

**ROCKDALE BUSINESSMEN'S  
CLUB LIMITED**

**ABN 87 050 058 118**

**FINANCIAL STATEMENTS**

**30 JUNE 2019**

**Rockdale Businessmen's Club Limited**

**ABN 87 050 058 118**

## **Corporate Information**

President:	Peter Leslie
Vice-President:	Andrew O'Malley
Directors:	Arthur Harold Robinson Liam Butler Dean Woodward Michael Bridge
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 30<sup>th</sup> June 2019.

**DIRECTORS**

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

<b>Name</b>	<b>Date Appointed</b>	<b>Date of Cessation</b>	<b>Meetings Attended</b>	<b>Meetings Held</b>
Neville PONTIFEX	23.09.1996	26.02.2019	2	8
Arthur ROBINSON	24.09.2001	-	11	12
Andrew O'MALLEY	28.10.2002	-	8	12
Keith HUTCHESON	12.10.2008	31.12.2018	5	6
Peter LESLIE	19.09.2005	-	12	12
Kire ELENINOVSKI	24.05.2010	23.09.2019	-	12
Liam BUTLER	31.12.2018	-	6	6
Dean WOODWARD	31.12.2018	-	6	6
Michael BRIDGE	27.02.2019	-	5	5

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 18 years
O'MALLEY, Andrew	Carpenter Director 17 years
LESLIE, Peter	Retired Director 16 years

**Rockdale Businessmen's Club Limited**

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BUTLER, Liam	IT Pharmaceutical Services Director 1 year
WOODWARD, Dean	IT Project Manager Director 1 year
BRIDGE, Michael	Butcher Director 1 year

**REVIEW OF OPERATIONS**

The profit (loss) of the company for the financial year after providing for income tax amounted to (\$123,057).

A review of the operations of the company during the financial year and the results of those operations found that a decrease in gaming revenue of \$121,636 resulted in the profit of the company decreasing \$128,451 over the 12 months.

**SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS**

No significant changes in the company's state of affairs occurred during the financial year.

**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 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.

**Rockdale Businessmen's Club Limited**

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**EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD**

The directors are not aware of any significant events since the end of the reporting period.

**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:

	<b>2019</b>	<b>2018</b>
Net financial gain (loss)	(123,087)	(716)
Total Assets	2,401,112	2,518,932
Net Assets	2,299,764	2,422,850
Bar Sales	410,082	396,881
Poker Machine Revenue	496,194	617,831

**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 2019, the number of full members was 65. (2018:68)

**NUMBER OF MEMBERS**

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

	<b>2019</b>	<b>2018</b>
Full	50	47
Life	3	4
Veteran	12	17

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**AUDITORS INDEPENDENCE DECLARATION**

The Auditors Declaration of Independence is attached and forms part of the Directors Report for the year ended 30<sup>th</sup> June 2019.

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

Dated at Rockdale this 14<sup>th</sup> day of October 2019



P Leslie  
Director

**Rockdale Businessmen's Club Limited**

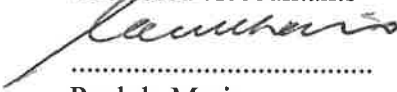
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**AUDITORS' INDEPENDENCE DECLARATION UNDER S 307C OF THE  
CORPORATIONS ACT 2001 TO THE DIRECTORS OF ROCKDALE  
BUSINESSMEN'S CLUB LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30<sup>th</sup> June 2019 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: 14 October 2019

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 2019**

	<b>Note</b>	<b>2019</b>	<b>2018</b>
Revenues and Other Income	3	1,092,969	1,198,018
Cost of Bar Sales		(189,405)	(170,270)
Depreciation and amortisation expense		(113,519)	(110,447)
Other Expenses from Ordinary Activities	4	<u>(906,723)</u>	<u>(905,529)</u>
Profit/(loss) from Ordinary Activities before Income Tax		(116,678)	11,772
Income tax expense	5	<u>(6,408)</u>	<u>(12,488)</u>
Profit (loss) after income tax		<u>(123,086)</u>	<u>(716)</u>
Total comprehensive income attributable to members of the entity		<u>(123,086)</u>	<u>(716)</u>

