

Warwick RSL Citizens & Memorial Cub Inc

(trading as Club Warwick RSL)

66th Annual Report 2022

Kings Theatre

Tuesday 20th June

7pm sharp



65 Albion Street, Warwick Qld 4370 0417 074 788 / 07 4661 1229

www.warwickrsl.com.au



CLUB WARWICK RSL 2023 AGM

Annual General Meeting of the members of Warwick RSL Services & Citizens Memorial Club Inc., trading as Club Warwick RSL.

Tuesday, 20th June 2023 at 7:00PM Kings Theatre

AGM AGENDA

Welcome by Chair – Peter Campbell

1. Call to order
2. Attendance / Quorum / Apologies
3. Conflicts of interest/declarations
4. Confirmation of Minutes of Annual General Meeting held 14th June 2022
5. Business arising from the minutes
6. Treasurer's Annual Financial Report
7. President's Annual Report
8. Dissolution of current Board
9. Election of the Board for 2023 Term
10. Appointment of Club Auditor – Moore Australia Audit and Assurance Services
Murray McDonald Partner Audit and Assurance and Robyn Speed Principal Audit and Assurance Moore Australia
11. Approve Directors expenditure for training, attending Clubs Queensland meetings and seminars, RSL & Services Clubs Association meetings, Club Managers Association meetings, other association meetings and training seminars approved by the Board of Directors.
12. Request information with prior notice
13. Appointment of Club Patron - James Lister MP
14. Michael Jones CEO Presentation to members – Moving forward strategy
15. Closing comments Chair Peter Campbell

Beverages and nibbles at conclusion of meeting

Notice to Members – To enable properly researched replies to be prepared for the benefit of members, it would be appreciated if members who wish to raise any queries or seek information at the meeting concerning Annual Accounts, the Balance Sheet or Associated Statements of the affairs of the Club, would give the Secretary notice in writing of their queries seven (7) days prior to the date of the Annual General Meeting.

Close

W. Campbell
Secretary

Presidents Report

Good evening members, welcome.

On behalf of the Board, our apologies for postponing the AGM in March. The Board was not prepared to sign off on the financials presented to the Board by HA Hooper Accountants, prior to the March AGM. It is imperative the Board maintain required governance, and follow necessary legal requirements and responsibilities, to protect our members and the Club.

As you know an eye watering Tax debt was accumulated prior to 2019. I am very pleased to announce the Tax debt was paid up in full in December 2022. Please join me in congratulating our CEO Michael Jones for this great achievement and freeing up significant workable funds for the Club.

The Club continues to remain in a strong financial position, the 2022 Financial Statements show the Club had a very successful year, showing a surplus for 2022 of \$ 333,086.00 placing the Club in a strong position for 2023. Congratulations to Michael, senior staff, our staff and the Board. A ten-year financial projection in conjunction with Wohlsen Consulting was developed in 2022 giving the Board, our CEO and senior staff a sound financial footing going forward.

The tasks set in the strategic plan established in 2022 have been achieved. A strategic plan workshop will be established after the AGM this year to continue the benefits of the strategic plan for the future development of the Club.

Chef Julianne (Jules) Farley has worked tirelessly in turning the Kitchen and Front of House around, for our Club to become a friendly family place to come too and enjoy great meals and hospitality. Chef Jules was nominated by Club Warwick RSL in the "Clubs Queensland Awards for Excellence" 2023. Huge congratulations to Chef Jules for making the final 5 across Qld clubs. Some 65 Chefs were nominated and Julie's made the final 5, selected in "Clubs Queensland Best Dining category." A big thank you to Jules and her team.

Club Warwick RSL nominated our CEO Michael Jones in "Clubs Queensland Awards for Excellence" 2023 "Club Manager of the year" Michael recognises that the Club needs to be an indispensable part of the social fabric of our community. The Club provides a platform that allows people in our community to pursue their interests, to congregate and interact with one another in a safe and welcoming environment. Michael, in his own time liaised with various Community Groups and organised weekly free soup and winter stews for the Salvation Army Homeless Centre from our Club's kitchen.

Club Warwick RSL has been awarded a recommendation badge by Restaurant Guru based on the Club's visitor's reviews.

The Board after much discussion, went to the market to see what is offering regarding Auditors and audit processes for our Club, Tenders were subsequently called.

Presidents Report

A special board meeting was held to review the submissions and decide on an auditor for financial year 2023 and beyond. This was a major decision from the board and was not as simple as a straight forward pros and cons list, there are a number of factors of varying importance and offers that needed to be considered in the overall decision.

