(1,577,949)</u> |
| <b>Net cash inflows/(outflows) from investing activities</b>        |       | <u>(2,512,853)</u> | <u>(1,577,949)</u> |
| <b>Cash Flows from Financing Activities</b>                         |       |                    |                    |
| Proceeds from bank loans  |       | 1,377,602          | 179,000            |
| Repayment of bank loans   |       | (971,951)          | (753,000)          |
| Proceeds from borrowings (hire purchase)                            |       | -                  | 616,972            |
| Hire purchase payments  |       | <u>(371,516)</u>   | <u>(960,814)</u>   |
| <b>Net cash inflows(outflows) from financing activities</b>         |       | <u>34,135</u>      | <u>(917,842)</u>   |
| <b>Net increase/(decrease) in cash and cash equivalents</b>         |       | 1,205,631          | 437,258            |
| Cash and cash equivalents at the beginning of the financial year    |       | <u>832,687</u>     | <u>395,429</u>     |
| <b>Cash and cash equivalents at the end of the financial year</b>   | 18(a) | <u>2,038,318</u>   | <u>832,687</u>     |

The Statement of Cash Flows should be read in conjunction with  
the accompanying notes to the financial statements

**WINDSOR RSL CLUB LTD  
ACN 000 811 290**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**(a) Basis of Preparation**

This general purpose financial report has been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, other authoritative pronouncements of the Australian Accounting Standards and the *Corporations Act 2001*.

The financial report has been prepared on a going concern basis, which assumes the continuity of normal business operations, and the realisation of assets and settlement of liabilities in the ordinary course business. The COVID-19 pandemic has created uncertainty in local and global economies, and is likely to impact normal business operations in the immediate future. The company has completed a comprehensive forecast for the next twelve months operations, and remains confident that it will be able to continue as a going concern.

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

**Historical Cost Convention**

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, certain classes of property, plant and equipment and investment property.

**(b) Revenue Recognition - Note 2**

Revenues are recognised at fair value of the consideration received net of the amount of goods and services tax (GST) payable to the taxation authority. Exchanges of goods or services of the same nature and value without any cash consideration are not recognised as revenues.

**Sale of goods**

Revenue from the sale of goods comprises revenue earned from provision of food, beverage and other goods and is recognised (net of rebates, returns, discounts and other allowances) when control of the goods passes to the customer.

**Rendering of Services**

Revenue from rendering services comprises revenue from gaming facilities together with other services to members and other patrons of the club and is recognised when the services are provided.

**Interest Revenue**

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial asset.

**Member Subscriptions**

Membership subscriptions are accounted for in the year of receipt irrespective to the period for which they relate. All costs associated with the procurement of membership subscriptions are expensed when incurred.

**WINDSOR RSL CLUB LTD  
ACN 000 811 290**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(b) Revenue Recognition - Note 2 (continued)**

**Sale of Property, Plant and Equipment**

The gain on loss or disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal (including incidental costs) and is recognised as revenue at the date control of the asset passes to the buyer.

**(c) Goods and Services Tax**

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST) except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

Receivables and payables in the Balance Sheet are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the Australian Taxation is included as a current asset or liability in the Balance Sheet.

Cash flows are included in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which is disclosed as operating cash flows.

**(d) Finance Costs**

Finance costs include interest, premiums relating to borrowings, amortisation of ancillary costs incurred in connection with arrangement of borrowings and lease finance charges.

Finance costs are expensed as incurred unless they relate to qualifying assets. Qualifying assets are assets which take more than 12 months to get ready for their intended use for sale. In these circumstances finance costs are capitalised to the cost of the assets. Where funds are borrowed specifically for the acquisition, construction or production of a qualifying asset, the amount of finance costs capitalised is those incurred in relation to that borrowing, net of any interest earned on those borrowings. Where funds are borrowed generally finance costs are capitalised using a weighted average capitalisation rate.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(e) Income Tax - Note 5**

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the Balance Sheet date.

