



The Home of the Hawkesbury



ANNUAL REPORT

31 MARCH 2024

WINDSOR RSL HAS BEEN AN INTEGRAL PART OF THE HAWKESBURY COMMUNITY SINCE 1959.



WE BRING TOGETHER OUR COMMUNITY AND SUPPORT LOCAL CAUSES AND SPORT

OUR CONTRIBUTIONS CLUBGRANTS



\$251,562
COMMUNITY ORGANISATIONS

\$21,242
SPORTING CODES

\$11,196
IN-KIND DONATIONS AND SPONSORSHIPS

SERVING OUR MEMBERS 2023/2024



155,230
TOTAL MEALS



13,651
CHICKEN SCHNITTYS



15,302
BURGERS



34,560
CUPS OF COFFEE & TEA



129,465
SCHOONERS OF BEER



342,684
RAFFLE TICKETS



324,010
BINGO GAMES



30,716
ROUNDS OF GOLF

Windsor RSL Club Ltd
ACN 000 811 290

Annual Financial Report
31 March 2024

Windsor RSL Club Ltd

Directors' Report

Directors

The directors present their report, together with the financial statements of Windsor RSL Club Ltd (the Company) for the year ended 31 March 2024.

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

Name	Occupation	Years of Experience
David Ingram President	Retired	14 years Director (5 years as President) (8 years as Vice-President)
Colin Wilson Vice-President	Retired	34 years Director (5 years as Vice-President) (8 years as President) (21 years as Treasurer)
Ross Ryan Director (resigned 27 August 2023)	Retired	25 years Director (11 years as Vice-President)
Les Sheather Director	Building Contractor	12 years Director
Paul Thomas Director	Business owner	10 years Director
Sarah McMahon Director (resigned 11 June 2024)	Lawyer	6 years Director
David Ross Director	Hotel Manager	4 years Director
David Hadfield Director	Retired	2 years Director
Robert Bowman Director (appointed 27 August 2023)	Retired	1 year Director

Directors' meetings

The number of meetings of the Company's Board of Directors (the Board) and of each board committee held during the year ended 31 March 2024, and the number of meetings attended by each director were:

Director	BOARD MEETING	
	Number of Meetings Attended	Number of Meetings Held *
David Ingram	11	11
Colin Wilson	10	11
Les Sheather	8	11
Paul Thomas	9	11
Sarah McMahon (resigned 11 June 2024)	8	11
David Ross	10	11
David Hadfield	11	11
Robert Bowman (appointed 27 August 2023)	6	6
Ross Ryan (resigned 27 August 2023)	4	5

* Number of meetings held where each Director was entitled to attend during the time they held office throughout the year.

Windsor RSL Club Ltd

Directors' Report

Company Secretary

Christopher Nathan Whiteley held the position of Company Secretary at the end of the financial year.

Membership

The company is a Company limited by guarantee and is without share capital. The number of members as at 31 March 2024 and the comparison with last year is as follows:

	2024	2023
Associate	52,600	52,236
Life	5	5
	52,605	52,241

Members' limited liability

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/she is a member or within one year thereafter. The total members' limited liability is \$210,420 (2023: \$208,964).

Operating result

The table below shows a reconciliation of Windsor RSL Club Ltd's earnings before interest, income tax, depreciation and amortisation. This is referred to as EBITDA.

	2024	2023
	\$	\$
Net profit after income tax expense attributable to members	1,554,706	1,059,970
Add back:		
Depreciation and amortisation expense	1,897,208	1,845,880
Finance costs	749,905	669,892
Insurance recoveries	-	(531,162)
Income tax expense	-	-
	4,201,819	3,044,580

Objectives

Short term

The objectives of the Club are to operate in a responsible and financial 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-term objectives include:

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

Windsor RSL Club Ltd Directors' Report

Objectives (continued)

Long term

Specific long-term objectives include:

- Maintain financial stability of the Club;
- Ensure facilities continue to cater for members' needs; and
- Diversity income streams.

Strategy for achieving the objectives

The Club undertakes a number of strategic actions to achieve these objectives such as:

- Attracting and maintaining quality management and staff;
- Being flexible and adapting to the changing environment of the Club, economy and member demographic characteristics; and
- Continually reviewing and upgrading facilities of the Club.