Utilising a weighted decision matrix was arguably the best way to assist the board in making such an important and complex decision for an auditor for the Club, it also gives you, our members confidence in the board's final decision.

The Board has chosen Moore Australia as the Club's Auditor replacing HA Hooper Accountants.

Moore Australia are an Associate Member of Clubs Queensland, and have over 60 years' experience in providing expert audit and assurance services to the Club, Hospitality and Gaming industry, this background and commercial knowledge is extremely beneficial to our Club and members going forward.

In conjunction with their tendered services, Moore Australia offer a detailed complimentary audit service above others, namely:

- review of key business processes and procedures with relevant business focused recommendations for improvements;
- recommendations on improvements to the internal control systems, including corporate governance;
- high level review of Clubs compliance with certain indirect taxes identified as a focus area by audit;
- review of the systems and controls and recommended improvements, including access controls, system integration and disaster recovery and cyber security;
- identification of key risks and recommended mitigation plan to improve Clubs risk management framework;
- reasonable effort to interpret new accounting standards when and if they arise.

The Board Audit Report also covers fraud and miss appropriation of funds in detail further safeguarding the Club and members.

Importantly, the report is distributed to both our CEO and the Board. After receiving the report, it will be placed on the agenda at the next board meeting for discussion and action where necessary.

It is interesting to note that Moore Australia was the only firm (apart from HA Hooper Accountants) to visit our Club and spend considerable time to understand our operation prior to submitting their tender.

It is extremely important we continue to future proof the Club from past unenviable events.

It is well documented that rental costs are increasing quite rapidly in Warwick due to the impact of the wind farm development over a ten-year period and other influences. Rents are now reaching \$800 to \$1,000 per week.

Lengthy discussion by the Board was had over some time regarding this situation and the potential effect high rental costs will have on both our Club and CEO/Managers in the future.

Presidents Report

The Board decided to progress the purchase of a residence to lodge our CEO and future CEO/managers, giving the club and CEO stability, this will also have the potential of attracting high profile CEO/Managers to our Club if or when our CEO were to retire.

Subsequent discussion was had with our ComBank managers, Paul Swift and Matt Schick regard going forward with this proposal. There was no hesitation from either Paul or Matt on behalf of ComBank due to the Club having paid the Tax Debt, the Club is well ahead with payments to the Business loan and the Club's vibrant financial position.

The proposal has its own safeguards whereby it could be sold or rented at the high rental costs of the day giving the Club a return on the asset.

The Board called a special Board meeting on 6th May and approved the purchase of 52 Glen Road Warwick, asking price was \$523,000 and negotiated to \$493,000 a saving of \$30,000. The contract was signed 8th May 2023 with Settlement due on or before 7 July 2023. A sub-committee will be formed to manage the asset.

Thank You Notes:

Thank you, Michael, for job well done throughout 2022, Michael has had his challenges to say the least, however is able to consolidate the Club to a strong financial position in conjunction with the many positive innovations to the Club, cost savings and staff development. Michael it is greatly appreciated and a pleasure to work with you. Thank you,

A truly effective board calls for a mix of directors with the right skill sets, Club industry knowledge/experience and strong values.

The most effective board members offer a broad range of skills, including leadership skills, strategic thinking, communication, team work and financial literacy.

CEO Report

It is great with pleasure that I present my report to the members for the 2023 Annual Meeting.

Wow, what a year. The business is still growing and finding its way back into the community. Although the club has made huge inroads to gain the support of the community, we still have a way to go. We have demonstrated to the community that the club will be here for a long time to come.

Since January 2022 we are trending to an overall increase of 20% across the board in just 10 months for food, beverage, functions and gaming. We have created positive change within the Club and in the perception of the Club and built relationships and connections with the Board, Staff and the community that has markedly improved the bottom line of the business and consolidated that position in the last 10 months.

My biggest 'project' is the health and welfare of the staff at Club Warwick RSL. The investment in them is one of the biggest investments in the business - ensuring top staff have longevity, provide stability and professionalism. I work tirelessly with the staff to work on their strengths and weaknesses and identify areas of training required for their improvement and professionalism. I have organised Johnathon Waller from Personal Hospitality Solutions, in discussion with key staff, to implement the Staff RISE UP program and this year we have had 3 successful meetings with over 80% of all staff attending.

In conjunction with this I have organized Geoff Wolshen for a seminar, and then follow up meetings this year, with the Board and key staff to put forward and implement a 5 year Strategic Plan that includes Operating costs that must be managed to generate acceptable EBITDARD margins.