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



**Rockdale Businessmen's Club Limited**

**ABN 87 050 058 118**

**STATEMENT OF FINANCIAL POSITION**

**As at 30 June 2019**

	<b>Note</b>	<b>2019</b>	<b>2018</b>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	284,022	321,332
Trade & other receivables	7	12,581	6,038
Inventories	8	<u>13,114</u>	<u>14,223</u>
Total current assets		<u>309,717</u>	<u>341,593</u>
<b>NON CURRENT ASSETS</b>			
Property, plant & equipment	9	<u>2,091,395</u>	<u>2,177,338</u>
<b>TOTAL ASSETS</b>		<u>2,401,112</u>	<u>2,518,931</u>
<b>CURRENT LIABILITIES</b>			
Trade creditors & other payables	10	60,049	48,960
Provisions	11	41,299	43,738
Tax liabilities	12	=	<u>3,383</u>
Total current liabilities		<u>101,348</u>	<u>96,081</u>
<b>TOTAL LIABILITIES</b>		<u>101,348</u>	<u>96,081</u>
<b>NET ASSETS</b>		<u>2,299,764</u>	<u>2,422,850</u>
<b>EQUITY</b>			
Issued capital	13	650	680
Retained earnings	14	<u>2,299,114</u>	<u>2,422,170</u>
<b>TOTAL EQUITY</b>		<u>2,299,764</u>	<u>2,422,850</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 2019**

	<b>General Funds</b>	<b>Total Funds</b>
Balance 1 July 2017	2,422,886	2,422,886
Profit/(loss) for the year	(716)	(716)
Forfeited Shares	=	=
Balance 30 June 2018	<u>2,422,170</u>	<u>2,422,170</u>
Profit/(loss) for the year	(123,087)	(123,087)
Forfeited Shares	30	30
Balance 30 June 2019	<u>\$2,299,113</u>	<u>\$2,299,113</u>
<b>Issued Capital</b>		<u>650</u>

**Rockdale Businessmen's Club Limited**  
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**STATEMENT OF CASH FLOWS**

**For the Year ended 30 June 2019**

	Note	2019	2018
<b>Cash Flows from Operating Activities:</b>			
Receipts from:			
Customers		1,071,642	1,175,238
Interest Income		2,387	3,300
Receipts from extraordinary items		17,180	17,180
Payments to suppliers and employees		(1,087,417)	(1,043,924)
Income Taxes Paid		<u>(13,528)</u>	<u>(16,846)</u>
<b>Net cash flows from operating activities</b>	15	<u>(9,736)</u>	<u>134,948</u>
<b>Cash Flows from Investing Activities:</b>			
Proceeds from sale of property, plant & equipment		-	2,000
Payment for property, plant & equipment		(27,574)	(384,315)
Payment for major renovation		(-)	(-)
<b>Net cash flows used in Investing Activities</b>		<u>(27,574)</u>	<u>(382,315)</u>
<b>Cash Flows from financing activities:</b>			
Allotment of Shares		<u>-</u>	<u>160</u>
<b>Net cash flows used in financing activities</b>		<u>-</u>	<u>160</u>
Net increase(decrease) in cash and cash equivalents		(37,310)	(247,207)
Cash and cash equivalents at beginning of year		<u>321,332</u>	<u>568,539</u>
<b>Cash and cash equivalents at end of year</b>	6	<u>\$284,022</u>	<u>\$321,332</u>

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

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

**For the year ended 30 June 2019**

**NOTE 1: CORPORATE INFORMATION**

The financial statements of Rockdale Businessmen's Club Limited for the year ended 30 June 2019 was authorised for issue in accordance with a resolution of directors on 14 October 2019.

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of Preparation**

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements (AASBs) and interpretations issued by the Australian Accounting Standards Board (AASB), the *Corporations Act 2001*, and the significant accounting policies discussed below, which the directors have determined are appropriate to meet the needs of members. Such policies are consistent with those of previous periods unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

**Historical cost convention**

The financial statements have been prepared on the basis of historical cost except where stated and do not take into account changing money values or current valuations of non-current assets.

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

**For the year ended 30 June 2019**

**(b) Significant accounting judgements, estimates and assumptions**

The preparation of financial statements requires management to make judgement, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

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

**(c) Revenue Recognition**

Revenue is recognised when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy. Revenues are recognised net of the amounts of goods and services tax (GST) payable to the Australian Taxation Office.

**Sale of Goods**

Revenue from sales of goods comprises revenue earned (net of returns, discounts and allowances) from the sale of goods purchased for resale and gifts donated for resale. Sales revenue is recognised when the control of goods passes to the customer.

**Investment income**

Investment income comprises interest. Interest income is recognised as it accrues, using the effective interest method.