Principal activities

The principal activities of the Company during the year have continued to be 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.

Events Subsequent to Reporting Date

There are no matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

Performance measurement and key performance indicators

The Club's financial performance is measured against the annual budget, previous year's results and benchmark data from the club industry.

Financial performance measures include:

- Earnings before Interest, Taxation, Depreciation and Amortisation (EBITDA)
- Gross profit margins
- Expense ratios and analysis
- Cash flow

Non-financial performance measures include:

- Members' feedback
- Staff turnover

Windsor RSL Club Ltd
Directors' Report

Auditor's independence declaration

A copy of the auditor's independence declaration as required under Section 307C of the *Corporations Act 2001* is set out on page 5.

Signed in accordance with a resolution of the directors.

Dated at Windsor this 27th day of June 2024.



David Ingram
President



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Level 11, 1 Margaret St
Sydney NSW 2000
Australia

DECLARATION OF INDEPENDENCE BY CLAYTON EVELEIGH TO THE DIRECTORS OF WINDSOR RSL CLUB LTD

As lead auditor of Windsor RSL Club Ltd for the year ended 31 March 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- No contraventions of any applicable code of professional conduct in relation to the audit.

Clayton Eveleigh
Director

BDO Audit Pty Ltd

Sydney, 27 June 2024



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INDEPENDENT AUDITOR'S REPORT

To the members of Windsor RSL Club Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Windsor RSL Club Limited (the Company), which comprises the statement of financial position as at 31 March 2024, the statement of profit or loss and other comprehensive income, the statement of changes in members funds and the statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, and the directors' declaration.

In our opinion the accompanying financial report Windsor RSL Club Limited, 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 2024 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards - Simplified Disclosures and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Company in accordance with 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 (including Independence Standards)* (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 matter

The financial report of Windsor RSL Club Ltd, for the year ended 31 March 2023 was audited by another auditor, W L Browne & Associates FCA Pty Ltd, who expressed an unmodified opinion on that report on 27 June 2023.

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.

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 - Simplified Disclosures 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, matters related 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 has 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

This description forms part of our auditor's report.

BDO Audit Pty Ltd

BDO

Clayton Eveleigh
Director

Sydney, 27 June 2024

Windsor RSL Club Ltd

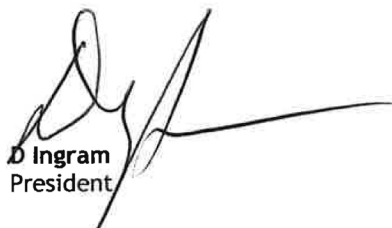
Directors' Declaration

The directors of Windsor RSL Club Ltd declare that:

- (a) In the Directors' opinion the financial statements and notes set out on pages 9 to 28, are 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 2024 and of its performance, for the financial year ended on that date; and
 - (ii) Complying with Australian Accounting Standards - Simplified Disclosures and *Corporations Regulations 2001* and other mandatory professional reporting requirements.
- (b) 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 27th day of June 2024


D Ingram
President

Windsor RSL Club Ltd

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 March 2024

	Note	2024 \$	Restated 2023 \$
Revenue and other income			
Sale of goods	1	4,685,648	6,135,070
Rendering of services	1	17,036,514	15,241,966
Other income	1	282,894	29,438
		22,005,056	21,406,474
Expenses			
Cost of sales		(1,945,307)	(2,153,681)
Poker machine licences and taxes		(3,245,402)	(3,162,081)
Entertainment, marketing and promotional costs		(2,919,668)	(2,632,009)
Employee expenses	2(c)	(6,616,809)	(6,829,496)
Property expenses		(1,673,138)	(1,489,178)
Licence and fees		(71,576)	(56,659)
Donations		(266,707)	(331,900)
Other expenses		(1,064,630)	(1,706,890)
		(17,803,237)	(18,361,894)
Earnings before depreciation and amortisation expense, finance costs, insurance recoveries and income tax		4,201,819	3,044,580
Depreciation and amortisation expenses	2(b)	(1,897,208)	(1,845,880)
Finance costs	2(a)	(749,905)	(669,892)
Insurance recoveries	1	-	531,162
		1,554,706	1,059,970
Profit before income tax			
Income tax expense	3	-	-
		1,554,706	1,059,970
Net profit after income tax expense attributable to members			
Other comprehensive income			
Other comprehensive income for the year, net of tax		-	-
		1,554,706	1,059,970
Total profit or loss and comprehensive income for the year		1,554,706	1,059,970

The Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes set out on pages 13 to 29.