**(f) Impairment of Assets**

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets' fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

**(g) Cash and Cash Equivalents - Note 6**

Cash and cash equivalents include cash on hand and at bank and short term deposits at call, net of outstanding bank overdrafts.

**(h) Trade and Other Receivables - Note 7**

Trade debtors and other receivables represent the principal amounts due at balance date plus accrued interest and less, where applicable, any unearned income and provisions for doubtful accounts.

**(i) Inventories - Note 8**

Inventories are measured at the lower of cost and net realisable value. Costs have been assigned to inventory quantities on hand at balance date using the weighted average basis.

**WINDSOR RSL CLUB LTD  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(j) Property, Plant and Equipment - Note 10**

Land is shown at periodic, but at least triennial, valuations by external independent valuers. All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Increases in the carrying amounts arising on revaluation of land are credited in other comprehensive income through to the revaluation surplus reserve in equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit and loss. Decreases that reverse previous increases of the same asset are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the asset, all other decreases are charged to the Statement of Comprehensive Income.

Land is not depreciated. Depreciation on other assets is calculated using the straight line/diminishing value methods to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

|                                   | <b>2021</b> | <b>2020</b> |
|-----------------------------------|-------------|-------------|
| Buildings and Improvements        | 40 years    | 40 years    |
| Furniture, Fittings and Equipment | 11 years    | 11 years    |
| Poker Machines                    | 4 years     | 4 years     |
| Kitchen Equipment                 | 11 years    | 11 years    |
| Vehicles                          | 8 years     | 8 years     |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each Balance Sheet date.

An 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 carrying amount. These are included in the Statement of Comprehensive Income. When revalued assets are sold, it is company policy to transfer the amounts included in other reserves with respect to those assets to retained earnings.

The company's properties are now classified as either "Core" or "Non-Core" property. Core property is property occupied by the club as licensed premises. The club can only dispose of its core property if the disposal has been approved by a resolution passed by the majority of members. The property must be sold at public auction after valuation by a registered valuer. These requirements do not apply to non-core property, ie, investment properties.



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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(k) Employee Benefits - Note 13**

**Wages and Salaries, Annual Leave and Sick Leave**

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables with respect to employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

**Long Service Leave**

The provision for employee benefits to long service leave represents the present value of the estimated future cash outflows to be made resulting from employees' services provided to reporting date.

The provision is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates based on turnover history and is discounted using the rates attaching to national government bonds at reporting date which most closely match the terms of maturity of the related liabilities. The unwinding of the discount is treated as long service leave expense.

**Superannuation Plan**

The company contributes to several defined contribution superannuation plans. Contributions are recognised as an expense as they are made. The company has no legal or constructive obligation to fund any deficit.

**(l) Trade and Other Payables - Note 11**

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

**(m) Financial Liabilities - Note 12**

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the Balance Sheet date.

**(n) Hire Purchase Assets**

Contracts under which the company assumes substantially all the risks and benefits of ownership are classified as Hire Purchase liabilities.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(n) Hire Purchase Assets (continued)**

**Note 12**

A financed asset and a liability equal to the present value of the total payments are recorded at the inception of the contract.

Hire Purchase liabilities are reduced by repayments of principal. The interest components of the payments are expensed. Contingent rentals are expensed as incurred.

**(o) Comparatives**

Comparative figures have been adjusted to conform to changes in presentation for the current financial year.

**(p) Use and Revisions of Accounting Estimates**

The preparation of the financial report requires the making of estimations and assumptions that affect the recognised amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

**(q) Customer Loyalty Program**

The company operates a loyalty program where customers accumulated point for dollars spent. The award points are recognised as a separately identifiable component of the initial sale transaction, by allocating the fair value of the consideration received between the award points and the other components of the sale that the award points are recognised at their fair value. Revenue from the award points is recognised when the points are redeemed. The amount of revenue is based on the number of points redeemed relative to the total number expected to be redeemed.

