

**ROCKDALE BUSINESSMEN'S
CLUB LIMITED**

ABN 87 050 058 118

FINANCIAL STATEMENTS

30 JUNE 2021

Rockdale Businessmen's Club Limited

ABN 87 050 058 118

Corporate Information

President:	Michael Bridge
Vice-President:	Dean Woodward
Directors:	Arthur Harold Robinson Liam Butler Claire Butler Peter Leslie Andrew O'Malley
Company Secretary	Rodney Thomas Tormey
Registered office and principal place of business	34 Bay Street Rockdale, NSW 2216
Auditors	Hales Redden

Rockdale Businessmen's Club Limited

ABN 87 050 058 118

DIRECTORS' REPORT

Your Directors present this report to the members of the Rockdale Businessmen's Club Ltd (the Company) for the year ended 30th June 2021.

DIRECTORS

The names of each person who has been a director during the year to the date of this report are:

Name	Date Appointed	Date of Cessation	Meetings Attended	Meetings Held
Arthur ROBINSON	24.09.2001	-	9	11
Andrew O'MALLEY	28.10.2002	-	11	11
Peter LESLIE	19.09.2005	-	8	11
Liam BUTLER	31.12.2018	-	11	11
Claire BUTLER	26.08.2020	-	11	11
Dean WOODWARD	31.12.2018	-	8	11
Michael BRIDGE	27.02.2019	-	11	11

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

INFORMATION OF DIRECTORS

ROBINSON, Arthur	Retired Director 20 years
O'MALLEY, Andrew	Carpenter Director 19 years
LESLIE, Peter	Retired Director 16 years
BUTLER, Liam	IT Pharmaceutical Services Director 3 year
WOODWARD, Dean	IT Project Manager Director 3 year

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DIRECTORS' REPORT

BRIDGE, Michael

Butcher
Director 3 year

BUTLER, Claire

Office Manager
Director 1 year

REVIEW OF OPERATIONS

The profit (loss) of the company for the financial year after providing for income tax amounted to **\$18,343**.

A review of the operations of the company during the financial year and the results of those operations found that an increase in gaming revenue of **\$57,172**, and a decrease in the bar trading of **\$19,543**, was offset by an increase in Government assistance in the form of Job Keeper and the Cash Flow Boost of **\$43,706** resulting in the profit of the company increasing **\$34,672** over the 12 months.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

The following significant changes in the state of affairs of the Company occurred during the financial year.

The break out of the COVID 19 virus, the community's response to the break out and associated government regulations in March 2020 and then again in June 2021 have significantly affected the Company's operations. The main operations of the Company being the operation of a licensed Club were shut down by government regulations from June 2021 to October 2021.

FUTURE DEVELOPMENTS AND RESULTS

The ongoing disruptions caused by the COVID 19 virus will continue to have an effect on the operations of the Company and future financial results. The ongoing effects are unknown as at the date of this financial report.

Rockdale Businessmen's Club Limited

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DIRECTORS' REPORT

PRINCIPAL ACTIVITIES

The company's principal activities during the year were:

The operations of a licensed club including food, drink and recreational and leisure activities.

The only significant change during the year was the forced closure of registered Club's in June 2021 by order of the Federal Government.

The above activities have assisted the company in achieving its objectives.

SHORT & LONG TERM OBJECTIVES & STRATGEY

The company's short and long term objectives are:

- To operate in a manner consistent with a registered club.
- Improve profitability and efficiency of club operations.
- Encourage new membership.
- Improve club facilities.
- To continue to offer these services.

The company's strategy for achieving these objectives includes:

- The provision of services including food and drink, leisure and recreational services.
- Attempt to attract new members through improving the ambience of the premises.
- To continually review and upgrade the facilities of the Club.

PERFORMANCE MEASURES

The company measures performance through the analysis of its financial position and operations. The company's financial system tracks and records assets, liabilities, revenues and expenditure and reviews these amounts on a monthly basis in order to assess the key areas of the company and its operations thereof.