Windsor RSL Club Ltd

Statement of Financial Position

As at 31 March 2024

	Note	2024 \$	Restated 2023 \$
ASSETS			
Current Assets			
Cash and cash equivalents	4	825,006	487,328
Trade and other receivables		7,586	40,647
Inventories		202,205	183,124
Prepayments		41,817	168,284
Total Current Assets		1,076,614	879,383
Non-Current Assets			
Property, plant and equipment	5	28,775,711	29,589,769
Right-of-use assets	6	1,575,769	1,810,729
Intangible assets	7	2,018,848	1,991,243
Total Non-Current Assets		32,370,328	33,391,741
Total Assets		33,446,942	34,271,124
LIABILITIES			
Current Liabilities			
Trade and other payables	8	1,108,691	1,744,550
Income received in advance		256,975	152,214
Financial liabilities	9	7,232,530	1,720,000
Lease liabilities	10	782,088	749,783
Employee benefits	11	273,092	227,206
Total Current Liabilities		9,653,376	4,593,753
Non-Current Liabilities			
Financial liabilities	9	3,480,000	10,268,624
Lease liabilities	10	438,169	966,533
Employee benefits	11	37,019	158,542
Total Non-Current Liabilities		3,955,188	11,393,699
Total Liabilities		13,608,564	15,987,452
Net Assets		19,838,378	18,283,672
Members' Funds			
Retained profits		15,733,893	14,179,187
Asset revaluation reserve	12	4,104,485	4,104,485
Total Members' Funds		19,838,378	18,283,672

The Statement of Financial Position should be read in conjunction with the accompanying notes set out on pages 13 to 28.

Windsor RSL Club Ltd

Statement of Changes in Members' Funds
For the Year Ended 31 March 2024

	Restated Assets Revaluation Reserve \$	Retained profits \$	Restated Total Members Funds' \$
Balance at 1 April 2022	2,504,485	13,119,217	15,623,702
Prior period error (page 13)	1,600,000	-	1,600,000
Balance at 1 April 2022 (restated)	4,104,485	13,119,217	17,223,702
Net profit for the year	-	1,059,970	1,059,970
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	1,059,970	1,059,970
Balance at 31 March 2023 (restated)	4,104,485	14,179,187	18,283,672
Net profit for the year	-	1,554,706	1,554,706
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	1,554,706	1,554,706
Balance at 31 March 2024	4,104,485	15,733,893	19,838,378

The Statement of Changes in Members' Funds should be read in conjunction with the accompanying notes set out on pages 13 to 28.

Windsor RSL Club Ltd

Statement of Cash Flows For the Year Ended 31 March 2024

	2024 \$	2023 \$
Cash Flows from Operating Activities		
Receipts from customers (GST inclusive)	24,000,368	23,699,037
Payments to suppliers and employees (GST inclusive)	(20,576,680)	(21,792,120)
Insurance recoveries proceeds	-	531,162
Finance costs paid	(749,905)	(669,892)
Net cash inflow from operating activities	2,673,783	1,768,187
Cash Flows from Investing Activities		
Proceeds from sale of property, plant and equipment	340,770	145,079
Payments of property plant and equipment	(494,815)	(3,743,230)
Payment for poker machine entitlements	(27,605)	(27,605)
Net cash outflow from investing activities	(181,650)	(3,625,756)
Cash Flows from Financing Activities		
Proceeds from borrowings	-	3,146,218
Repayment of borrowings	(1,276,083)	(1,260,000)
Proceeds from hire purchase borrowings	-	692,940
Repayment of lease liabilities	(878,372)	(537,177)
Net cash (outflow)/inflow from financing activities	(2,154,455)	2,041,981
Net increase in cash and cash equivalents	337,678	184,412
Cash and cash equivalents at the beginning of the financial year	487,328	302,916
Cash and cash equivalents at the end of the financial year	825,006	487,328

The Statement of Cash Flows should be read in conjunction with the accompanying notes set out on pages 13 to 28.

