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# **Seven Hills-Toongabbie RSL Club Limited**

ABN 65 000 862 680

## **Summary Financial Statement 31 December 2023**

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The financial statements and other specific disclosures have been derived from Seven Hills-Toongabbie RSL Club Limited's (the Company) full financial report for the financial year. Other information included in the summary financial report is consistent with the Company's full financial report.

The summary financial statement does not, and cannot be expected to, provide as full an understanding of the financial performance, financial position and financing and investing activities of the entity as the full financial report.

A copy of the Company's 2023 Annual Financial Report, including the independent audit report, is available to all members and will be sent to members without charge upon request.

# Seven Hills-Toongabbie RSL Club Limited

## Directors' Report

### Directors

The directors present their report together with the financial statements of Seven Hills-Toongabbie RSL Club Limited (the company) for the year ended 31 December 2023.

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

<b>Director</b>	<b>Occupation</b>	<b>Special Responsibilities</b>	<b>Date of Appointment</b>
Barry Wilson	Retired	President	1 March 1993
Graham Black	Retired	Vice President	2 March 1992
John Burgess	Retired		23 March 1998
Robert Mackay	Retired		9 April 2006 (Resigned 28 May 2023)
Anne Moore	Retired		27 April 2008
Warren Evans	Retired		27 April 2008
William North	Retired		28 April 2008 (Resigned 28 May 2023)
Peter Harrington	Retired		1 May 2011
Charles Sala	Retired		29 November 2022 (Resigned 28 May 2023)
David Boyd	Semi-retired		28 May 2023
Terry Shepherd	Retired		28 May 2023
Peter Morris	Prison Officer		28 May 2023

### Directors' meetings

The number of meetings of the company's Board of Directors (the Board) held during the year ended 31 December 2023, and the number of meetings attended by each director were:

<b>Director</b>	<b>Number of meetings attended</b>	<b>Number of meetings held *</b>
Barry Wilson	12	12
Graham Black	11	12
John Burgess	12	12
Robert Mackay	5	5
Anne Moore	12	12
Warren Evans	11	12
William North	5	5
Peter Harrington	12	12
Charles Sala	5	5
David Boyd	7	7
Terry Shepherd	7	7
Peter Morris	7	7

\* Number of meetings held during the time the director held office during the year

# Seven Hills-Toongabbie RSL Club Limited

## Directors' Report (continued)

### Membership

The company is a company limited by guarantee and is without share capital. The number of members as at 31 December 2023 and the comparison with last year is as follows:

	2023	2022
Associate	35,269	34,061
Sub-Branch	401	397
Life	10	10
	<u>35,680</u>	<u>34,468</u>

### Members' limited liability

In accordance with the Constitution of the company, every member of the company undertakes to contribute an amount limited to one year's membership subscription 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 liability in the event of winding up is \$178,400 (2022: \$172,340)

### Operating Result

The net profit before tax for the year amounted to \$7,984,751 compared with \$6,409,992 for the prior year. This resulted after charging \$5,724,811 (2022: \$5,070,824) for depreciation and before charging \$843,199 (2022: \$283,857) for income tax.

### Short term and long term objectives

Continue to improve facilities for members and guests.

### Strategy for achieving the objectives

Continue to strengthen the company's financial position.

### Principal activities

The principal activities of the company during the year have continued to be those of licensed social clubs.

### How these activities assist in achieving the objectives

Operating the licensed clubs to generate the revenue to achieve our objectives.

### Performance measurement and key performance indicator

Maintaining a strong EBITDA and making all trading centres profitable.