**Asset sales**

The gain or loss on disposal of all non-current assets and available-for-sale investments is determined as the difference between the carrying amount of the asset at the time of the disposal and the net proceeds on disposal.

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**NOTES TO AND FORMING PART OF  
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**For the year ended 30 June 2019**

**(d) Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to a particular category they have been allocated to activities on a basis consistent with use of the resources.

**(e) Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of any outstanding bank overdrafts.

**(f) Trade receivables**

Debtors are recognised initially at fair value and are reviewed on an ongoing basis.

An allowance for doubtful debts is made when there is objective evidence that the company will not be able to collect the debts. Bad debts are written off when identified.

**(g) Inventories**

Inventories are measured at the lower of cost and net realisable value. Costs have been assigned to inventory quantities on hand at balance date using the first-in first-out ("FIFO") basis.

**(h) 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.

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**NOTES TO AND FORMING PART OF  
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**For the year ended 30 June 2019**

**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.

**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:

	<b>2019</b>	<b>2018</b>
	<b>% pa</b>	<b>% pa</b>
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

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**NOTES TO AND FORMING PART OF  
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**For the year ended 30 June 2019**

**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.

**Derecognition and disposal**

An item of property, plant and equipment is derecognised upon disposal when the item is no longer used in the operations of the company or when it has no sale value. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and carrying amount of the asset) is included on profit or loss in the year the asset is derecognised.

**(i) Trade Creditors and Other Payables**

Trade accounts, other payables and accrued liabilities represent the principal amounts outstanding at balance date plus, where applicable, any accrued interest.



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**NOTES TO AND FORMING PART OF  
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**(j) 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.

**(k) 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.

**(l) Taxation**

**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.

**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, in which case it is recognised as part of the cost of acquisition of an asset or as part of an item of expense.

Receivables and payables are recognised inclusive of GST.

The net amount of GST recoverable from or payable to the Australian Taxation Office is included as part of receivables or payables.

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**NOTES TO AND FORMING PART OF  
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**For the year ended 30 June 2019**

**(m) Critical Accounting Estimates and Judgements**

**Key estimates**

***Impairment***

The freehold land and buildings at 32 Bay Street Rockdale NSW 2216 and 19 Currambene 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.

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**NOTES TO AND FORMING PART OF  
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**For the year ended 30 June 2019**

**3. REVENUES AND OTHER INCOME**

Operating profit has been arrived at after including:

	<b>2019</b>	<b>2018</b>
Sales revenue and gaming receipts	961,156	1,072,789
Rent received	129,426	120,030
Interest Received	<u>2,387</u>	<u>3,300</u>
	<u>1,092,969</u>	<u>1,196,119</u>
Non-operating activities		
Proceeds on sale non-current assets	=	<u>1,899</u>
	=	<u>1,899</u>
	<u>1,092,969</u>	<u>1,198,018</u>

**4. EXPENSES**

Employment Expenses		
- Wages	366,042	363,050
- Superannuation	33,841	33,301
- Benefit Provisions	2,466	12,187
Auditor's Remuneration		
- Audit	30,800	30,800
- Other Services	1,000	1,000
Other Expenses	<u>472,574</u>	<u>465,191</u>
	<u>906,723</u>	<u>905,529</u>

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**NOTES TO AND FORMING PART OF  
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**For the year ended 30 June 2019**

	<b>2019</b>	<b>2018</b>
<b>5. INCOME TAX EXPENSE</b>		
Income Tax Expense	<u>6,408</u>	<u>12,488</u>

**6. CASH & CASH EQUIVALENTS**

Cash on Hand	56,000	56,000
National Australia Bank – Current a/c	153,297	132,934
NAB Term Deposits	59,725	117,398
Commonwealth Bank – Eftpos / ATM	<u>15,000</u>	<u>15,000</u>
	<u>284,022</u>	<u>321,332</u>

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.