**(r) Intangible Assets**

**Poke Machine Entitlements**

Poker machine entitlements are not amortised. Instead poker machine entitlements are tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and are carried at cost less accumulated impairments losses.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

|  | <b>2021</b>       | <b>2020</b>       |
|--|-------------------|-------------------|
|  | <b>\$</b>         | <b>\$</b>         |
| <b>2. REVENUE FROM CONTINUING OPERATIONS</b>   |                   |                   |
| <b>Sale of Goods Revenue</b>   |                   |                   |
| Bar and Food Sales   | 3,377,719         | 4,744,603         |
|  | <u>3,377,719</u>  | <u>4,744,603</u>  |
| <b>Rendering of Services Revenue</b>   |                   |                   |
| Functions and restaurant   | 15,774            | 163,168           |
| Poker machines - net clearances  | 10,133,655        | 9,747,609         |
| Members' subscriptions   | 250,374           | 33,643            |
| Entertainment and promotions   | 402,312           | 628,723           |
| Keno sales   | 70,885            | 100,722           |
| Commission received  | 82,810            | 101,328           |
| Sundry income  | 65,198            | 5,591             |
| Government Subsidy (JobKeeper & Cash Boost)  | 589,734           | -                 |
|  | <u>11,610,742</u> | <u>10,780,784</u> |
| <b>Other Revenues</b>  |                   |                   |
| Interest received  | 986               | 1,978             |
|  | <u>14,989,447</u> | <u>15,527,365</u> |
| <b>Total revenue from continuing operations</b>  |                   |                   |
|  | <u>14,989,447</u> | <u>15,527,365</u> |
| In addition \$183,766 was received as JobKeeper subsidy and was offset against wages paid. |                   |                   |
| <b>Key Performance Indicators ("KPIs")</b>   |                   |                   |
| i) Bar Gross Profit Percentage   | 68.74%            | 67.97%            |
| ii) Bar Wages to Bar Sales Percentage  | 30.48%            | 34.15%            |
| iii) Earnings before interest, depreciation, amortisation and income tax (EBITDA)          | \$4,016,372       | \$2,347,667       |

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

|   | <b>2021</b>      | <b>2020</b>      |
|---|------------------|------------------|
|   | <b>\$</b>        | <b>\$</b>        |
| <b>3. EXPENSES</b>  |                  |                  |
| (a) Profit/(loss) before income tax includes the following specific expenses                  |                  |                  |
| Loss on disposal of fixed assets  | <u>42,810</u>    | <u>38,594</u>    |
| <b>Finance costs</b>  |                  |                  |
| Finance lease charges   | 56,978           | 72,514           |
| Other loans   | <u>128,555</u>   | <u>181,428</u>   |
|   | <u>185,533</u>   | <u>253,942</u>   |
| <b>Depreciation</b>   |                  |                  |
| Buildings and improvements  | 201,226          | 201,226          |
| Plant and equipment   | 977,297          | 1,049,191        |
| Hire Purchase assets  | <u>441,775</u>   | <u>382,412</u>   |
| Total depreciation and amortisation   | <u>1,620,298</u> | <u>1,632,829</u> |
| <b>Net expense from movements in provision for</b>  |                  |                  |
| Employee benefits increased/(decreased)   | <u>(37,425)</u>  | <u>20,074</u>    |
| <b>4. AUDITOR'S REMUNERATION</b>  |                  |                  |
| During the year the following fees were paid or payable for services provided by the auditor: |                  |                  |
| <b>Audit Services</b>   |                  |                  |
| Auditors of the company   |                  |                  |
| Audit and review of financial reports   |                  |                  |
| - W L Browne & Associates   | <u>9,295</u>     | <u>11,570</u>    |