Windsor RSL Club Ltd

Notes to the Financial Statements

For the Year Ended 31 March 2024

About this report

Windsor RSL Club Ltd is a company limited by guarantee, incorporated and domiciled in Australia and is a non-for-profit entity for the purposes of preparing the financial statements. The financial statements are for Windsor RSL Club Ltd as a standalone legal entity.

The financial statements were approved for issue by the Directors on 27 June 2024.

The financial statements are general purposes financial statements which:

- Have been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board;
- Have been prepared under the historical cost convention;
- Are presented in Australian dollars; and
- Where necessary comparative information has been restated to conform with changes in presentation in the current year.

New or amended Accounting Standards and Interpretations adopted

The Company has adopted all new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Critical Accounting Judgements, Estimates and Assumptions

In the process of applying the company's accounting policies, management has made a number of judgements and applied estimates of future events. Judgements and estimates that are material to the financial statements include:

Estimation of useful lives of assets	Note 5
Fair value of land	Note 5
Impairment	Note 5 & 6
Intangible assets	Note 7
Incremental borrowing rate	Note 10
Long service leave liability	Note 11

Prior period error - increase in the fair value of land

The prior years statement of financial position and statement of changes in members' funds have been restated due to a prior period error that was identified in the current year due to a change in fair value of the land owned by the Company.

The Company had not previously brought to account the fair value of the land for its Main Club site at 36 Argyle Street South Windsor as a result of a valuation that was undertaken on the Club's land in 2020. This adjustment has resulted in an increase in both property, plant and equipment and the asset revaluation reserve of \$1,600,000. The correction of this error has been applied retrospectively and therefore has been applied as an adjustment to opening retained earnings at the time of the valuation being undertaken, i.e. during the year ended 31 March 2020.

The correction of this error is expected to produce more reliable information with respect to the fair value of the land for the users of the financial statements. Refer to note 5 for further information on the valuation.

Windsor RSL Club Ltd Notes to the Financial Statements For the Year Ended 31 March 2024

About this report (continued)

Going concern

As at 31 March 2024, the Company has a net current liability position of \$8,576,762 (2022: \$3,714,370). The net current liability position is primarily a consequence of the maturity of the commercial bill business loan which matures on 30 October 2024, as disclosed in note 9, which was reclassified as a current liability. The Company would have otherwise been in a net current liability position of \$3,078,138. The Company has yet to formally renegotiate the loan terms with NAB and therefore the loan is deemed to be payable within twelve months from balance date, and hence classified as current.

- The directors believe there are reasonable grounds to conclude the Club will continue as a going concern on the basis of the following:
- Cash flow budgets indicate continued positive cash flow conditions for the period of twelve months from the date of this report;
- Trading conditions in the current year have been favourable and continues to improve; and
- Subsequent to year-end, the Company received a letter of confirmation from the NAB that it has agreed to extend the loan facility for a further three years to October 2027, on similar terms and conditions as the existing agreement, subject to the execution of the agreement. The Directors are of the opinion that there is minimal risk of the agreement not being executed based on the trading conditions of the Club.

Accordingly, the Directors are of the opinion that there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable and that the going concern assumption remains appropriate.

Windsor RSL Club Ltd

Notes to the Financial Statements

For the Year Ended 31 March 2024

1 Revenue and Other Income

	2024 \$	2023 \$
Sale of Goods Revenue		
Bar and food sales	4,685,648	6,135,070
	4,685,648	6,135,070
Rendering of Services Revenue		
Functions and restaurant	257,805	216,644
Poker machines - net clearances	13,632,673	13,381,368
Members' subscriptions	49,738	98,692
Entertainment and promotions	686,070	523,061
Keno and TAB commission	109,152	93,145
Commission received	121,337	107,418
Golf course income	2,034,837	630,405
Other services revenue	144,902	191,233
	17,036,514	15,241,966
Other Income		
Gain on disposal of assets	282,894	29,438
Insurance recoveries (refer to accounting policy note below)	-	531,162
	282,894	560,600

Recognition and Measurement

Revenues are recognised at fair value of the consideration received or receivable net of the amount of goods and services tax (GST) payable to the taxation authority. Transfer 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 of revenue earned from the provision of food, beverage and other goods and is recognised (net of rebates, returns, discounts and other allowances) at a point in time when the performance obligation is satisfied, that is on consumption of the goods by 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 Company and is recognised at a point in time when the services are provided.