**7. TRADE & OTHER RECEIVABLES**

Sundry debtors	3,591	1,832
Prepayments	3,830	3,307
GST Debtor	1,425	899
Income Tax Refund	<u>3,735</u>	-
	<u>12,581</u>	<u>6,038</u>

**8. INVENTORIES**

Bar	<u>13,114</u>	<u>14,223</u>
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**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 2019**

<b>9. PROPERTY, PLANT &amp; EQUIPMENT</b>	<b>2019</b>	<b>2018</b>
34 Bay Street Rockdale	1,003,069	1,003,069
Huskisson Units	378,836	378,836
Renovations – Rockdale	<u>21,425</u>	<u>21,425</u>
	<u>1,403,330</u>	<u>1,403,330</u>
Plant, furniture & fittings	1,164,511	1,160,430
Less: Accumulated depreciation	<u>621,714</u>	<u>565,979</u>
	<u>542,797</u>	594,451
Furniture & fittings – Huskisson	28,104	26,106
Less: Accumulated depreciation	<u>17,988</u>	<u>17,519</u>
	<u>10,116</u>	<u>8,587</u>
Air conditioning plant	100,594	100,594
Less: Accumulated depreciation	<u>77,750</u>	<u>72,040</u>
	<u>22,844</u>	<u>28,554</u>
Poker machines	823,641	932,352
Less: Accumulated depreciation	<u>711,475</u>	<u>790,114</u>
	<u>112,166</u>	<u>142,238</u>
Keno equipment & furniture	13,318	13,318
Less: Accumulated depreciation	<u>13,176</u>	<u>13,140</u>
	<u>142</u>	<u>178</u>
Total property, plant & equipment	<u>2,091,395</u>	<u>2,177,338</u>

All values are shown at cost less accumulated depreciation. Total plant purchases for the year were \$27,576.

**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 2019**

<b>10. TRADE CREDITORS &amp; OTHER PAYABLES</b>	<b>2019</b>	<b>2018</b>
Current:		
Trade creditors & accruals	60,049	48,960
GST Creditor	=	=
	<u>60,049</u>	<u>48,960</u>

**11. PROVISIONS**

Employee Entitlements – annual leave	22,516	26,404
Employee Entitlements - long service leave	18,013	16,590
Jackpots	<u>770</u>	<u>744</u>
	<u>41,299</u>	<u>43,738</u>

<b>Analysis of Provisions</b>	<b>Annual Leave</b>	<b>Long Service Leave</b>
Opening Balance at 1 July 2018	26,404	16,590
Additional Provisions	11,451	1,423
Amounts used	<u>(15,339)</u>	=
Balance at 30 June 2019	<u>22,516</u>	<u>18,013</u>

**12. TAX LIABILITIES**

Provision for income tax	=	<u>3,383</u>
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**13. ISSUED CAPITAL**

Fully paid to \$2.00 each	<u>650</u>	<u>680</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.

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

**For the year ended 30 June 2019**

**14. RETAINED EARNINGS**

Retained earnings at the beginning of the financial year	2,422,170	2,422,886
Net profit (loss) attributable to members of the company	(123,086)	(716)
Forfeited Shares	<u>30</u>	=
Retained earnings at the end of the financial year	<u>2,299,114</u>	<u>2,422,170</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 2019**

**15. CASH FLOW INFORMATION**

**Reconciliation of Cashflow from Operations with Profit after Income Tax:**

	<b>2019</b>	<b>2018</b>
Operating profit (loss) after income tax	(123,057)	(716)
<b>Non Cash Flows in Operating Profit</b>		
Depreciation of property, plant and equipment	113,519	104,447
Gain on disposal of property, plant and equipment	-	(1,899)
Extraordinary Items	(30)	-
Charges to Current Provisions	(2,440)	12,208
<b>Change in Assets &amp; Liabilities</b>		
Decrease (Increase) in Inventories	1,110	974
Decrease (Increase) in Receivables	(2,283)	17,350
Increase (Decrease) in Trade Creditors	11,089	4,358
Increase (Decrease) in Other Current Liabilities	<u>(7,644)</u>	<u>(7,774)</u>
	<u>(9,736)</u>	<u>134,948</u>

**16. 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**

**ABN 87 050 058 118**

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

**For the year ended 30 June 2019**

**17. RELATED PARTY AND RELATED PARTY TRANSACTIONS**

**(a) Directors Compensation**

The directors act in an honorary capacity and receive only out of pocket expenses totalling \$828 (2018; \$4,552) incurred by the directors in fulfilling their roles were reimbursed.

**(b) Transactions with related parties**

There were no material contracts between directors or directors' related parties since the end of the financial year.

**(c) Key Management personnel**

The name and positions of those having authority and directing the company's activities directly or indirectly (other than directors) are Rodney Tormey (secretary).

**NOTE 18: SPECIAL REPORTING REQUIREMENTS**

The following information is required to be disclosed by the "Registered Clubs Amendments Act 2003" for the year ending 30<sup>th</sup> June 2019 and is important for club members. The original declarations, disclosures and returns made pursuant to Section 47H are held with the Secretary of the Club. Such declarations, disclosures and returns are available for inspection by members on written application to the Secretary.