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

|   | 2021<br>\$       | 2020<br>\$       |
|---|------------------|------------------|
| <b>5. INCOME TAX</b>  |                  |                  |
| (a) Income Tax Expense  |                  |                  |
| The Income Tax Assessment Act, 1997 (amended) provides that under the concept of mutuality clubs are only liable for income tax on income derived from non-members and from outside entities. |                  |                  |
| During the year ended 31 March 2021 all revenue derived by the Club was from members only, as such no income tax is payable.  |                  |                  |
| The amount set aside for income tax in the Statement of Comprehensive Income has been calculated as follows:  |                  |                  |
| Proportion of income attributable to non-members  | -                | 1,041,467        |
| Less: Proportion of expenses attributable to non-members  | <u>-</u>         | <u>(674,019)</u> |
|   | -                | 367,448          |
| Add: Other taxable income   | <u>125,732</u>   | <u>161,432</u>   |
|   | 125,732          | 528,880          |
| Less: Other deductible expenses   | <u>(661,033)</u> | <u>(635,733)</u> |
| Net taxable income  | (535,301)        | (106,853)        |
| Less: Tax loss carried forward  | <u>(256,520)</u> | <u>(149,667)</u> |
| Net taxable income/(tax loss)   | <u>(791,821)</u> | <u>(256,520)</u> |
| Current income tax applicable to above at rate of 27.5%   |                  |                  |
|   | -                | -                |
| Income tax expense  | <u>-</u>         | <u>-</u>         |
| Income tax losses balance carried forward   | <u>(791,821)</u> | <u>(256,520)</u> |

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

|   | <b>2021</b>      | <b>2020</b>      |
|---|------------------|------------------|
|   | <b>\$</b>        | <b>\$</b>        |
| <b>6. CASH AND CASH EQUIVALENTS</b>     |                  |                  |
| Cash at bank and on hand                | <u>2,038,042</u> | <u>832,687</u>   |
| <b>7. TRADE AND OTHER RECEIVABLES</b>   |                  |                  |
| <b>Current</b>                          |                  |                  |
| Trade debtors                           | <u>26,700</u>    | <u>12,605</u>    |
| <b>8. INVENTORIES</b>                   |                  |                  |
| Liquor stock on hand - at cost          | 46,010           | 91,532           |
| Food stock on hand - at cost            | <u>47,905</u>    | <u>36,472</u>    |
|   | <u>93,915</u>    | <u>128,004</u>   |
| <b>9. OTHER ASSETS</b>                  |                  |                  |
| <b>Current</b>                          |                  |                  |
| Prepayments                             | <u>80,607</u>    | <u>(632)</u>     |
| <b>Non-Current Intangible Assets</b>    |                  |                  |
| Poker Machine Entitlements Purchased    | <u>1,936,033</u> | <u>1,936,033</u> |
| Movement in Poker Machine Entitlements: |                  |                  |

At the end of the reporting period the company assessed the recoverable amount of poker machine entitlements purchased based on the recoverable amount of cash generating units (poker machine) value in use based on an active market as at 31.03.21. Existing poker machine entitlement have not been re-valued, as such are reflected at cost. Entitlements have an indefinite life and amortisation need not be considered.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

|  | <b>2021</b>        | <b>2020</b>        |
|--|--------------------|--------------------|
|  | <b>\$</b>          | <b>\$</b>          |
| <b>10. PROPERTY, PLANT AND EQUIPMENT</b>               |                    |                    |
| Freehold Land - Core Property                          |                    |                    |
| <i>At Cost</i>   | <u>4,500,000</u>   | <u>4,500,000</u>   |
|  | <u>4,500,000</u>   | <u>4,500,000</u>   |
| Buildings and Improvements - Core Property             |                    |                    |
| <i>At Cost</i>   | 9,587,756          | 8,058,872          |
| <i>Accumulated depreciation</i>                        | <u>(1,675,881)</u> | <u>(1,474,655)</u> |
|  | <u>7,911,875</u>   | <u>6,584,217</u>   |
| Total Land, Buildings and Improvements - Core Property | <u>12,411,875</u>  | <u>11,084,217</u>  |
| Plant and Equipment                                    |                    |                    |
| <i>At Cost</i>   | 11,931,065         | 11,315,942         |
| <i>Accumulated depreciation</i>                        | <u>(9,152,717)</u> | <u>(8,467,261)</u> |
|  | <u>2,778,348</u>   | <u>2,848,681</u>   |
| Hire Purchase Assets                                   |                    |                    |
| <i>At Cost</i>   | 1,876,646          | 1,869,947          |
| <i>Accumulated depreciation</i>                        | <u>(1,099,938)</u> | <u>(668,659)</u>   |
|  | <u>776,708</u>     | <u>1,201,288</u>   |
| Total property, plant and equipment net book value     | <u>15,966,931</u>  | <u>15,134,186</u>  |