Golf and membership subscriptions

Golf and membership subscription income is recognised over time being the term of membership and any unearned portion is deferred.

Windsor RSL Club Ltd

Notes to the Financial Statements

For the Year Ended 31 March 2024

1 Revenue and Other Income (continued)

Recognition and Measurement

Interest revenue

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established. All revenue is stated net of the amount of goods and services tax (GST).

Sale of Property, Plant and Equipment

The gain or loss on disposal of property, plant and equipment 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 other income at the date control of the asset passes to the buyer.

Insurance recoveries

Insurance recoveries are recognised as other income when the funds are received or when the right to receive payment is established. The insurance recoveries recognised in the comparative year amounting \$531,162 to have been reclassified from other comprehensive income to other income in the current year. This has been disclosed after earnings before depreciation and amortisation expense, finance costs, insurance recoveries and income tax in the statement of profit and loss since this was an extraordinary item in the 31 March 2023 financial year.

2 Expenses

	2024 \$	2023 \$
Profit before income tax includes the following specific expenses:		
(a) Finance costs		
Loss on disposal of fixed assets	-	21,979
Bank loans	711,768	634,490
Interest on finance leases	38,137	35,402
	749,905	669,892
(b) Depreciation and Amortisation		
Buildings and improvements (Note 5)	489,968	411,853
Plant and equipment (Note 5)	789,967	855,960
Right-of-use assets: Plant and equipment (Note 6)	257,521	278,434
Right-of-use assets: Poker machines (Note 6)	359,752	299,633
	1,897,208	1,845,880
(c) Employee benefits expense		
Wages and salaries	4,754,892	5,316,191
Superannuation and payroll taxes	1,278,700	1,076,736
Other associated expenses	583,217	436,569
	6,616,809	6,829,496

Windsor RSL Club Ltd

Notes to the Financial Statements

For the Year Ended 31 March 2024

3 Income Tax

	2024 \$	2023 \$
The amount set aside for income tax in profit or loss has been calculated as follows:		
Proportion of net taxable income attributable to non-members	4,256,163	2,088,993
Less: Proportion of expenses attributable to non-members	(3,922,940)	(1,023,415)
	333,223	1,065,578
Portion attributable to non-members		
	375,577	162,305
Add: Other taxable income	(245,395)	(955,504)
Less: Other deductible expenses		
	463,405	272,379
Taxable income	(463,405)	(272,379)
Tax losses utilised		
	-	-
Income tax expense		
Deferred tax assets have not been recognised in respect of the following items:		
Temporary differences	17,394	23,164
Tax losses at 25%	196,845	312,696
	214,239	335,860

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, e.g. 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 Assessment Act 1997 ensure RSL and social clubs continue not to be taxed on receipts from contributions and payments received from members.

Recognition and Measurement

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences. Deferred tax assets are recognised for deductible temporary differences only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset. Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entity's which intend to settle the claim simultaneously.

Windsor RSL Club Ltd

Notes to the Financial Statements

For the Year Ended 31 March 2024

4 Cash and Cash Equivalents

	2024 \$	2023 \$
Cash at bank and on hand	825,006	487,328

Recognition and Measurement

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

5 Property, Plant and Equipment

	2024 \$	Restated 2023 \$
Freehold Land <i>At fair value</i>	10,750,000	10,750,000
	10,750,000	10,750,000
Buildings and improvements <i>At cost</i> <i>Accumulated depreciation</i>	18,933,367 (2,899,091)	18,933,367 (2,409,123)
	16,034,276	16,524,244
Plant and equipment <i>At cost</i> <i>Accumulated depreciation</i>	14,110,645 (12,119,210)	14,272,185 (11,956,660)
	1,991,435	2,315,525
Total property, plant and equipment net book value	28,775,711	29,589,769