To achieve the culture that we are striving for staff training is ongoing. Every quarter we have staff training in culture in the workplace, WHS, Compliance, Harm Minimisation and OLGR just to name a few. The goal posts keep shifting from State and Federal regulations so the Board, Staff and management need to abreast of the changes and we, as a group, attend the required meetings to ensure everyone is compliant.

The build to engage Community Groups began last year and has come to fruition this year with the incredibly successful involvement with Morgan Park Raceway, Morgan Park Polocrosse, Warwick Rodeo, Jumpers and Jazz, Celtic Festival, Pentathrun, Southern Downs Heritage Rail Tours, Carols in the Park and the Christmas Tree Lights in the street, various Sporting Groups and the Warwick Chamber of Commerce, just to name a few, through collaboration, sponsorship or Community Club Support.

In conjunction with this the Club provides Temporary Membership Cards which are handed out to the competitors at Morgan Park Raceway, Morgan Park Polocrosse and soon to the Acciona team, which will be building the biggest wind farm in Queensland just out of Warwick.

The Club also supports one of their key staff to run the Cancer Council Biggest Morning Tea' - which the Club ran over 5 days, in conjunction with our free Morning Melodies, Trivia and Musical Bingo. This was very successful and raised over \$3,000.00. Plans are in place already for this year.

CEO Report

We have actively involved our Club in community events with sponsorship, use of the Club facilities and in-kind promotions like the Arteliers of the Jumpers & Jazz Festival, Mahjong, Bubbles and Art, Charge Back to Your Motel Room to name a few.

The Club also sponsored the Kids Playground at the Warwick Polocrosse Grounds and also has yearly sponsorship at Morgan Park and the Southern Downs Heritage Rail Tours.

Donations to these Clubs for 2022 totalled \$39k. Up from \$13k in 2021.

The Board and Management considered that by supporting the Salvation Army we could assist one of the key groups in our Community that work at the coal face of homelessness and are one the biggest supporters of families in need.

I have liaised with the Salvation Army Homeless Centre and facilitated weekly free soup and winter stews from the Club's kitchen, so currently there are 50 disadvantaged people who know that they will get a free, healthy, restaurant quality meal every week. Further to this the Club also supports their annual Red Shield Appeal Breakfast by providing the function room space, discounted prices and free staff service.

Last year was the Club's first time involvement with the Red Shield Appeal breakfast and the event raised \$6,200.00 which we proudly presented to Captains Richard and Leanne Hardaker.

This year \$17,784.00 was raised, which was the largest amount raised at any of Red Shield Appeal breakfast events in Queensland. The breakdown for this incredible amount is \$8,700.00 from the Breakfast donations, \$6,500.00 in general Community donations and \$2,600.00 from in kind donations from Club Warwick RSL.

Our work and recognition in our community is reflected in approximately 60 new Members joining consistently every week - we are now sitting at 4,200 Members, up from 3,000 last year. We also have 170 children as members of our Little Diggers Kids Clubs.

Repairs and maintenance are a continuing burden on the club's cash flow and we are still playing catchup on historical problems with old equipment.

The biggest achievement of the year was paying out the ATO debt which has burdened the Club's financial position for the past 5 years.

It was highly satisfying to start the 2023 financial year free of this debt.

I would like to thank the Board for their continuing support and commitment - it is not an easy task to be available 24/7, to take on board all the training required, the problems to solve, all on a Volunteer basis.

I would also like to thank the staff for their incredible contribution, professionalism and commitment, day after day to making our Club 'The Best Club on the Southern Downs'



"The Price of Liberty is Eternal Vigilance"

RSL Sub-Branch report

AGM, Warwick Services and Citizens Memorial Club

The Warwick RSL Sub-Branch is the oldest continuing Sub-Branch in Queensland having held its first meeting on August 4, 1917.

The Sub-Branch is a separate entity to the RSL Club although the Sub-Branch built the first part of the Club during the 1950s and then managed it up until 1982.

It was felt at the time the Sub-Branch needed to concentrate on its core business of care for ex-service men and women, widows and family members of deceased veterans and in some cases, those still serving, rather than manage a Club with volunteers.

The Club started to expand immeasurably in the years following the Queensland Government's introduction of gambling facilities in Clubs and Hotels after seeing millions of dollars travel across the border into New South Wales in order to enjoy the facilities offered there.

Those legislative changes led to the magnificent Club we all now enjoy.

The Sub-Branch opens its office here every Wednesday morning to deal with matters arising however much of the work is done at other times through phone calls and personal visits at almost any time of the day and night.