Refer to Note 12 for details of security over property, plant and equipment

In accordance with Section 41J of the Registered Clubs Amendment Act 2006, the directors have determined that all freehold land and buildings held by the club forms part of the club's premises and the facilities provided by the club are for the use of its members and is therefore core property.



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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

|  | Note | 2021<br>\$        | 2020<br>\$        |
|--|------|-------------------|-------------------|
| <b>10. PROPERTY, PLANT AND EQUIPMENT (continued)</b>   |      |                   |                   |
| Reconciliations  |      |                   |                   |
| <b>Movements in Carrying Amounts</b>   |      |                   |                   |
| Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year are set out below: |      |                   |                   |
| <b>Freehold Land</b>   |      |                   |                   |
| Carrying amount at beginning of year   |      | 4,500,000         | 4,500,000         |
| Net revaluation increment  | 15   | -                 | -                 |
| Carrying amount at end of year   |      | <u>4,500,000</u>  | <u>4,500,000</u>  |
| <b>Buildings and Improvements</b>  |      |                   |                   |
| Carrying amount at beginning of year   |      | 6,584,217         | 6,785,443         |
| Additions  |      | 1,528,884         | -                 |
| Depreciation   |      | <u>(201,226)</u>  | <u>(201,226)</u>  |
| Carrying amount at end of year   |      | <u>7,911,875</u>  | <u>6,584,217</u>  |
| <b>Plant and Equipment</b>   |      |                   |                   |
| Carrying amount at beginning of year   |      | 2,848,681         | 3,105,508         |
| Additions  |      | 983,969           | 1,038,768         |
| Proceeds from sale   |      | -                 | -                 |
| Gain/(Loss) on disposal  |      | (41,061)          | (26,654)          |
| Depreciation   |      | (977,296)         | (1,049,191)       |
| Transfers  |      | <u>(35,945)</u>   | <u>(219,750)</u>  |
| Carrying amount at end of year   |      | <u>2,778,348</u>  | <u>2,848,681</u>  |
| <b>Hire Purchase Assets</b>  |      |                   |                   |
| Carrying amount at beginning of year   |      | 1,201,288         | 836,709           |
| Additions  |      | -                 | 539,181           |
| Transfers  |      | 35,945            | 219,750           |
| Gain/Loss on disposal  |      | (18,750)          | (11,940)          |
| Depreciation   |      | <u>(441,775)</u>  | <u>(382,412)</u>  |
| Carrying amount at end of year   |      | <u>776,708</u>    | <u>1,201,288</u>  |
| Total Carrying Amounts   |      | <u>15,966,931</u> | <u>15,134,186</u> |
| <b>11. TRADE AND OTHER PAYABLES</b>  |      |                   |                   |
| <b>Current</b>   |      |                   |                   |
| Trade creditors  |      | <u>1,505,536</u>  | <u>1,613,437</u>  |
|  |      | <u>1,505,536</u>  | <u>1,613,437</u>  |

**WINDSOR RSL CLUB LTD**  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

|                                  | 2021<br>\$       | 2020<br>\$       |
|----------------------------------|------------------|------------------|
| <b>12. FINANCIAL LIABILITIES</b> |                  |                  |
| <b>Current</b>                   |                  |                  |
| Chattel Mortgage - secured       | 619,272          | 721,027          |
| Loan - ANZ Bank                  | 1,037,868        | 360,000          |
|                                  | <u>1,657,140</u> | <u>1,081,027</u> |
| <b>Non-Current</b>               |                  |                  |
| Chattel Mortgage - secured       | 70,933           | 340,694          |
| Loan - ANZ Bank                  | 3,633,778        | 3,906,000        |
|                                  | <u>3,704,711</u> | <u>4,246,694</u> |

The Chattel Mortgage liabilities are effectively secured as the rights of the assets revert to the financier in the event of a default. Refer Note 16 for maturity periods.