A comparison of key performance indicators are as follows:

	2021	2020
Net financial gain (loss)	18,343	(16,329)
Total Assets	2,391,629	2,389,775
Net Assets	2,301,888	2,283,545
Bar Sales	356,849	376,392
Poker Machine Revenue	461,634	404,462

Rockdale Businessmen's Club Limited

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DIRECTORS' REPORT

ENVIRONMENTAL REGULATION

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

MEMBERS GUARANTEE

The entity is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the entity. At 30 June 2021, the number of full members was 63. (2020:76)

NUMBER OF MEMBERS

The number of members registered in the register of members at the date of this report is as follows:

	2021	2020
Full	48	59
Life	4	3
Veteran	11	14

AUDITORS INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under s 307C of the *Corporations Act 2001* is set out on page 7.

No director of the Company is or has been a partner/director of any auditor of the Company.

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

Dated at Rockdale this 20th day of November 2021



M Bridge
Director

HALES REDDEN
Chartered Accountants



Hales Redden & Partners Pty Ltd
386 Princes Highway
Rockdale NSW 2216
PO Box 54 Rockdale NSW 2216
admin@halesredden.com.au
P 02 9567 0545 F 02 9597 1975
ABN 99 001 678 119

**AUDITORS' INDEPENDENCE DECLARATION UNDER S 307C OF THE
CORPORATIONS ACT 2001 TO THE DIRECTORS OF ROCKDALE
BUSINESSMEN'S CLUB LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30th June 2021 there have been:

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

Name of Firm: Hales Redden
Chartered Accountants

Name of Partner:


Paul de Maria

Date: 20 November 2021

Address: P O Box 54, Rockdale NSW 2216

Rockdale Businessmen's Club Limited

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STATEMENT OF PROFIT OR LOSS

For the Year ended 30 June 2021

	Note	2021	2020
Revenues and Other Income	3	1,088,170	1,116,861
Cost of Bar Sales		(145,537)	(166,879)
Depreciation and amortisation expense		(83,334)	(103,156)
Other Expenses from Ordinary Activities	4	<u>(821,642)</u>	<u>(821,282)</u>
Profit/(loss) from Ordinary Activities before Income Tax		37,657	25,544
Income tax expense	5	<u>(19,313)</u>	<u>(41,873)</u>
Profit (loss) after income tax		<u>18,344</u>	<u>(16,329)</u>
Total comprehensive income attributable to members of the entity		<u>18,344</u>	<u>(16,326)</u>

(The above statement of comprehensive income should be read in conjunction with the accompanying notes)

Rockdale Businessmen's Club Limited

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STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

	Note	2021	2020
CURRENT ASSETS			
Cash and cash equivalents	6	341,728	279,314
Trade & other receivables	7	13,924	9,941
Inventories	8	<u>14,261</u>	<u>12,435</u>
Total current assets		<u>369,913</u>	<u>298,690</u>
NON CURRENT ASSETS			
Property, plant & equipment	9	<u>2,021,716</u>	<u>2,091,085</u>
TOTAL ASSETS		<u>2,391,629</u>	<u>2,389,775</u>
CURRENT LIABILITIES			
Trade creditors & other payables	10	21,016	29,857
Provisions	11	53,953	37,863
Tax liabilities	12	<u>14,771</u>	<u>38,510</u>
Total current liabilities		<u>89,740</u>	<u>106,230</u>
TOTAL LIABILITIES		<u>89,740</u>	<u>106,230</u>
NET ASSETS		<u>2,301,888</u>	<u>2,283,545</u>
EQUITY			
Issued capital	13	630	760
Retained earnings	14	<u>2,301,258</u>	<u>2,282,785</u>
TOTAL EQUITY		<u>2,301,888</u>	<u>2,283,545</u>

(The above statement of financial position should be read in conjunction with the accompanying notes)