The core business of the Sub-Branch is pensions, welfare and advocacy however, through the auspices of RSL Queensland, we are able to offer education scholarships, jobs training and placements for recently transitioned defence people, accommodation for homeless veterans and a great deal more.

We also have a Veteran Services Officer attend the Club on the first Wednesday of each month to assist us provide a better service for veterans. This service started earlier this year and has proven to be not only needed locally but hugely successful.

It is unfortunate but we cannot advertise much of the work we do in assisting veterans as this could cause those we help some embarrassment.

The Sub-Branch is also charged with maintaining memorial services for events such as ANZAC Day, Remembrance Day, Vietnam Veterans' Day and other special anniversaries as they occur.

We also conduct a significant part of veteran's funeral service by recounting his or her service, placing a National Flag on the casket and conducting what is known as



"The Price of Liberty is Eternal Vigilance"

RSL Sub-Branch report

AGM, Warwick Services and Citizens Memorial Club

the 'Poppy Service' which ends with the bugle tunes The Last Post and The Rouse. We do this for any veteran whose family asks us, be they members of the Sub-Branch or not.

Currently, the Sub-Branch has 150 members, the fourth largest in the RSL Western Districts which has 39 Sub-Branches from The Range to the western border and from the southern border as far north as Taroom.

Our board meets on the first Wednesday of each month apart from January and we conduct Quarterly General meetings in order to keep members informed.

The Sub-Branch also prepares and sends out a quarterly, 10-page newsletter with matters of interest, notices, Department of Veteran Affairs news, contact numbers and email addresses, military happenings along with the worst jokes and cartoons we can find.

The next major event for the Sub-Branch is the centenary of the Warwick Cenotaph which was officially opened in November, 1923. To assist in making this event a success, we have been working with Council to improve the aesthetics of the Cenotaph Precinct for the past three years – progress has not been as rapid as we would have hoped which means what does happen will be at the last moment.

In closing this brief report, I want to thank Club manager Michael Jones and his staff for the wonderful treatment they afford the Sub-Branch. They make us feel as if we are special. We know this will continue as we work through future projects with the Club, including a much larger and improved memorial display.

Yours sincerely

John Skinner
President



Treasurers Report

CLUB WARWICK RSL FINANCIAL YEAR JAN - DEC, 2022

Welcome to all the members who have joined us tonight.

I hope you have enjoyed dinner in the Bistro tonight before this meeting.

My report tonight is taken from the Auditors Financial Statements, which you can read in full at your leisure.

Total income \$5,171,678 - an increase of approx \$900,000 on the previous financial year with a Current Year Surplus of \$333,086

It is worth noting that our total Assets are now \$ 10,689,032 an increase from \$6,859,871 the previous year.

The Club is tracking very well so far this financial year to improve on that.

There is always money to be spent on replacing or upgrading old equipment, so we are constantly having expenses to deal with that.

One of our best milestones at the end of last December, was to finally pay off the ATO for the outstanding tax debt. So that has freed up money to be able to work on the other important projects that we are planning.

Our position with the Commonwealth Bank is excellent, and they are more than happy with the way we are doing business.

Yvonne Stocks
Treasurer of Club Warwick RSL.



Financial Statements

Warwick RSL Services & Memorial Club Inc

ABN 54 220 229 784

For the year ended 31 December 2022

Prepared by Hooper Accountants



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Management Committee Report

Warwick RSL Services & Memorial Club Inc For the year ended 31 December 2022

Your Management Committee present this report on the association for the financial year ended 31 December 2022.

Committee Members

The names of the committee members in office at any time during or since the end of the year are:

Executive Committee

Harry Liaubon - President

Lorraine Dent - Vice President

Wendy Campbell - Secretary

Yvonne Stocks - Treasurer

Thea Francis - Committee Member (Retired 9 October 2022)

Trevor Devine - Committee Member (Did not seek re-election)

Roslyn Latham - Committee Member

Gary Mogridge - Committee Member

Operating Result

The surplus (deficit) of the association for the financial year amounted to:

Year Ended	Result
31 December 2020	\$169,905
31 December 2021	\$59,136
31 December 2022	\$333,086

Principal Activities

The principal activities of the Warwick RSL Services & Memorial Club Inc during the course of the year were the following:

1. to support and promote the ideas of the ANZAC spirit and heritage in conjunction with like organisations that are deemed appropriate;
 2. to communicate with or make representation whether by way of petition or otherwise to Government and any other bodies to put forward the views of Members on any other bodies;
 3. to put forward the views of Members on any matters which may affect their well being or that may be to their common advantage;
 4. where considered appropriate, to act in conjunction with or in support of action taken by other organisations in the interest of licensed clubs generally;
 5. to raise funds and sponsorship, grant, donation or other incomes in a method approved by the Management Committee, in addition to membership fees, for the operation of the Association;
 6. to do all such things as are incidental or conducive to the attainment of the above objects or any of them.
- No significant changes in the nature of the Associations activity occurred during the financial year.