**(a) Details of Approved Contracts**

No director had any interest in contracts.

**(b) Related Parties**

During the year the company did not employ any person who is related to a director or top executive of the club other than at a normal wage rate.

**(c) Payments to Consultants exceeding \$30,000**

There were no payments made to consultants exceeding \$30,000 during the year.

**(d) Payments to Consultants – Other**

The total payments to consultants other than those exceeding \$30,000 during the year amounted to Nil.

**(e) Legal Settlements**

There were no settlements made during the reporting period with a member of the Board or any employee of the company as a result of a legal dispute.

**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 2019**

**(f) Net revenue from poker machine takings**

Net revenue from poker machine trading for the 12 month period ended 30<sup>th</sup> June 2019 amounted to \$496,194 (2018 \$617,831).

**(g) Community Development and Support**

The company contributed an amount of Nil to community development and support (the CDSE scheme) as required under Part 4 of the Gaming Machine Tax Act 2001.

**NOTE 19: EVENTS AFTER THE REPORTING PERIOD**

Six poker machine entitlements were sold to Ramsgate RSL during July 2019 for \$99,000 (inc. GST). This will reduce the Club's permitted numbers from 37 machines to 31 machines.

**Rockdale Businessmen's Club Limited**

**ABN 87 050 058 118**

**DIRECTORS DECLARATION**

In the opinion of the Directors of Rockdale Businessmen's Club Limited for the year ended 30 June 2019:

- a) The attached financial statements and notes thereto comply with accounting standards.
- b) The attached financial statements and notes thereto give a true and fair view of the financial position and performance of the company.
- c) The attached financial statements and notes thereto are in accordance with the Corporations Act 2001 and the Corporations Regulations 2001.
- d) There are reasonable grounds to believe 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 made pursuant to s.295 (5) of the Corporations Act 2001.

Dated at Rockdale this 14<sup>th</sup> day of October 2019



.....  
**P LESLIE**

Director

**Rockdale Businessmen's Club Limited**

**ABN 87 050 058 118**

**INDEPENDENT AUDITORS'  
REPORT TO MEMBERS**

We have audited the accompanying financial report of Rockdale Businessmen's Club Limited which comprises the statement of financial position as at 30<sup>th</sup> June 2019 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 30<sup>th</sup> June 2019 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 confirm that the independence declaration required by the Corporations Act 2011, 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.

**Rockdale Businessmen's Club Limited**

**ABN 87 050 058 118**

**INDEPENDENT AUDITORS'  
REPORT TO MEMBERS**

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

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 2019, 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.

**Directors' responsibility 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.

**Rockdale Businessmen's Club Limited**

**ABN 87 050 058 118**

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

**Rockdale Businessmen's Club Limited**

**ABN 87 050 058 118**

**INDEPENDENT AUDITORS'  
REPORT TO MEMBERS**

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: 14 October 2019

**Rockdale Businessmen's Club Limited**

**ABN 87 050 058 118**

## **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 30<sup>th</sup> June 2019. 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: 14 October 2019



**Rockdale Businessmen's Club Limited**

**ABN 87 050 058 118**

**BAR TRADING STATEMENT**

**For the year ended 30 June 2019**

	<b>2019</b>	<b>2018</b>
<b>SALES</b>		
Bar Sales	410,082	396,881
<b>Less Cost of Goods Sold:</b>		
Opening Stock	14,224	15,197
Purchases	<u>188,295</u>	<u>169,296</u>
	202,519	184,493
Closing Stock	<u>13,114</u>	<u>14,223</u>
	<u>189,405</u>	<u>170,270</u>
Gross Profit	220,677	226,611
<b>Less Direct Costs:</b>		
Wages – Bar Staff	129,044	131,885
Stocktake fees	4,080	4,080
Superannuation	12,234	11,742
Gas	1,300	2,212
Member Discounts	39,161	32,260
Cleaning	<u>6,000</u>	<u>5,300</u>
	<u>191,819</u>	<u>187,479</u>
<b>Gross Profit/Loss from Bar Trading</b>	<u><b>\$28,858</b></u>	<u><b>\$39,132</b></u>