Rockdale Businessmen's Club Limited

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STATEMENT IN CHANGES IN EQUITY

For the Year ended 30 June 2021

	General Funds	Total Funds
Balance 1 July 2019	2,299,114	2,299,144
Profit/(loss) for the year	<u>(16,329)</u>	<u>(16,329)</u>
Balance 30 June 2020	<u>2,282,785</u>	<u>2,282,785</u>
Profit/(loss) for the year	18,344	18,344
Forfeited Shares	<u>130</u>	<u>130</u>
Balance 30 June 2020	<u>\$2,301,259</u>	<u>\$2,301,259</u>
Issued Capital		<u>630</u>

Rockdale Businessmen's Club Limited

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STATEMENT OF CASH FLOWS

For the Year ended 30 June 2021

	Note	2021	2020
Cash Flows from Operating Activities:			
Receipts from:			
Customers		967,504	938,230
Interest Income		277	1,007
Receipts from extraordinary items		118,629	74,923
Payments to suppliers and employees		(966,980)	(1,022,474)
Income Taxes Paid		<u>(43,052)</u>	<u>372</u>
Net cash flows from operating activities	15	<u>76,378</u>	<u>(7,942)</u>
Cash Flows from Investing Activities:			
Proceeds from sale of property, plant & equipment		-	106,000
Payment for property, plant & equipment		(13,965)	(102,875)
Payment for major renovation		<u>(-)</u>	<u>(-)</u>
Net cash flows used in Investing Activities		<u>(13,965)</u>	<u>3,125</u>
Cash Flows from financing activities:			
Allotment of Shares		<u>-</u>	<u>110</u>
Net cash flows used in financing activities		<u>-</u>	<u>110</u>
Net increase(decrease) in cash and cash equivalents		62,413	(4,707)
Cash and cash equivalents at beginning of year		<u>279,315</u>	<u>284,022</u>
Cash and cash equivalents at end of year	6	<u>\$341,728</u>	<u>\$279,315</u>

The above statement of cash flows is to be read in conjunction with accompanying notes

Rockdale Businessmen's Club Limited

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**NOTES TO AND FORMING PART OF
THE FINANCIAL STATEMENTS**

For the year ended 30 June 2021

The financial report covers Rockdale Businessmen's Club Limited as in individual entity. Rockdale Businessmen's Club Limited is a Company limited by guarantee, incorporated and domiciled in Australia. It is registered with the Australian Business Register – Australian Business Number 87 050 058 118 and is registered for Goods & Services Tax purposes. The registered office and principal place of business of the company is 34 Bay Street Rockdale NSW 2216.

The functional and presentation currency of Rockdale Businessmen's Club Limited is Australian dollars.

The financial report was authorised for issue by the Directors on 20 November 2021.

Comparatives are consistent with prior years, unless otherwise stated.

1. BASIS OF PREPARATION

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Act 2001*.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Income Tax

Based upon the provisions of the Income Tax Act the company is liable for income tax only on the proportion of other net income deemed to be derived from the activities of non members based on a formula based on attendance surveys.

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**NOTES TO AND FORMING PART OF
THE FINANCIAL STATEMENTS**

For the year ended 30 June 2021

(b) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Company are:

Sales revenue

Sales revenue includes bar sales, poker machine income and keno income. All of the services and goods for these revenue items are provided to customers at the time of the sale and income is accounted for at that time. If deposits are held for any of these revenue items a liability is booked until the service or goods have been provided to the customer and then for as income.

Membership Income

Membership income is received in advance for the period of membership paid for.

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**NOTES TO AND FORMING PART OF
THE FINANCIAL STATEMENTS**

For the year ended 30 June 2021

Other Income

Other income is recognised on an accruals basis when the Company is entitled to it.

(c) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except where the amount of GST incurred is not recoverable from the Australian Taxation Office. Receivables and payables are recognised inclusive of GST. Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(d) Inventories

Inventories are measured at the lower of cost and net realisable value.