On 16 October 2020 the Club approved a refinancing application with the ANZ Bank. The facilities offered and approved are:-

1. ANZ Business One - limit \$30,000 - to assist with Club expenses - credit card conditions.
2. ANZ Business Facility - limit \$3,839,348 - consolidated current loan facilities and provide finance for ongoing projects - term 5 years - monthly reductions \$63,989
3. ANZ Business Facility - new drawdown to assist with current refurbishment programme - term 5 years - monthly reductions at \$30,000 commencing 16 October 2021.

All facilities are secured as First Registered Mortgage over the premises of Windsor RSL Club Ltd situated at 36 Argyle Street, South Windsor. In addition there is a General Security Agreement given by the Club over all present and after acquired property held.

**13. EMPLOYEE BENEFITS**

Aggregate liability for employee benefits including on-costs

|                                 |                |                |
|---------------------------------|----------------|----------------|
| Current                         | 332,057        | 383,002        |
| Non-current                     | 201,136        | 187,616        |
|                                 | <u>533,193</u> | <u>570,618</u> |
| Number of employees at year end | <u>82</u>      | <u>68</u>      |

Superannuation Plans

**Contributions**

The company is under a legal obligation to contribute 9.5% of each employee's base salary to a superannuation fund.

|                                    |                |                |
|------------------------------------|----------------|----------------|
| Employer contribution to the plans | <u>362,851</u> | <u>400,873</u> |
|------------------------------------|----------------|----------------|

**WINDSOR RSL CLUB LTD**  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

|  | <b>2021</b>              | <b>2020</b>             |
|--|--------------------------|-------------------------|
|  | <b>\$</b>                | <b>\$</b>               |
| <b>14. RETAINED PROFITS</b>  |                          |                         |
| Retained profits at the beginning of the year                                | 8,026,622                | 7,565,726               |
| Net profit attributable to members of the company                            | <u>2,210,541</u>         | <u>460,896</u>          |
| Retained profits at the end of the year                                      | <u><u>10,237,163</u></u> | <u><u>8,026,622</u></u> |
| <b>15. ASSET REVALUATION RESERVE</b>   |                          |                         |
| Revaluation of Freehold Land (Note 10)                                       | <u><u>2,504,485</u></u>  | <u><u>2,504,485</u></u> |
| The asset revaluation reserve records the revaluation of non-current assets. |                          |                         |
| <b>16. COMMITMENTS</b>   |                          |                         |
| Chattel Mortgage Commitments   |                          |                         |
| Payments are payable as follows:   |                          |                         |
| Within one year  | 669,814                  | 787,618                 |
| One year or later and not later than five years                              | <u>70,932</u>            | <u>340,694</u>          |
| Minimum financial lease payments   | <u>740,746</u>           | <u>1,128,312</u>        |
| Less: Future finance lease charges   | <u>(50,542)</u>          | <u>(66,591)</u>         |
| Carrying amount of hire purchase liabilities                                 | <u><u>690,204</u></u>    | <u><u>1,061,721</u></u> |

The company has acquired motor vehicles and trading equipment under financial asset purchase agreements expiring from one to three years. The facility is secured against the assets purchased under this facility as disclosed in Note 10, under Property, Plant and Equipment.

**17. SEGMENT REPORTING**

The company operates predominantly in the hospitality and entertainment industry.