Review of Operations

The accompanying notes form part of these financial statements.



A review of the operations of the association during the financial year and the results of those operations are as follows:

The association continued its operations in the same manner as previous years.

Significant Changes in the State of Affairs

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

After Balance Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the association, the results of those operations, or the state of affairs of the association in subsequent financial years.

Future Developments

The association expects to maintain the present status and level of operations and hence there are no likely developments in the operations in future financial years.

Environmental Issues

The association's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Dividends

No dividends were declared or paid during the financial year. Dividends are prohibited by the constitution of the association.

Signed in accordance with a resolution of the Executive Committee and Management:

Harry Liaubon

President

Date 24/05/2023

Yvonne Stocks

Treasurer

Date 24/5/2023

The accompanying notes form part of these financial statements.



Statement of Comprehensive Income

Warwick RSL Services & Memorial Club Inc

For the year ended 31 December 2022

	NOTES	2022	2021
Income			
Trading Revenue	2	5,171,678	4,273,604
Total Income		5,171,678	4,273,604
Direct Costs			
Cost of Goods Sold		1,810,288	1,571,620
Total Direct Costs		1,810,288	1,571,620
Gross Surplus		3,361,391	2,701,984
Other Income			
Other income	2	71,308	10,879
Total Other Income		71,308	10,879
Expenditure			
Administration expenses		163,303	171,531
Advertising & marketing		340,383	207,621
Audit fees		18,907	7,058
Depreciation		85,464	242,356
Donations & Sponsorships		13,529	7,473
Employment costs		1,717,168	1,397,997
Entertainment		81,458	52,543
General expenses		69,533	109,861
Insurance expense		73,137	6,900
Interest expense		53,418	48,119
Rates and occupancy expense		114,030	97,357
Rental expenses		48,878	28,128
Repairs & maintenance		166,120	130,322
Sundry expenses		4,883	10,635
Utilities		149,402	135,828
Total Expenditure		3,099,613	2,653,727
Current Year Surplus / (Deficit)		333,086	59,136

The accompanying notes form part of these financial statements.



Statement of Financial Position

Warwick RSL Services & Memorial Club Inc As at 31 December 2022

	NOTES	31 DEC 2022	31 DEC 2021
Assets			
Current Assets			
Cash and cash equivalents	3	236,641	279,668
Accounts and other receivables	4	51,462	147,598
Inventories	5	77,367	63,613
Other current assets	6	5,000	5,000
Total Current Assets		370,470	495,880
Non-Current Assets			
Property, plant and equipment	7	10,318,563	6,363,991
Total Non-Current Assets		10,318,563	6,363,991
Total Assets		10,689,032	6,859,871
Liabilities			
Current Liabilities			
Accounts and other payables	8	215,245	183,194
Tax liabilities	9	40,400	255,434
Other current liabilities & provisions	10	292,630	285,460
Total Current Liabilities		548,275	724,087
Non-Current Liabilities			
Financial Liabilities	11	859,286	996,976
Other non current liabilities	12	59,514	55,540
Total Non-Current Liabilities		918,800	1,052,515
Total Liabilities		1,467,076	1,776,602
Net Assets		9,221,957	5,083,269
Member Funds			
Accumulated surplus		4,525,648	4,192,562
Reserves		4,696,309	890,707
Total Member Funds		9,221,957	5,083,269

The accompanying notes form part of these financial statements.



Statement of Cash Flows

Warwick RSL Services & Memorial Club Inc For the year ended 31 December 2022

	2022	2021
Operating Activities		
Receipts from Customers and Donors	5,729,223	4,721,712
Payments to Suppliers and Employees	(5,362,748)	(4,426,103)
Net Cash Flows from Operating Activities	366,475	295,610
Investing Activities		
Payment for property, plant and equipment	(296,811)	(221,282)
Net Cash Flows from Investing Activities	(296,811)	(221,282)
Financing Activities		
Proceeds from borrowings	91,654	45,062
Repayment of borrowings	(204,346)	(310,890)
Net Cash Flows from Financing Activities	(112,691)	(265,827)
Net Cash Flows	(43,027)	(191,500)
Cash and cash equivalents		
Cash and cash equivalents at beginning of period	279,668	471,168
Net change in cash for period	(43,027)	(191,500)
Cash and cash equivalents at end of period	236,641	279,668

The accompanying notes form part of these financial statements.