(e) Property, Plant and Equipment

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

Property

Investment properties are measured initially at cost, including costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that is incurred if the recognition criteria are met, and excludes the costs of day-to-day servicing of an investment property.

Freehold land and buildings are measured initially at cost, including transaction costs.

Plant and Equipment

Plant and equipment are measured on the cost basis less accumulated depreciation.

The carrying amount of plant and equipment is reviewed annually by the director to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

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

Subsequent costs are included in the asset's 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 income statement during the financial period in which they are incurred.

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**NOTES TO AND FORMING PART OF
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For the year ended 30 June 2021

Depreciation

Items of property, plant and equipment (other than land) are depreciated over their useful lives to the company commencing from the time the asset is held ready for use. Depreciation is calculated with a combination of straight line and diminishing value basis over the expected useful economic lives of the assets as follows:

	2021	2020
	% pa	% pa
Plant, furniture & fittings	2.5 - 50	2.5 - 50
Furniture & fittings – Huskisson	16.67 - 50	16.67 - 50
Air Conditioning	20	20
Poker machines	28.57	28.57
Keno equipment & furniture	20 - 40	20 - 40

Impairment

The carrying values of plant and equipment are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value be impaired.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. Depreciated replacement cost is used to determine value in use. Depreciated replacement cost is the current replacement cost of an item of plant and equipment less, where applicable, accumulated depreciation to date, calculated on the basis of such cost.

Impairment exists when the carrying value of an asset exceeds its estimated recoverable amount. The asset is then written down to its recoverable amount.

For plant and equipment, impairment losses are recognised in the statement of income.

Impairment

The freehold land and buildings at 32 Bay Street Rockdale NSW 2216 and 19 Currumbene Street Huskisson NSW 2540 were independently valued by W Herrmann Real Estate Pty Ltd. The valuation was based on the fair value less cost of disposal. The critical assumptions adopted in determining the valuation included the location of the land and buildings and recent sales data for similar properties. The valuer determined that the estimated range of sale for the Rockdale property was between \$2.8M and \$3.2M and the Huskisson property was between \$1.6M and \$1.8M.

(f) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to insignificant risk of change in value.

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**NOTES TO AND FORMING PART OF
THE FINANCIAL STATEMENTS**

For the year ended 30 June 2020

(g) Employee Benefits

Provision is made for the liability due to employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year together with benefits arising from wages and salaries, sick leave and annual leave which will be settled after one year, have been measured at their nominal amount. Other employee benefits payable later than one year have been measured at the present value of the estimate future cash outflows to be made for those benefits.

Contributions are made to employee superannuation funds and are charged as expenses when incurred. All employees are entitled to varying levels of benefits on retirement, disability or death. The superannuation plans or equivalent provide accumulated benefits. Contributions are made in accordance with the statutory requirements of each jurisdiction.

(h) Provisions

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

Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(i) Critical Accounting Estimates and Judgements

The directors make estimates and judgements during the preparation of the financial statements regarding assumptions about current and future events affecting transactions and balances. These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates. There are no significant estimates and judgements which would have a significant effect on the financial statements.

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**NOTES TO AND FORMING PART OF
THE FINANCIAL STATEMENTS**

For the year ended 30 June 2021

3. REVENUES AND OTHER INCOME

Operating profit has been arrived at after including:

	2021	2020
Sales revenue and gaming receipts	958,963	890,131
Rent received	128,930	120,862
Interest Received	277	1,007
	<u>1,088,170</u>	<u>1,012,000</u>
Non-operating activities		
Proceeds on sale non-current assets	-	105,971
	=	=
	<u>1,088,170</u>	<u>1,117,971</u>

4. EXPENSES

Employment Expenses		
- Wages	348,179	334,847
- Superannuation	31,252	30,144
- Benefit Provisions	16,063	3,416
Auditor's Remuneration		
- Audit	33,800	33,550
- Other Services	1,000	1,000
Other Expenses	<u>391,348</u>	<u>418,225</u>
	<u>821,642</u>	<u>821,182</u>

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**NOTES TO AND FORMING PART OF
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For the year ended 30 June 2021

	2021	2020
5. INCOME TAX EXPENSE		
Income Tax Expense	<u>19,313</u>	<u>41,873</u>
6. CASH & CASH EQUIVALENTS		
Cash at bank and on hand	<u>341,728</u>	<u>279,315</u>
<p>Cash at bank earns interest at floating rates based on daily balances. Investment accounts and term deposits are made at varying periods earning market interest rates.</p>		
7. TRADE & OTHER RECEIVABLES		
Sundry Debtors	3,191	1,432
Prepayments	10,733	5,509
GST Debtor	-	-
Income Tax Refund	-	-
	<u>13,924</u>	<u>6,941</u>
8. INVENTORIES		
Bar	<u>14,261</u>	<u>12,435</u>

Rockdale Businessmen's Club Limited

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NOTES TO AND FORMING PART OF
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For the year ended 30 June 2021

9. PROPERTY, PLANT & EQUIPMENT	2021	2020
34 Bay Street Rockdale – Core Property	1,003,069	1,003,069
Huskisson Units – Non Core Property	378,836	378,836
Renovations – Rockdale – Core Property	<u>21,425</u>	<u>21,425</u>
	<u>1,403,330</u>	<u>1,403,330</u>
Plant, furniture & fittings – Core Property	1,173,146	1,170,181
Less: Accumulated depreciation	<u>699,376</u>	<u>665,051</u>
	<u>473,770</u>	<u>505,130</u>
Furniture & fittings – Huskisson	32,234	32,234
Less: Accumulated depreciation	<u>22,166</u>	<u>19,986</u>
	<u>10,068</u>	<u>12,247</u>
Air conditioning plant	100,594	100,594
Less: Accumulated depreciation	<u>85,983</u>	<u>82,332</u>
	<u>14,611</u>	<u>18,263</u>
Poker machines	875,198	872,248
Less: Accumulated depreciation	<u>755,351</u>	<u>720,247</u>
	<u>119,847</u>	<u>152,001</u>
Keno equipment & furniture	13,318	13,318
Less: Accumulated depreciation	<u>13,228</u>	<u>13,205</u>
	<u>90</u>	<u>113</u>
Total property, plant & equipment	<u>2,021,716</u>	<u>2,091,085</u>

All values are shown at cost less accumulated depreciation. Total plant purchases for the year were \$13,965.

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For the year ended 30 June 2021

	Land & Buildings	Plant, Furniture & fittings	Furniture & Fittings – Huskisson	Air Conditioning plant	Poker Machines	Keno Equipment & Furniture	Total
	\$	\$	\$	\$	\$	\$	\$
Year ended 30 June 2021							
Balance at the beginning of year	1,403,330	505,130	12,247	18,263	152,001	113	2,091,084
Additions	-	2,965			11,000		13,965
Depreciation Expense	-	34,326	2,179	3,652	43,154	23	83,334
Balance at the end of the year	1,403,330	473,770	10,068	14,611	119,847	90	2,021,716

10. TRADE CREDITORS & OTHER PAYABLES **2021** **2020**

Current:		
Trade creditors & accruals	20,728	28,209
GST Creditor	<u>288</u>	<u>1,648</u>
	<u>21,016</u>	<u>29,857</u>

11. PROVISIONS

Employee Entitlements – annual leave	19,572	17,675
Employee Entitlements - long service leave	33,604	19,438
Jackpots	<u>777</u>	<u>750</u>
	<u>53,953</u>	<u>37,863</u>

Analysis of Provisions	Annual Leave	Long Service Leave
Opening Balance at 1 July 2020	17,675	19,438
Additional Provisions	7,767	14,166
Amounts used	<u>(5,870)</u>	(-)
Balance at 30 June 2021	<u>19,572</u>	<u>33,604</u>

12. TAX LIABILITIES

Provision for income tax	<u>14,771</u>	<u>38,510</u>
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**NOTES TO AND FORMING PART OF
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For the year ended 30 June 2021

13. ISSUED CAPITAL

Fully paid to \$2.00 each	<u>630</u>	<u>760</u>
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There are no externally imposed capital requirements.
There have been no changes in the strategy adopted
By management to control the capital of the company
Since the prior year.