Bar (Main Club)	2023	2022
Gross profit percentage	49.58%	48.08%
Wages to sales percentage	49.45%	49.67%
<b>EBITDA percentage (Company)</b>	<b>31.31%</b>	<b>31.44%</b>

# Seven Hills-Toongabbie RSL Club Limited

## Directors' Report (continued)

### 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 Seven Hills this 22nd day of March 2024.



**Barry Wilson**  
Director



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Australia

**DECLARATION OF INDEPENDENCE BY ELYSIA ROTHWELL TO THE DIRECTORS OF SEVEN HILLS  
TOONGABBIE RSL CLUB LIMITED**

As lead auditor of Seven Hills Toongabbie RSL Club Limited for the year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

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

**Elysia Rothwell**

**Director**

**BDO Audit Pty Ltd**

Sydney

22 March 2024

## Seven Hills-Toongabbie RSL Club Limited

### Summary Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 December 2023

	2023 \$	2022 \$
<b>Revenue</b>		
Sale of goods	5,561,485	5,044,337
Rendering of services	30,277,718	28,870,251
Other revenue	2,173,384	779,474
<b>Total revenue</b>	<b>38,012,587</b>	<b>34,694,062</b>
Other income	-	56,817
<b>Expenses</b>		
Raw materials/consumables used	(2,712,403)	(2,464,659)
Donations	(230,776)	(270,718)
Employee benefits expense	(6,939,534)	(6,439,103)
Entertainment, marketing and promotional costs	(1,615,778)	(1,413,987)
Poker machine licences and taxes	(6,410,496)	(6,306,165)
Depreciation expense	(5,724,811)	(5,070,824)
Occupancy expenses	(5,033,997)	(4,437,502)
Other expenses	(1,360,041)	(1,447,313)
Impairment loss	-	(490,616)
<b>Total expenses</b>	<b>(30,027,836)</b>	<b>(28,340,887)</b>
<b>Profit before income tax</b>	<b>7,984,751</b>	<b>6,409,992</b>
Income tax expense	(843,199)	(283,857)
<b>Profit after income tax for the year attributable to members</b>	<b>7,141,552</b>	<b>6,126,135</b>
Total comprehensive income for the year, net of tax	<b>7,141,552</b>	<b>6,126,135</b>

The Summary Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the discussion and analysis on page 10.

# Seven Hills-Toongabbie RSL Club Limited

## Summary Statement of Financial Position As at 31 December 2023

	2023	2022
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	5,205,057	6,082,799
Term deposit investments	43,500,000	39,000,000
Trade and other receivables	1,093,260	532,929
Inventories	273,545	233,147
Current tax asset	-	151,953
Prepayments	257,773	224,544
<b>Total Current Assets</b>	<b>50,329,635</b>	<b>46,225,372</b>
<b>Non-Current Assets</b>		
Trade and other receivables	1,528,907	1,593,781
Property, plant and equipment	102,539,347	100,561,885
Right of use asset	33,379	16,156
Intangible assets	1,630,000	1,630,000
Deferred tax assets	223,354	210,785
<b>Total Non-Current Assets</b>	<b>105,954,987</b>	<b>104,012,607</b>
<b>Total Assets</b>	<b>156,284,622</b>	<b>150,237,979</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade and other payables	1,813,458	3,424,321
Lease liabilities	7,215	15,657
Employee benefits	2,008,409	1,941,671
Current tax liability	433,494	-
Deferred revenue	700,083	695,254
<b>Total Current Liabilities</b>	<b>4,962,659</b>	<b>6,076,903</b>
<b>Non-Current Liabilities</b>		
Employee benefits	36,760	42,018
Lease liabilities	27,069	9,683
Deferred revenue	154,019	146,812
<b>Total Non-Current Liabilities</b>	<b>217,848</b>	<b>198,513</b>
<b>Total Liabilities</b>	<b>5,180,507</b>	<b>6,275,416</b>
<b>Net Assets</b>	<b>151,104,115</b>	<b>143,962,563</b>
<b>Members' Funds</b>		
Reserves	27,598,171	27,598,171
Retained surpluses	123,505,944	116,364,392
<b>Total Members' Funds</b>	<b>151,104,115</b>	<b>143,962,563</b>

The Summary Statement of Financial Position is to be read in conjunction with the discussion and analysis on page 10.