Statement of Changes in Equity

Warwick RSL Services & Memorial Club Inc For the year ended 31 December 2022

	2022	2021
Movement in equity		
Opening Balance	5,083,269	5,024,133
Surplus (deficit) attributable to the members	333,086	59,136
Increase (decrease) from asset revaluation	3,805,602	-
Total Movement in equity	9,221,957	5,083,269

The increase from asset revaluation was primarily attributable to a revaluation of Land & Buildings net the impact of adjustments to the fixed assets accounts as a direct result of a full audit of fixed assets completed by management. As these adjustments correct for historical nature deviations, we have recognised this as an extra ordinary adjustment to members equity.

	2022	2021
Equity		
Member funds	4,525,648	4,192,562
Asset revaluation reserve	4,696,309	890,707
Total Equity	9,221,957	5,083,269

The accompanying notes form part of these financial statements.



Notes to the Financial Statements

Warwick RSL Services & Memorial Club Inc

For the year ended 31 December 2022

1. Statement of Significant Accounting Policies

The financial report is a special purpose financial report that has been prepared in accordance with Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board and the Associations Incorporation Act (Qld) 1981.

The financial report covers Warwick RSL Services & Memorial Club Inc as an individual entity. Warwick RSL Services & Memorial Club Inc is a not-for-profit association, incorporated and domiciled in Australia.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Accounts Receivable

Accounts receivable and other receivables are recognised at the nominal transaction value without taking into account the time value of money. If required a provision for doubtful debt has been created.

Inventories

Inventories are carried at the lower of cost or net realisable value. Cost is based on the first-in, first out method and includes expenditure incurred in acquiring the inventories and bringing them to the existing condition and location.

Property, Plant and Equipment

Property, plant and equipment is initially recorded at the cost of acquisition or fair value less, if applicable, any accumulated depreciation and impairment losses. Plant and equipment that has been contributed at no cost, or for nominal cost, is valued and recognised at the fair value of the asset at the date it is acquired. The plant and equipment is reviewed annually by directors to ensure that the carrying amount 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 utilisation of the assets and the subsequent disposal.

Freehold land is measured at fair value based on periodic valuations by independent external valuers. Buildings and Improvements are adjusted annually at the replacement value of the building and improvements inclusive of the closing written down value of fixed assets pertaining to the building.

Increases in the carrying amount of land and buildings arising on revaluation are credited in equity to a revaluation surplus. Decreases against previous increases of the same asset are charged against fair value reserves in equity. All other decreases are charged to profit or loss.

Any accumulated depreciation at the date of revaluation is offset against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Accounts Payable



Accounts payable and other payables represent the liabilities for goods and services received by the association that remain unpaid at the end of the financial period. Trade payables are recognised at their transaction price. They are subject to normal credit terms and do not bear interest.

Employee Benefits

Provision is made for the liability for employee entitlements arising from services rendered by employees. Employee benefits have been measured at the amounts expected to be paid when the liability is settled, plus related costs.

Provisions

Provisions are recognised when the entity has a legal or constructive obligation resulting from past events, for which it is probable that there will be an outflow of economic benefits and that outflow can be reliably measured. Provisions are measured using the best estimate available of the amounts required to settle the obligation at the end of the reporting period.

Revenue Recognition

Revenue from the sale of goods and rendering of services is recognised upon the delivery of goods and services to customers. Revenue from commissions is recognised upon delivery of services to customers. Revenue from interest is recognised using the effective interest rate method. Revenue from dividends is recognised when the entity has a right to receive the dividend.

Revenue recognition limitations exist with Warwick RSL Services & Memorial Club Inc. Due to the volunteer nature of the entity, the existence of cash receipts associated with some revenues and the practical limitations with maintaining effective control over these cash receipts. Warwick RSL Services & Memorial Club Inc recognise revenue on deposit with the bank. Management make every effort to ensure all cash receipts are deposited promptly with the bank.

All revenue is stated net of the amount of goods and services tax (GST) where GST is applicable.

Goods and Services Tax

Transactions are recognised net of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the balance sheet.

Leases

Finance leases are leases of fixed assets where substantially all of the risks and benefits incidental to the ownership of the asset are transferred to the entity, but the legal ownership is not transferred to the entity. Finance leases are capitalised by recording an asset and a corresponding liability at the lower of the amounts equal to the fair value of the leased asset, or the minimum lease payments measured at present value including any residual values.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term. Operating lease payments are charged to the income statement on a straight-line basis over the term of the lease. Lease incentives are deferred and amortised over the period of the lease.