The company's operations and customers are located predominantly in Sydney, New South Wales.  
The company provides food, beverage, gaming and other entertainment facilities to members and guests.

**WINDSOR RSL CLUB LTD**  
**ACN 000 811 290**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

|  | Note | 2021<br>\$       | 2020<br>\$       |
|--|------|------------------|------------------|
| <b>18. CASH FLOW INFORMATION</b>   |      |                  |                  |
| (a) Reconciliation of Cash   |      |                  |                  |
| Cash as at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows: |      |                  |                  |
| Cash and cash equivalents  |      | <u>2,038,042</u> | <u>832,687</u>   |
| (b) Reconciliation of Net Cash Provided by Operating Activities with Profit after Income Tax   |      |                  |                  |
| Net Profit from Continuing operations after income tax   |      | 2,210,541        | 460,896          |
| Add/(less) items classified as investing/financing activities:<br>(Profit)/loss on sale of non-current assets  |      | 59,811           | 38,594           |
| Add/(less) non-cash items:<br>Depreciation   |      | <u>1,620,298</u> | <u>1,632,829</u> |
| Net cash provided by operating activities before change in assets and liabilities  |      | 3,890,650        | 2,132,319        |
| Change in assets and liabilities during the financial year   |      |                  |                  |
| (Increase)/decrease in receivables   |      | (14,095)         | (10,542)         |
| (Increase)/decrease in inventories   |      | 34,089           | (8,833)          |
| (Increase)/decrease in other assets  |      | (80,969)         | 1,055            |
| Increase/(decrease) in payables  |      | (107,901)        | 798,977          |
| Increase/(decrease) in employee benefits   |      | <u>(37,425)</u>  | <u>20,074</u>    |
| Net cash flow from operating activities  |      | <u>3,684,349</u> | <u>2,933,050</u> |

**WINDSOR RSL CLUB LTD  
ACN 000 811 290**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**19. RELATED PARTIES**

**(a) Key Management Personnel**

Any person having authority and responsibility for planning, directing and controlling the activities of the Club, directly or indirectly including any director (whether executive or otherwise) of that entity is considered key management personnel. The total of remuneration paid to key management personnel of the Club during the year are as follows:

|                    | <b>2021</b>    | <b>2020</b>    |
|--------------------|----------------|----------------|
|                    | <b>\$</b>      | <b>\$</b>      |
| Total Compensation | <u>672,429</u> | <u>687,490</u> |

**(b) Directors' Transactions with the Company**

From time to time, directors of the company, or their director-related entities, may purchase goods from the company. These purchases are on the same terms and conditions as those entered into by other company employees or customers and are trivial or domestic in nature.

Apart from the details disclosed in this note, no director has entered into a material contract with the company since the end of the previous financial year and there were no material contracts involving directors' interests existing at year end.

**20. COMPANY DETAILS**

The Club is incorporated and domiciled in Australia as a company limited by guarantee. In accordance with the Constitution of the company, every member of the company undertakes to contribute an amount limited to \$4 per member in the event of the winding up of the company during the time that he is a member or within one year thereafter. At 31 March 2021 there were 51,999 members.

The registered office of the company is at 36 Argyle Street, South Windsor NSW 2756.

**21. EVENTS SUBSEQUENT TO REPORTING DATE**

The club will continue to be bound by Government regulations relating to covid-19, including potentially patron capacity limits and wearing of masks within the venue -  
The Club is not expecting to again close it's doors

In August 2020, Windsor RSL Club and Windsor Country Golf Club's members both voted in favour of an amalgamation of the two clubs with Windsor RSL Club the parent entity. The legal process of the amalgamation is still ongoing, but it is expected the amalgamation will occur in coming months Windsor RSL has spent \$157,298 in capital expenditure at Windsor Country Golf Club in the 2020-21 financial year. The amalgamation documentation signed by both parties, has a provision that in the unlikely event the amalgamation is not approved by the regulator, money expended by the RSL at the Golf Club is to be repaid over an agreed period of time.