Windsor RSL Club Ltd
 Notes to the Financial Statements
 For the Year Ended 31 March 2024

5 Property, Plant and Equipment (continued)

	2024 \$	Restated 2023 \$
Reconciliations		
Movements in Carrying Amounts		
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:		
Freehold land		
Carrying amount at beginning of year	10,750,000	10,750,000
Carrying amount at end of year	10,750,000	10,750,000
Buildings and improvements		
Carrying amount at beginning of year	16,524,244	14,602,588
Additions	-	2,333,509
Depreciation expense	(489,968)	(411,853)
Carrying amount at end of year	16,034,276	16,524,244
Plant and equipment		
Carrying amount at beginning of year	2,315,525	2,371,619
Additions	494,815	942,963
Disposals	(28,938)	-
Depreciation	(789,967)	(1,155,593)
Transfers from hire purchase asset	-	156,536
Carrying amount at end of year	1,991,435	2,315,525

Windsor RSL Club Ltd Notes to the Financial Statements For the Year Ended 31 March 2024

5 Property, Plant and Equipment (continued)

Core properties held by the Club are:

Windsor RSL - Main Club
36 Argyle Street, South Windsor NSW 2756

Windsor Golf Club
51 McQuade Avenue, South Windsor, NSW 2756

Recognition and Measurement

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

Land is measured on the fair value basis, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. It is the policy of the Company to have an independent valuation on a three-year basis, with annual appraisals being made by the Directors.

Independent valuations of the company's land were carried out in August 2020 by Brianna Whealing of CivicMJD (API Membership No.69358), which resulted in a valuation of land of \$6,100,000 on the main RSL club site, and \$4,650,000 for the Golf Course and Clubhouse. The directors do not believe that there has been a material movement in fair value since the last valuation dates.

Buildings, plant and equipment are recorded at historical cost and less accumulated depreciation. The directors do not believe that there has been any impairment of buildings, plant and equipment during the financial year.

All property, plant and equipment (excluding freehold land) 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 profit or loss during the financial period in which they are incurred.

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated using the straight line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

Buildings and Improvements	40 years
Furniture, Fittings and Equipment	3-10 years
Poker Machines	4 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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.

Windsor RSL Club Ltd Notes to the Financial Statements For the Year Ended 31 March 2024

5 Property, Plant and Equipment (continued)

Recognition and Measurement (continued)

Any capital works-in-progress is transferred to property, plant and equipment and depreciated when completed and ready for use.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the profit or loss.

Key estimate and Judgement: Impairment of Assets

Non-financial assets 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 asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit. Impairment losses are recognised in the income statement, unless an asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through the income statement.

Key estimate and Judgement: Estimation of Useful Lives of Assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Key Estimate and Judgement: Fair value of land

Fair value of land is based on market participant's perspective using the market comparison approach, whereby the valuation of the subject asset is taken with reference to comparable sales transactions of similar assets to determine the value of the land.

As noted on page 13 a prior year error was identified relating to the Company not previously bringing to account the fair value of the land for its Main Club site at 36 Argyle Street South Windsor as a result of a valuation that was undertaken on the Club's land in 2020. This adjustment has resulted in an increase in both property, plant and equipment and the asset revaluation reserve of \$1,600,000.

Windsor RSL Club Ltd

Notes to the Financial Statements

For the Year Ended 31 March 2024

6 Right-of-use Assets

	2024 \$	2023 \$
Right-of-use assets - Plant and equipment		
<i>At cost</i>	1,132,430	1,132,430
<i>Accumulated amortisation</i>	(489,954)	(232,433)
	642,476	899,997
Right-of-use assets - Poker machines		
<i>At cost</i>	1,640,149	1,257,836
<i>Accumulated amortisation</i>	(706,856)	(347,104)
	933,293	910,732
Total right-of-use assets at year end	1,575,769	1,810,729

Movements in carrying amounts of right-of-use assets:

Right-of-use assets - Plant and equipment		
Carrying amount at the beginning of the year	899,997	1,013,289
Additions	-	466,758
Transfer to plant and equipment	-	(156,536)
Disposals	-	(145,080)
Depreciation expense	(257,521)	(278,434)
Carrying amount at the end of the year	642,476	899,997
Right-of-use assets - Poker machines		
Carrying amount at the beginning of the year	910,732	909,892
Additions	382,313	300,473
Depreciation expense	(359,752)	(299,633)
Carrying amount at the end of the year	933,293	910,732

Recognition and measurement

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset. Right-of-use assets are amortised on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the amortisation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any re-measurement of lease liabilities. The Company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

The poker machine and plant and equipment right-of-use assets relate to various assets include poker machine assets, golf cart and other assets which are non-cancellable leases which are on terms of 3-5 years.

Windsor RSL Club Ltd

Notes to the Financial Statements

For the Year Ended 31 March 2024

6 Right-of-use Assets

Recognition and measurement (continued)

Key Estimate and Judgement: Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the club's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Club reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

7 Intangible Assets

	2024	2023
	\$	\$
Poker machine entitlements		
At cost	2,018,848	1,991,243

Movements in Carrying Amounts

Movements in the carrying amounts between the beginning and the end of the current financial year are set out below:

Carrying amount at beginning of year	1,991,243	1,963,638
Additions at cost	27,605	27,605
Carrying amount at end of year	2,018,848	1,991,243

Recognition and Measurement:

Poker machine entitlements are not amortised as they are deemed to have an indefinite useful life. They have an indefinite useful life as they do not expire and under current government legislation there is no plan to remove such entitlements. As a result, 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 impairment losses.

Impairment Tests for Poker Machine Entitlements

At the end of the reporting period the company assessed the recoverable amount of poker machine entitlement based on the value in use methodology. The company used the pre-tax cash flows generated from the poker machines net revenues generated and calculated the present values of these future cash flows at an appropriate discount rate to arrive at the total value of these entitlements. The value in use recoverable amount for each entitlement is calculated by dividing the total value of the entitlements with the actual number of entitlements. The value thus arrived, was in excess of the carrying value and accordingly no impairment losses were recognised.

Key Estimate and Judgement: Impairment of Intangible Assets

Impairment of poker machine entitlements is recognised based on a value-in-use calculation and is measured at the present value of the estimated future cash flows available to the company from the use of these entitlements. In determining the present value of the future cash flows, assumptions regarding growth rates and appropriate discount factors have been applied to the cash flows.

Windsor RSL Club Ltd
 Notes to the Financial Statements
 For the Year Ended 31 March 2024

8 Trade and Other Payables

	2024	2023
	\$	\$
Trade creditors	833,299	1,481,656
Other payables	117,272	90,292
Accrued expenses	158,120	172,602
	1,108,691	1,744,550
	1,108,691	1,744,550

Recognition and Measurement

Trade creditors 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.

9 Financial Liabilities

	2024	2023
	\$	\$
Current		
Loan - NAB	7,232,530	1,720,000
	7,232,530	1,720,000
Non-Current		
Loan - NAB	3,480,000	10,268,624
	3,480,000	10,268,624
	3,480,000	10,268,624

Recognition and measurement

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

Windsor RSL Club Ltd

Notes to the Financial Statements

For the Year Ended 31 March 2024

9 Financial Liabilities (continued)

In October 2021 the Club entered into a facility agreement with National Australia Bank (NAB). The facilities offered and approved at 31 March 2024 include the following:

1. NAB Corporate Markets Loan (drawn to \$5,200,000 with a facility limit of \$5,200,000)
2. NAB Corporate Markets Loan (drawn to \$5,498,624 with a facility limit of \$5,500,000)
3. NAB Business Overdraft (undrawn with a facility limit of \$600,000)

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.

The \$5,200,000 loan expires on 30 October 2026, payable in instalments of \$430,000 per quarter. As such, \$1,720,000 of this loan has been classified as current, with the remainder as non-current.

The \$5,500,000 loan expires on 30 October 2024, and as such has been classified as current.