## Seven Hills-Toongabbie RSL Club Limited

### Summary Statement of Changes in Members' Funds For the Year Ended 31 December 2023

	Reserves \$	Retained Surpluses \$	Total Equity \$
<b>Balance at 1 January 2022</b>	<u>27,598,171</u>	<u>110,238,257</u>	<u>137,836,428</u>
Net profit after income tax expense for the year	<u>-</u>	<u>6,126,135</u>	<u>6,126,135</u>
Total comprehensive income for the year	<u>-</u>	<u>6,126,135</u>	<u>6,126,135</u>
<b>Balance at 31 December 2022</b>	<u>27,598,171</u>	<u>116,364,392</u>	<u>143,962,563</u>
Net profit after income tax expense for the year	<u>-</u>	<u>7,141,552</u>	<u>7,141,552</u>
Total comprehensive income for the year	<u>-</u>	<u>7,141,552</u>	<u>7,141,552</u>
<b>Balance at 31 December 2023</b>	<u>27,598,171</u>	<u>123,505,944</u>	<u>151,104,115</u>

The Summary Statement of Changes in Members' Funds is to be read in conjunction with the discussion and analysis on page 10.



# Seven Hills-Toongabbie RSL Club Limited

## Summary Statement of Cash Flows For the Year Ended 31 December 2023

	2023 \$	2022 \$
<b>Cash Flows From Operating Activities</b>		
Receipts from customers (inclusive of GST)	39,286,625	36,857,614
Grants received	-	56,817
Payments to suppliers and employees (inclusive of GST)	(29,409,323)	(24,777,193)
Rent received	348,000	76,612
Interest received	1,302,525	702,862
Net Income taxes paid	(270,320)	(401,477)
	<hr/>	<hr/>
<b>Net cash from operating activities</b>	<b>11,257,507</b>	<b>12,515,236</b>
<b>Cash Flows From Investing Activities</b>		
Proceeds from sale of property, plant, and equipment	391,127	319,111
Payments for property, plant, and equipment	(8,190,277)	(16,343,143)
Payments to term deposit investment	(4,500,000)	-
Proceeds from term deposit investment	-	1,500,000
Proceeds from loans provided	(50,000)	-
Payments for loans provided	213,901	827,587
	<hr/>	<hr/>
<b>Net cash used in investing activities</b>	<b>(12,135,249)</b>	<b>(13,696,445)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(877,742)</b>	<b>(1,181,209)</b>
<b>Cash and cash equivalents at the beginning of the financial year</b>	<hr/>	<hr/>
	6,082,799	7,264,008
<b>Cash and cash equivalents at the end of the financial year</b>	<hr/>	<hr/>
	<b>5,205,057</b>	<b>6,082,799</b>

The Summary Statement of Cash Flows is to be read in conjunction with the discussion and analysis on page 10.

# Seven Hills-Toongabbie RSL Club Limited

## Discussion and Analysis

### Summary Statement of Profit or Loss and Other Comprehensive Income

The total revenue has increased by \$3,318,525 (9.5%) from the prior year whilst expenses including depreciation have increased by \$1,686,949 (6.0%) resulting in a net profit before tax of \$7,984,751 compared to \$6,409,992 net profit before tax for the previous year, an increase of \$1,574,759 (24.6%).

Individual items that impacted the 2023 result were:

- Revenue from sale of goods in bar increased by \$517,148 (10.3%)
- Revenue from rendering of services increased by \$1,407,467 (4.9%) mainly due to increased golf revenue of \$715,735 (27.1%) and net poker machine revenue of \$297,067 (1.2%)
- Other Revenue increased by \$1,393,910 (178.8%)
- Other Income decreased by \$56,817 (100.0%)
- Cost of bar sales increased by \$247,744 (10.1%)
- Donations decreased by \$39,942 (14.8%)
- Employee benefits expenses increased by \$500,431 (7.8%)
- Entertainment, marketing and promotional costs increased \$201,791 (14.3%)
- Poker machine licenses and taxes increased by \$104,331 (1.7%)
- Depreciation increased by \$653,987 (12.9%)
- Occupancy expenses increased by \$596,495 (13.4%)
- Other expenses decreased by \$87,272 (6.0%)
- Impairment loss decreased by \$490,616 (100.0%)

### Summary Statement of Financial Position

The entity's net assets have increased by \$7,141,552 or 4.9% since the previous year consisting of an increase in total assets of \$6,046,643 and a decrease of \$1,094,909 in total liabilities.