Profits and losses on sale and leaseback transactions are recognised in the reporting period in which they occur.

Grants

Grant revenue is recognised in the income statement when the entity receives the grant, when it is probable that the entity will receive the economic benefits of the grant and the amount can be reliably measured. If the grant has conditions attached which



must be satisfied before the entity is eligible to receive the grant, the recognition of the revenue will be deferred until those conditions are satisfied.

Where the entity incurs an obligation to deliver economic value back to the grant contributor, the transaction is considered a reciprocal transaction and the revenue is recognised as a liability in the balance sheet until the required service has been completed, otherwise the income is recognised on receipt.

Warwick RSL Services & Memorial Club Inc receives non-reciprocal contributions of assets from the government and other parties for a nominal or zero value. These assets are recognised at their fair value on the date of acquisition in the balance sheet, with an equivalent amount of income recognised in the income statement.

Donations and bequests are recognised as revenue when received.

Government Grants

Government grants received are recognised as revenue on a basis to match the recognition of revenue with costs incurred in the project. Where the design, development and implementation extend over multiple financial periods, the revenue has been recognised as required within the governing funding agreement.

Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

	2022	2021
2. Income		
Trading Revenue		
Gaming Income	2,662,500	2,692,636
Sales - Bar	715,266	384,398
Sales - Bistro	1,194,924	790,686
Sales - Bingo	37,379	19,129
Sales - Functions	213,468	89,810
Sales - Keno	125,319	144,161
Sales - TAB	20,628	24,197
ATM Commissions	33,364	21,884
Sales - Other	10,634	10,752
Memberships	40,192	24,732
Raffle Income	88,435	54,672
Room Hire	29,570	16,547
Total Trading Revenue	5,171,678	4,273,604
Other Income		
Interest Received	359	21
Subsidies	26,790	4,062
Other Income	44,159	6,796
Total Other Income	71,308	10,879
	2022	2021

3. Cash and Cash Equivalents



	2022	2021
Bank Accounts		
Business Online Saver #4375	31,673	64,048
Gaming Account #0405	17,226	24,490
General Account #60392	55,075	63,644
Keno Account #0413	1,473	19,115
TAB Account #0421	10,046	13,826
Visa Card Account #0448	2,208	3,514
Total Bank Accounts	117,700	188,638
Cash on Hand		
Cash on Hand - Floats	118,940	91,030
Total Cash on Hand	118,940	91,030
Total Cash and Cash Equivalents	236,641	279,668
	2022	2021
4. Accounts and Other Receivables		
Accounts Receivable	15,717	46,802
Prepaid Expenses	23,962	100,797
Undeposited Funds & Clearing Accounts	11,783	-
Total Accounts and Other Receivables	51,462	147,598
	2022	2021
5. Inventories		
Stock On Hand - Bar	55,739	44,640
Stock On Hand - Kitchen	16,220	12,125
Stock on Hand - Merchandise	5,409	6,849
Total Inventories	77,367	63,613
	2022	2021
6. Other Current Assets		
Security Deposit - Club TAB	5,000	5,000
Total Other Current Assets	5,000	5,000
	2022	2021
7. Property, Plant & Equipment		
Land & Buildings	9,530,000	4,151,470
Plant & Equipment	522,822	1,150,147
Poker Machines	205,159	907,658
Kitchen Equipment	60,581	154,716
Total Property, Plant & Equipment	10,318,563	6,363,991
	2022	2021
8. Accounts & other payables		



Accounts Payable	215,245	183,194
Total Accounts & other payables	215,245	183,194
	2022	2021

9. Tax Liabilities

GST Payable	22,133	238,700
PAYGW Payable	18,267	16,734
Total Tax Liabilities	40,400	255,434
	2022	2021

10. Other Current Liabilities & Provisions

Deposit Account - Roy Orbison	973	-
Superannuation Payable	3,459	9,329
Employee Annual Leave	65,475	47,682
Staff Social Club Funds	342	-
CARD IT Liability	10,320	8,140
Premium Funding Insurance Loan	-	84,391
PROV - Members Draw	-	3,000
PROV - Bonus Points Liability	19,666	20,944
Gaming Machine Provisions	150,481	71,410
OSR Sweep Liability - Other Creditor	41,915	40,564
Total Other Current Liabilities & Provisions	292,630	285,460
	2022	2021