10 Lease Liabilities

	2024 \$	2023 \$
Current		
Lease Liabilities	782,088	749,783
	<hr/>	<hr/>
Non-Current		
Lease liabilities	438,169	966,533
	<hr/>	<hr/>

Recognition and measurement

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Windsor RSL Club Ltd

Notes to the Financial Statements

For the Year Ended 31 March 2024

11 Employee Benefits

	2024	2023
	\$	\$
Aggregate liability for employee benefits including on-costs		
Current	273,092	227,206
Non-Current	37,019	158,542
	310,111	385,748

The present value of employee benefits not expected to be settled within 12 months of reporting date have been calculated using the following weighted averages:

Inflation rate	3.60%	7.0%
Discount rate	4.05%	3.47%

Superannuation Plans

Contributions

The company was under a legal obligation to contribute 10.5% of each employee's base salary to a superannuation fund for the period from 1 April 2023 to 30 June 2023, and 11% for the period 1 July 2023 to 31 March 2024. The legal superannuation contribution required to be paid by the company to the employees selected superannuation fund changes to 11.5% from 1 July 2024. The total defined contribution superannuation expense is:

Employer contribution to the plans	528,671	623,123
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Recognition and Measurement

Wages and Salaries and Annual Leave

Liabilities for wages and salaries, including non-monetary benefits and annual 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.

The provision for employee benefits relating 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 market yields on national government bonds at reporting date which most closely match the terms of maturity with the expected timing of cash flows. The unwinding of the discount is treated as long service leave expense.

Key estimate and judgement: Long Service Leave

The liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect to all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

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.

Windsor RSL Club Ltd

Notes to the Financial Statements

For the Year Ended 31 March 2024

12 Asset Revaluation Reserve

	2024	Restated 2023
	\$	\$
Revaluation of Freehold Land	4,104,485	4,104,485
	4,104,485	4,104,485
	4,104,485	4,104,485

Recognition and Measurement

The asset revaluation reserve records the revaluation increments and decrements in the fair value of land assets held by the Club.

As noted on page 13 a prior year error was identified relating to the Company not previously bringing to account the fair value of the land for its Main Club site at 36 Argyle Street South Windsor as a result of a valuation that was undertaken on the Club's land in 2020. This adjustment has resulted in an increase in both property, plant and equipment and the asset revaluation reserve of \$1,600,000.

13 Key Management Personnel and Related Parties

(a) Directors

The following persons were directors of the company during the financial year:

David Ingram
 Colin Wilson
 Ross Ryan (resigned 27 August 2023)
 Les Sheather
 Paul Thomas
 Sarah McMahon (resigned 11 June 2024)
 David Ross
 David Hadfield
 Robert Bowman (appointed 27 August 2023)

(b) Key Management Personnel Compensation

	2024	2023
	\$	\$
Benefits and payments made to the Directors and Other Key Management Personnel	894,935	710,356
	894,935	710,356
	894,935	710,356

Key Management Personnel

Disclosures relating to key management personnel are set out above.

Directors' Transactions with the Company

From time to time directors of the company may purchase goods from the company or participate in other Club activities. These purchases and participations are on the same terms and conditions as those entered into by any other member of the Club. 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.

Windsor RSL Club Ltd

Notes to the Financial Statements

For the Year Ended 31 March 2024

14 Auditor's Remuneration

During the financial year the following fees were paid or payable for services provided by the auditor of the company, BDO Audit Pty Ltd (PY: W L Browne & Associates FCA Pty Ltd).

	2024 \$	2023 \$
Audit services		
Audit of the financial statements	37,000	11,960
Other services		
Other services	10,500	-
	47,500	11,960

15 Company Details

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

16 Members' Guarantees

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 the member is a member of the Company or within one year thereafter. At 31 March 2024 there were 52,606 members (2023: 52,241).

17 Events Subsequent to Reporting Date

There are no matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

18 Commitments and Contingent Liabilities

The company had no commitments or contingent liabilities as at 31 March 2024.

Windsor RSL Club Ltd

Notes to the Financial Statements

For the Year Ended 31 March 2024

14 Auditor's Remuneration

During the financial year the following fees were paid or payable for services provided by the auditor of the company, BDO Audit Pty Ltd (PY: W L Browne & Associates FCA Pty Ltd).

	2024 \$	2023 \$
Audit services		
Audit of the financial statements	37,000	11,960
Other services		
Other services	10,500	-
	47,500	11,960

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