14. RETAINED EARNINGS

Retained earnings at the beginning of the financial year	2,282,785	2,299,114
Net profit (loss) attributable to members of the company	18,344	(16,329)
Forfeited Shares	<u>130</u>	<u>-</u>
Retained earnings at the end of the financial year	<u>2,301,259</u>	<u>2,282,785</u>

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**NOTES TO AND FORMING PART OF
THE FINANCIAL STATEMENTS**

For the year ended 30 June 2021

15. CASH FLOW INFORMATION

Reconciliation of Cashflow from Operations with Profit after Income Tax:

	2021	2020
Operating profit (loss) after income tax	18,343	(16,329)
Non Cash Flows in Operating Profit		
Depreciation of property, plant and equipment	83,334	103,156
Gain on disposal of property, plant and equipment	-	(105,971)
Extraordinary Items	-	-
Charges to Current Provisions	16,090	(3,436)
Change in Assets & Liabilities		
Decrease (Increase) in Inventories	(1,826)	679
Decrease (Increase) in Receivables	(6,984)	481
Increase (Decrease) in Trade Creditors	(7,480)	(31,840)
Increase (Decrease) in Other Current Liabilities	<u>(25,099)</u>	<u>45,318</u>
	<u>76,378</u>	<u>(7,942)</u>

16. MEMBERS GUARANTEE

The entity is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the entity. At 30 June 2021, the number of full members was 63. (2020:76)

17. SEGMENT INFORMATION

The company operates a registered club for the provision of facilities for members and their guests. The operations of the company are carried on at Rockdale, New South Wales.

Rockdale Businessmen's Club Limited

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**NOTES TO AND FORMING PART OF
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For the year ended 30 June 2021

18. KEY MANAGEMENT PERSONNEL DISCLOSURES

The directors did not receive any remuneration from the Company during the year other than reimbursement of out-of-pocket-expenses that have been fully substantiated.

Other key management personnel transactions

The Company is run by the Board of Directors. All major business decisions are made by the Board. The day to day business of the Company is run by the employees of the Company. As all major business decisions are made by the Board, no key management personnel disclosures are deemed appropriate.

19. CONTINGENCIES

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2021 (2020: None).

20. RELATED PARTIES

(a) The company's main related parties are as follows:

Key management personnel – refer to Note 17.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

(b) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Rockdale Businessmen's Club Limited

ABN 87 050 058 118

**NOTES TO AND FORMING PART OF
THE FINANCIAL STATEMENTS**

For the year ended 30 June 2021

21. EVENTS OCCURRING AFTER THE REPORTING DATE

The financial report was authorised for issue on 20 November 2021 by the Board of Directors.

The ongoing disruptions caused by the COVID 19 virus will continue to have an effect on the operations of the Company and future financial results. The ongoing effects are unknown as at the date of this financial report.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

22. STATUTORY INFORMATION

The registered office of the Club is:
C/- Hales Redden & Partners Pty Ltd
386 Princes Highway
Rockdale NSW 2216

The principal place of business is:
34 Bay Street
Rockdale NSW 2216

Rockdale Businessmen's Club Limited

ABN 87 050 058 118

DIRECTORS DECLARATION

The directors of the Company declare that:

1. The financial statements and notes, as set out, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards – Reduced Disclosure Requirements; and
 - b. give a true and fair view of the financial position as at 30 June 2021 and of the performance for the year ended on that date of the Company.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Dated at Rockdale this **20th day of November 2021**


.....
M BRIDGE
Director



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROCKDALE
BUSINESSMENS CLUB LIMITED**

Opinion

We have audited the accompanying financial report of Rockdale Businessmen's Club Limited which comprises the statement of financial position as at 30th June 2021 and the statement of income, statement of changes in funds and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the director's declaration.