The increase in total assets is primarily due to an increase in property, plant & equipment of \$1,977,462, and an increase in cash and term deposit investments of \$3,622,258.

The decrease in total liabilities is primarily due to a decrease in Trade & Other Payables of \$1,610,863.

### Summary Statement of Cash Flows

Operating activities received net cash of \$11,257,507, a decrease of \$1,257,729 when compared to the previous year.

Cash used in investing activities of \$12,135,249 primarily related to payments for property, plant and equipment of \$8,190,277 and transfers to term deposit investments of \$4,500,000.

The above factors resulted in an overall decrease of \$877,742 in cash held compared with last year's decrease of \$1,181,209.

Cash and cash equivalents at year end was \$5,205,057 compared to \$6,082,799 for the prior year.

# **Seven Hills-Toongabbie RSL Club Limited**

## **Notes to the Summary Financial Statements For the Year Ended 31 December 2023**

### **1 Summary of Significant Accounting Policies**

#### **Basis of Preparation of the Summary Financial Statements**

The Summary Financial Statements have been prepared from the audited financial report of Seven Hills-Toongabbie RSL Club Limited for the year ended 31 December 2023. The audited report for the year ended 31 December 2023 is available at request from Seven Hill-Toongabbie RSL Club.

The financial statements are presented in Australian dollars which is the entity's functional and presentational currency.

The financial statements, specific disclosures and other information included in the summary financial statements have been derived from and are consistent with the full financial statements of Seven Hills-Toongabbie RSL Club Limited as the full financial report.

The summary financial statements do not, and cannot be expected to, provide a detailed understanding of the financial performance, financial position and financing and investing activities of Seven Hills-Toongabbie RSL Limited as the full financial report.

The accounting policies have been consistently applied to Seven Hills-Toongabbie RSL Club Limited and are consistent with those of the financial year in their entirety.

# Seven Hills-Toongabbie RSL Club Limited

## Directors' Declaration

The directors of Seven Hills-Toongabbie RSL Club Limited (the company) declare that the summary financial statements of the entity for the financial year ended 31 December 2023, as set out on pages 6 to 11:

- (a) complies with the accounting policies disclosed in Note 1; and
- (b) is an extract from the full financial report for the year ended 31 December 2023 and has been derived from and is consistent with the full financial report of the entity.

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

Dated at Seven Hills this 22nd day of March 2024.

  
**Barry Wilson**  
Director

## REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS

To the members of Seven Hills-Toongabbie RSL Club Limited

### Opinion

The summary financial statements of Seven Hills-Toongabbie RSL Club Limited (the Company), which comprise the summary statement of financial position as at 31 December 2023, the summary statement of profit or loss and other comprehensive income, summary statement of changes in equity and summary statement of cash flows for the year then ended, and related notes, are derived from the audited financial report of the Company for the year ended 31 December 2023. We expressed an unmodified audit opinion on that financial report in our report dated 22 March 2024.

In our opinion, the summary financial statements for the Company derived from the audited financial report of Seven Hills-Toongabbie RSL Club Limited for the year ended 31 December 2023 are consistent, in all material respects, with the audited financial report, on the basis described in Note 1.

### Summary Financial Statements

The summary financial statements do not contain all the disclosures required by Australian Accounting Standards - Simplified Disclosures. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial report and the auditor's report thereon.

### Directors' Responsibility for the Summary Financial Statements

The Directors' are responsible for the preparation of the summary financial statements in accordance with the basis described in Note 1.

### Auditor's responsibilities for the audit of the Financial Report

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial report based on our procedures, which were conducted in accordance with Auditing Standard *ASA 810 Engagements to Report on Summary Financial Statements*.

**BDO Audit Pty Ltd**

Elysia Rothwell



Director

22 March 2024