**Rockdale Businessmen's Club Limited**

**ABN 87 050 058 118**

**POKER MACHINE TRADING**

**For the year ended 30 June 2019**

	<b>2019</b>	<b>2018</b>
Poker Machine Revenue	496,194	617,831
<b>Less Direct Costs:</b>		
Computer service fee	31,562	31,540
Wages	96,783	96,476
Repairs & maintenance	18,920	22,663
Depreciation	49,572	48,428
Superannuation	<u>9,175</u>	<u>9,371</u>
	<u>206,012</u>	<u>208,478</u>
<b>Gross Profit from Poker Machine Trading</b>	<b><u>\$290,182</u></b>	<b><u>\$409,353</u></b>

**Rockdale Businessmen's Club Limited**

**ABN 87 050 058 118**

**KENO TRADING**

**For the year ended 30 June 2019**

	<b>2019</b>	<b>2018</b>
Keno commission	34,060	36,277
Commissions	2,758	2,452
<b>Less Direct Costs:</b>		
Stationery	561	454
Wages	32,261	32,159
Repairs & Maintenance	1,895	1,568
Depreciation	36	46
Keno promotions	-	-
Superannuation	<u>3,058</u>	<u>3,124</u>
	<u>37,811</u>	<u>37,351</u>
<b>Gross Profit Keno Trading</b>	<b><u>\$ (993)</u></b>	<b><u>\$ 1,378</u></b>

**Rockdale Businessmen's Club Limited**

**ABN 87 050 058 118**

**RENTAL STATEMENT - HUSKISSON**

**For the year ended 30 June 2019**

	<b>2019</b>	<b>2018</b>
Gross rent received - Huskisson	91,026	86,575
<b>Less Expenses:</b>		
Agents commission	8,694	8,655
Cleaning & Gardening	4,095	3,745
Depreciation	2,096	1,749
Electricity	3,677	3,492
Insurance	3,621	3,468
Rates & land tax	16,794	14,439
Repairs, maintenance & replacements	4,404	3,636
Inspection Costs	=	=
	<u>43,381</u>	<u>39,184</u>
<b>Gross Profit rental operations</b>	<b>\$ <u>47,645</u></b>	<b>\$ <u>47,391</u></b>

**Rockdale Businessmen's Club Limited**

**ABN 87 050 058 118**

**PROFIT & LOSS ACCOUNT**

**For the year ended 30 June 2019**

	<b>2019</b>	<b>2018</b>
<b>TRADING INCOME</b>		
Bar Trading	28,858	39,132
Poker Machine Trading	290,182	409,353
Keno & Commissions Trading	<u>(993)</u>	<u>1,378</u>
	318,047	449,863
<b>Expenditure:</b>		
Accountancy & audit	31,800	31,800
Administration salaries	110,419	114,717
Advertising	2,253	-
Bank Charges	872	931
Bookkeeping fees	18,351	16,973
Cleaning	57,408	58,937
Depreciation	61,815	60,224
Donations	828	828
Electricity & Gas	62,568	58,778
Foxtel & Setanta sports	24,570	29,602
General Expenses	-	160
Insurance	35,181	34,213
Presidents allowance	1,000	1,000
Printing, stationery & advertising	7,066	5,216
Rates & taxes	18,398	17,447
Repairs & maintenance	33,474	41,802
Security costs	780	780
Staff amenities	560	271
Social functions & promotions	45,100	43,945
Subscriptions, fees & licences	12,946	12,575
Superannuation	9,374	9,065
Telephone & internet	6,456	4,220
Travelling Expenses	<u>-</u>	<u>-</u>
	<u>(541,219)</u>	<u>(543,484)</u>
	(223,172)	(93,621)

**Rockdale Businessmen's Club Limited**

**ABN 87 050 058 118**

**PROFIT & LOSS ACCOUNT (cont)**

**For the year ended 30 June 2019**

	<b>2019</b>	<b>2018</b>
<b>OTHER INCOME</b>		
Rent received - Huskisson	47,645	47,391
Rent received - restaurant	38,400	33,455
Subscriptions	882	1,668
GST rebate	17,180	17,180
Interest Received	2,387	3,300
Sundry Income	-	500
Proceeds on sale of non-current assets	=	<u>1,899</u>
	<u>106,494</u>	<u>105,393</u>
<b>Operating Profit/(Loss) Before Income Tax</b>	<b>(116,678)</b>	<b>11,772</b>
Income Tax Expense	<u>(6,408)</u>	<u>(12,488)</u>
<b>Operating Profit (Loss) After Income Tax</b>	<b><u>\$(123,086)</u></b>	<b><u>\$(716)</u></b>