In our opinion the financial report of Rockdale Businessmen's Club Limited is in accordance with the Corporations Act 2001 including:

- (a) giving a true and fair view of the state of affairs of the company's financial position as at 30th June 2021 and of its performance for the year ended on that date; and
- (b) Complying with Accounting Standards (including the Australian Accounting Interpretations) 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 of the Financial Report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter

The restrictions relating to the COVID 19 virus since 23 March 2020 and then further again on 25 June 2021 have had a significant effect on the Company's operations. The financial results for the financial year ended 30 June 2021 have been significantly affected by "one off" items including JobKeeper income and ATO Cash Flow Boost income. The ongoing financial effect of the COVID 19 virus is unknown and if needed it is not known whether government backing would continue as it has in 2021. The financial report has been prepared on the basis that the Company is a going concern however due to the uncertainty of the effects of the ongoing COVID 19 virus disruptions the future financial viability of the Company may be significantly affected.



**INDEPENDENT AUDITORS'
REPORT TO MEMBERS**

Other Information

The directors are responsible for the other information. The other information comprises the information included in the company's annual report for the year ended 30 June 2021, 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 misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the Financial Report

The directors of the company are responsible for the preparation of a financial report that gives a true and fair view in accordance with Australian Accounting Standards 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 either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibility for 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.



**INDEPENDENT AUDITORS'
REPORT TO MEMBERS**

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis of our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

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

HALES REDDEN
Chartered Accountants


.....
Paul de Maria
Sydney

Date: 20 November 2021

HALES REDDEN
Chartered Accountants



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PO Box 54 Rockdale NSW 2216
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P 02 9567 0545 F 02 9597 1975
ABN 99 001 678 119

ADDITIONAL INFORMATION

The additional financial data presented on the following pages is in accordance with the books and records of the company which have been subjected to the auditing procedures applied in our audit of the company for the year ended 30th June 2021. It will be appreciated that our audit did not cover all details of the following financial data.

Accordingly we do not express an opinion on such financial data and in particular no warranty of accuracy or reliability is given. Neither the firm nor any member of the firm undertakes responsibility in any way whatsoever to any person (other than the company) in respect of such data, including errors and omissions however caused.

HALES REDDEN
Chartered Accountants


.....
Paul de Maria
Rockdale

Date: 20 November 2021

Rockdale Businessmen's Club Limited

ABN 87 050 058 118

BAR TRADING STATEMENT

For the year ended 30 June 2021

	2021	2020
SALES		
Bar Sales	356,849	376,392
Less Cost of Goods Sold:		
Opening Stock	12,435	13,114
Purchases	<u>147,364</u>	<u>166,200</u>
	159,799	179,314
Closing Stock	<u>14,261</u>	<u>13,114</u>
	<u>145,538</u>	<u>166,879</u>
Gross Profit	211,311	209,513
Less Direct Costs:		
Wages – Bar Staff	119,470	124,417
Employee Entitlements	12,745	-
Stocktake fees	4,080	3,800
Superannuation	10,680	11,157
Gas	1,659	1,363
Member Discounts	27,036	37,128
Cleaning	<u>5,600</u>	<u>5,590</u>
	<u>181,270</u>	<u>183,455</u>
Gross Profit/Loss from Bar Trading	<u>\$30,041</u>	<u>\$26,058</u>

Rockdale Businessmen's Club Limited

ABN 87 050 058 118

POKER MACHINE TRADING

For the year ended 30 June 2021

	2021	2020
Poker Machine Revenue	461,634	404,462
Less Direct Costs:		
Computer service fee	26,339	23,050
Wages	89,602	79,213
Repairs & maintenance	16,297	15,373
Depreciation	43,154	53,211
Superannuation	<u>8,712</u>	<u>7,455</u>
	<u>184,104</u>	<u>178,302</u>
Gross Profit from Poker Machine Trading	<u>\$277,530</u>	<u>\$226,160</u>

Rockdale Businessmen's Club Limited

ABN 87 050 058 118

KENO TRADING

For the year ended 30 June 2021

	2021	2020
Keno commission	17,354	30,242
Commissions	3,406	2,439
Less Direct Costs:		
Stationery	309	194
Wages	29,867	26,404
Repairs & Maintenance	2,515	1,896
Depreciation	23	29
Superannuation	<u>2,904</u>	<u>2,485</u>
	<u>35,618</u>	<u>30,981</u>
Gross Profit Keno Trading	\$ <u>(14,858)</u>	\$ <u>(1,700)</u>

Rockdale Businessmen's Club Limited

ABN 87 050 058 118

RENTAL STATEMENT - HUSKISSON

For the year ended 30 June 2021

	2021	2020
Gross rent received - Huskisson	90,530	90,462
Less Expenses:		
Agents commission	8,835	8,949
Cleaning & Gardening	5,306	5,780
Depreciation	2,179	1,998
Electricity	2,497	2,889
Insurance	3,745	3,689
Rates & land tax	15,339	17,436
Repairs, maintenance & replacements	4,703	8,167
Inspection Costs	<u>896</u>	<u>1,155</u>
	<u>43,500</u>	<u>50,064</u>
Gross Profit rental operations	<u>\$ 47,030</u>	<u>\$ 40,397</u>

Rockdale Businessmen's Club Limited

ABN 87 050 058 118

PROFIT & LOSS ACCOUNT

For the year ended 30 June 2021

	2021	2020
TRADING INCOME		
Bar Trading	30,041	26,058
Poker Machine Trading	277,530	226,160
Keno & Commissions Trading	<u>(14,858)</u>	<u>1,700</u>
	292,713	253,918
Expenditure:		
Accountancy & audit	34,800	34,550
Administration salaries	112,559	108,329
Advertising	1,800	1,589
Bank Charges	434	764
Bookkeeping fees	15,050	18,720
Cleaning	44,716	57,137
Depreciation	37,978	47,918
Donations	828	1,028
Electricity & Gas	51,348	57,573
Foxtel & Setanta sports	25,172	17,744
General Expenses	-	110
Insurance	29,957	35,818
Legal & Consulting Fees	-	1,936
Presidents allowance	1,000	1,000
Printing, stationery & advertising	6,117	4,711
Rates & taxes	18,006	17,317
Repairs & maintenance	23,465	26,244
Security costs	830	1,185
Staff amenities	1,298	1,163
Social functions & promotions	27,313	21,308
Subscriptions, fees & licences	11,416	11,376
Superannuation	8,957	9,047
Training Expenses	-	95
Telephone & internet	<u>7,439</u>	<u>6,082</u>
	<u>(460,483)</u>	<u>(482,744)</u>
	<u>(167,770)</u>	<u>(228,826)</u>

Rockdale Businessmen's Club Limited

ABN 87 050 058 118

PROFIT & LOSS ACCOUNT (cont)

For the year ended 30 June 2021

	2021	2020
OTHER INCOME		
Rent received - Huskisson	47,030	40,397
Rent received - restaurant	38,400	30,400
Subscriptions	1,091	1,672
GST rebate	17,180	17,180
Interest Received	277	1,007
Sundry Income	101,449	57,743
Proceeds on sale of non-current assets	=	<u>105,971</u>
	<u>37,657</u>	<u>25,544</u>
Operating Profit/(Loss) Before Income Tax	37,657	25,544
Income Tax Expense	<u>(19,313)</u>	<u>(41,873)</u>
Operating Profit (Loss) After Income Tax	<u>\$18,344</u>	<u>\$(16,329)</u>