11. Financial Liabilities

Better Business Loan	743,595	856,287
Loan - 2021 Daikin Chiller Air Cooled	131,851	165,516
Loan - 2021 Daikin Chiller Air Cooled: Less UI	(16,161)	(24,827)
Total Financial Liabilities	859,286	996,976
	2022	2021

12. Other Non-current Liabilities & Provisions

Debentures	38,699	40,781
Employee Long Service Leave	20,815	14,759
Total Other Non-current Liabilities & Provisions	59,514	55,540



Statement by Members of the Committee

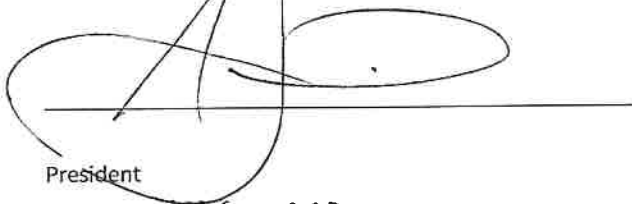
Warwick RSL Services & Memorial Club Inc For the year ended 31 December 2022

The Warwick RSL Services & Memorial Club Inc Executive Committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Committee the Trading Account, Income and Expenditure Statement, Balance Sheet, Notes to the Financial Statements and Depreciation Schedule:

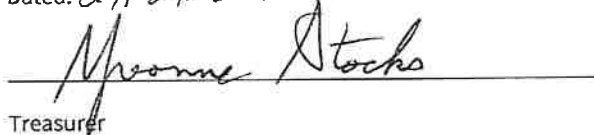
1. Presents fairly the financial position of Warwick RSL Services & Memorial Club Inc as at 31 December 2022 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that the association will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:



President

Dated: 24/04/2023



Treasurer

Dated: 24/5/2023



Independent Auditor's Report

Warwick RSL Services & Memorial Club Inc For the year ended 31 December 2022

Qualified Opinion

We have audited the accompanying financial report of Warwick RSL Services & Memorial Club Inc (the association) which comprises the trading accounts, the income and expenditure statements, the balance sheet, notes to the financial statements, depreciation schedules and the statement by members of the committee, for the year ended 31 December 2022.

In our opinion, except for the possible effects of the matter described below, the financial report of Warwick RSL Services & Memorial Club Inc, presents fairly, in all material respects the financial position as at 31 December 2022, and its financial performance for the year then ended in accordance with Australian Accounting Standards and the Associations Incorporation Act (Qld) 1981.

Basis of Qualified Opinion

Trading revenues for some months did not appear to be reconciled correctly as evidenced by a large accumulated variance in a reconciliation clearing account across the financial period. Due to this we were not able to confirm the completeness or accuracy of the amount stated as trading revenues across the period.

A management initiated audit of the fixed assets of the club occurred in the subsequent period that resulted in the identification of a large amount of items that were removed from the fixed assets accounts. Due to this we were not able to confirm the opening balances of the fixed assets accounts but have increased confidence in the fixed assets of the Club as at 31 December 2022.

Cash receipts are a significant source of revenue for Warwick RSL Services & Memorial Club Inc. The Warwick RSL Services & Memorial Club Inc has determined that it is impracticable to establish control over the collection of cash prior to entry into its financial records. Accordingly, as the evidence available to us regarding revenue from this source was limited, our audit procedures with respect to cash receipts had to be restricted to the amounts recorded in the financial records. We therefore are unable to express an opinion on whether the recorded cash receipts of Warwick RSL Services & Memorial Club Inc are complete.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of Warwick RSL Services & Memorial Club Inc in accordance with 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 - Basis of Accounting

We draw attention to the notes to the financial report which describes the basis of accounting of Warwick RSL Services & Memorial Club Inc. The financial report has been prepared to assist Warwick RSL Services & Memorial Club Inc to meet the reporting requirements of the Associations Incorporation Act (Qld) 1981. As a result, the financial report may not be suitable for another purpose. Our opinion is unmodified in respect of this matter.

We also draw attention to note 1 to the financial report which describes the basis of accounting for property, plant & equipment. We note that the Land & Buildings are held at a combination of fair value and replacement value of \$9,530,000 while the combined fair value of land & buildings according to the latest independent valuation report provided is \$2,050,000. Our opinion is unmodified in respect of this matter.

Responsibilities of management and those charged with governance for the financial report

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the applicable legislation and for such internal control as management determines is necessary to



enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment 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 for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 entity'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 entity 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.

We communicate with management 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.

Hooper Accountants

James Rawlings CPA

Toowoomba, QLD 4350

Date: