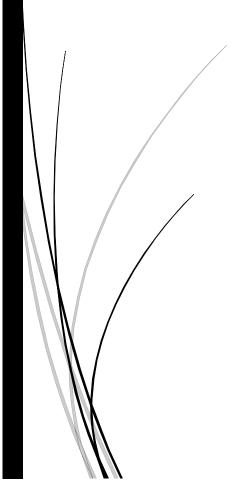
Financial Report
Year ending
31st December 2020



Life Members Davistown RSL Club Ltd

DECEASED *

- B. WEBB *
- R. PHILLIS *
- M. DE LAUNAY*
- W. PEARCE*
- M. BRIAN
- N. CORNEY*
- W. BUCKLEY*
- J. WILLIAMSON *
- D. BLACKMORE*
- G. DOWLING

Life Members Davistown RSL Sub-Branch Limited

DECEASED *

C. B. KIRKMAN *

A. C. CONNELL *

H. CONNELL *

J. E. BROWN *

H. NEWHOUSE *

R. H. HONEYBROOK *

V. MCAULIFFE *

J. H. BARRY *

A. F. WATT *

J. MARSH O.A.M. *

M. BRIAN

A. M. DANCE *

J. J. BROWN

J. ROSLING *

G. SMEDLEY *

A. SPLATT *

E. MOIR *

D. BROWN *

J. FOSTER *

T. TAYLOR *

S. WILLIAMSON *

Davistown RSL Club Limited

Office Bearers for Year 2020

ABN 36 000 870 655

PRESIDENT C. WHITE

SENIOR VICE PRESIDENT G. DOWLING

JUNIOR VICE PRESIDENT M. FLETCHER

DIRECTORS J. COOKE

J. BOURNE

C. JONES

L. PUCKERIDGE

GENERAL MANAGER B. BRADLEY

ASSISTANT MANAGER I. ROBERTS

SUB BRANCH PRESIDENT P. OSBORN

SUB BRANCH VICE PRESIDENT M. BRIAN

C. SALAKAS

WELFARE OFFICERS P. OSBORN

J. MATHERS

Nominations for Board of Directors

In alphabetical order * Denotes current Board member



John Bourne *

Occupation: Retired National Sales Manager

Nominated Positions: Director

Year Joined Club: 1996



Malcolm Brian

Occupation: Retired Plant Operator

Nominated Positions: President

Year Joined Club: 1982



Jennifer Cooke *

Occupation: Retired Centrelink Regional Manager

Nominated Positions: Director

Year Joined Club: 2009



Gary Dowling *

Occupation: Retired Company Director
Nominated Positions: Junior Vice President

Year Joined Club: 1982

Nominations for Board of Directors continued

In alphabetical order * Denotes current Board member



Micheal Fletcher *

Occupation: Retired Electrical Contractor, Company

Manager

Nominated Positions: Senior Vice President, Director

Year Joined Club: 1995



Kerry Hutchison

Occupation: Retired Beauty Therapist

Nominated Positions: Director

Year Joined Club: 2010



Christopher Jones *

Occupation: Retired Clinical Nurse Specialist

Nominated Positions: Director

Year Joined Club: 2008



Shelly Luck

Occupation: Café Owner

Nominated Positions: Senior Vice President, Director

Year Joined Club: 2012

Nominations for Board of Directors continued

In alphabetical order * Denotes current Board member



Michael Maddox

Occupation: Business Owner Nominated Positions: Director

Year Joined Club: 2010



Kevin O'Donnell

Occupation: Retired Marketing Director, State

Manager Pharmaceuticals

Nominated Positions: Junior Vice President, Director

Year Joined Club: 2010



Paul Osborn

Occupation: Retired Train Driver Nominated Positions: Director

Year Joined Club: 1991



Leslie Puckeridge*

Occupation: G.S.T

Nominated Positions: Director

Year Joined Club: 2002

Nominations for Board of Directors continued

In alphabetical order * Denotes current Board member



Colin White*

Occupation: Retired Administration Officer

Nominated Positions: President

Year Joined Club: 1983

Voting will be held from Monday 22nd March 2021 until Sunday 28th March 2021 (12 noon - 6.00 pm).

Notice of Meeting

ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Davistown RSL Club Limited will be held in the Club, 19 Murna Road, Davistown, on Wednesday 31st March 2021 commencing at 7.00pm sharp

AGENDA

- Apologies
- 2. To confirm the Minutes of the previous Annual General Meeting.
- 3. To receive and consider the Presidents' Report, Directors' Report, Financial Report and Auditors' Report.
- 4. To consider and if thought fit pass the Ordinary Resolutions set out in this Notice.
- 5. To consider and if thought fit pass the Special Resolutions set out in this Notice.
- 6. To declare the results of the election of the Board.
- 7. To deal with any other business that may be dealt with at the Annual General Meeting.

FIRST ORDINARY RESOLUTION

That pursuant to the Registered Clubs Act:

- (a) The members hereby approve and agree to expenditure by the Club until the next Annual General Meeting of the Club on the following activities of Directors.
 - 1. The reasonable cost of a meal and beverage for each director immediately before or after a Board or Committee meeting on the day of the meeting when that meeting corresponds with a normal meal time.
 - 2. The reimbursement of reasonable out-of-pocket expenses incurred by Directors in travelling to and from Directors' meeting and attending the Club premises on official Club business as approved by

FIRST ORDINARY RESOLUTION CONTINUED

the Board from time to time on production of invoices, receipts and other proper documentary evidence of such expenditure.

- 3. The reimbursement of reasonable out-of-pocket expenses incurred by Directors in relation to such other duties including entertainment of special guests to the Club and other promotional activities performed by Directors, including attending functions at other clubs to represent the Club, which activities and the expenses there from are approved by the Board before payment is made on production of receipts, invoices or other proper documentary evidence of such expenditure.
- 4. The reasonable costs (including travel and accommodation expenses) of Directors (and their spouses/partners if required) attending meetings (including Clubs NSW Annual General Meeting) conferences and trade shows conducted by Clubs NSW, the Club Managers Association and such other conferences and trade shows as determined by the Board from time to time.
- 5. The payment of the premium for Directors' and Officers' insurance cover.
- 6. The reasonable cost of Directors attending seminars, lectures, trade displays and other similar events as may be determined by the Board from time to time.
- 7. The reasonable cost of Directors attending other registered clubs for the purpose of viewing and assessing their facilities and methods of operation provided such attendances are approved by the Board as being necessary for the betterment of the Club.
- 8. The provision of reserved car parking spaces for Directors as designated by the Board.
- 9. The reasonable cost of a club uniform being provided to Directors as required. This shall be determined by the Board as is in keeping with the Club's current image.
- 10. The reasonable cost of providing an annual appreciation dinner for Directors, their partners and other invited guests, the reasonable cost of which shall be determined by the Board and paid by the Club.
- 11. Reimbursement of out-of-pocket expenses on production of invoiced receipts and other documented evidence of such expenditure as approved by the Board.
- 12. The provision of an iPad or similar device;
 - (b) The members acknowledge that the benefits in paragraph (a) above are not available to members generally, but only for those who are Directors of the Club.

SECOND ORDINARY RESOLUTION

That the members hereby approve:

(a) The payment of the following honorariums to the Directors for their services as directors of the Club until the next Annual General Meeting of the Club:

 $\begin{array}{lll} \text{(i)} & \text{President} & \$350 \text{ per month} = \$4,200 \\ \text{(ii)} & \text{Senior Vice President} & \$220 \text{ per month} = \$2,640 \\ \text{(iii)} & \text{Junior Vice President} & \$220 \text{ per month} = \$2,640 \\ \text{(iv)} & \text{Ordinary Directors} & \$220 \text{ per month} = \$2,640 \\ \end{array}$

(b) Such honorarium is to be paid monthly or in such other installments as the Club and the directors may agree from time to time. If any of the directors only hold office for part of the term, the honorarium shall be paid on a pro rata basis.

NOTES TO MEMBERS IN RELATION TO THE ORDINARY RESOLUTIONS:

The First Ordinary Resolution is to have the members in general meeting approve the expenditure by the Club for directors to attend seminars, lectures, trade displays and other similar events to be kept abreast of current trends and developments which may have significant bearing on the Club and for other out of pocket expenses.

- 2. Included in the First Ordinary Resolution is the reasonable cost of directors attending functions as representatives of the Club and if required, the cost of their spouses/partners also attending these functions.
- 3. The Second Ordinary Resolution is to have members approve honorariums for directors of the Club for duties to be performed by those directors until the next Annual General Meeting.
- 4. The honorariums will be paid on a pro rata basis which means that if the directors only hold office for part of the year, the directors will only receive part of the honorarium.

Procedural Matters

- 5. To be passed an Ordinary Resolution must receive votes in its favour from not less than a simple majority (50% plus one) of those members, who being entitled to do so, vote in person on the Ordinary Resolution at the meeting.
- 6. The Registered Clubs Act provides that:
 - (a) members who are employees of the Club are not entitled to vote; and
 - (b) proxy voting is prohibited.

NOTICE OF SPECIAL RESOLUTIONS FOR ANNUAL GENERAL MEETING

PROCEDURAL MATTERS

- 1. To be passed the Special Resolutions must receive votes in favour from not less than three quarters (75%) of those members who being eligible to do so vote in person on the Special Resolutions at the meeting.
- 2. Only Life members and financial Club members are eligible to vote on the Special Resolutions.
- 3. Under the Registered Clubs Act, members who are employees of the Club are not entitled to vote and proxy voting is prohibited.
- 4. Amendments to the Special Resolutions (other than minor typographical corrections which do not change the substance or effect of the Special Resolutions) will not be permitted from the floor of the meeting.
- 5. The Board of the Club recommends the Special Resolutions to members.

FIRST SPECIAL RESOLUTION

[The First Special Resolution is to be read in conjunction with the notes to members set out below.] That the Constitution of Davistown R.S.L Club Limited be amended by:

- (a) **inserting** the following new Rule 3.1(ee):
 - "Code" means the Registered Clubs Accountability Code found in Schedule 2 of the Registered Clubs Regulations (NSW) 2015."
- (b) **inserting** the following new Rule 10.2(b1):
 - "Staff members;".
- (c) **inserting** the following new heading and Rule 10.5A:
 - **"STAFF MEMBERS**
 - (a) Staff membership is only available to persons who are current employees of the Club.
 - (b)

FIRST SPECIAL RESOLUTION CONTINUED

- (b) Staff members are entitled to:
 - (i) such playing and social privileges and advantages of the Club as may be determined by the Board from time to time; and
 - (ii) introduce guests to the Club.
- (c) Staff members are not entitled to:
 - (i) attend or vote at general meetings (including Annual General Meetings) of the Club;
 - (ii) nominate for or be elected to hold office on the Board;
 - (iii) vote in the election of the Board;
 - (iv) vote on any Special Resolution (including a Special Resolution to amend this Constitution);
 - (v) propose, second or nominate any eligible member for any office of the Club; and
 - (vi) propose, second or nominate any eligible member for Life membership."
- (d) **inserting** at the end of Rule 12.4(g) the words "or any other members' promotion reserved for Full members of the Club".
- (e) **deleting** in Rule 14.1(b) the reference "Regulation 22" and **inserting** the reference "Regulation 29".
- (f) **inserting** in Rule 14.1(d) the words "or a Full member of the Club" after the words "invitation of the Board of the Club".
- (g) inserting the following new Rule 15.4(dd):
 - "the email address of the applicant."
- (h) deleting Rule 19.1 and inserting the new Rule 19.1:
 - "Members must advise the Secretary of the Club of any change in their details (including address, email address and telephone number) within seven (7) days of changing their details as recorded in the register referred to in Rule 18.1(a)."
- (i) **inserting** at the end of Rule 28.1(q) the words "or shall vote by complying with Rule 28.1(t1)".
- (j) **inserting** the following new Rule 28.1(t1):
 - "Any reference to voting and the conduct of a ballot in this Rule 28.1 includes the use of any electronic voting system that may be prescribed by the Board from time to time."
- (k) inserting the new Rule 30.8A:
 - "In addition to Rule 30.8, a resolution may be passed by the Board if the proposed resolution is emailed to all directors and all directors agree to the proposed resolution by each director sending a reply email to the Club to that effect. The resolution shall be passed when the last director has sent their reply email agreeing to the proposed resolution."
- (I) **deleting** Rules 31 to 33 inclusive and **inserting** the following new Rules 31 to 33 inclusive:

"31. MATERIAL PERSONAL INTERESTS OF DIRECTORS

- 31.1 Any director who has a material personal interest in a matter that relates to the affairs of the Club must, as soon as practicable after the relevant facts have come to the director's knowledge:
 - (a) declare the nature of the interest at a meeting of the Board; and
 - (b) comply with Rule 31.2.
- 31.2 Subject to Section 195 of the Act, a director who has a material personal interest in a matter that is being considered at a meeting of the Board, or of the Directors of the Club:
 - (a) must not vote on the matter; and
 - (b) must not be present while the matter is being considered at the meeting.

FIRST SPECIAL RESOLUTION CONTINUED

32. REGISTERED CLUBS ACCOUNTABILITY CODE

- 32.1 The Club must comply with the requirements of the Registered Clubs Accountability Code (as amended from time to time) and the provisions of this Rule 32.
- 32.2 For the purposes of this Rule 32, the terms "close relative", "controlling interest", "manager", "pecuniary interest" and "top executive" have the meanings assigned to them by the Registered Clubs Act and Registered Clubs Regulations.

CONTRACTS WITH TOP EXECUTIVES

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- 32.3 The Club must ensure that each top executive has entered into a written employment contract with the Club dealing with:
 - (a) the top executive's terms of employment; and
 - (b) the roles and responsibilities of the top executive;
 - (c) the remuneration (including fees for service) of the top executive;
 - (d) the termination of the top executive's employment.
- 32.4 Contracts of employment with top executives:
 - (a) will not have any effect until they are approved by the Board; and
 - (b) must be reviewed by an independent and qualified adviser before they can be approved by the Board.

CONTRACTS WITH DIRECTORS OR TOP EXECUTIVES

- 32.5 Subject to any restrictions contained in the Registered Clubs Act and Rule 32, the Club must not enter into a commercial arrangement or a contract with a director or top executive or with a company or other body in which a director or top executive has a pecuniary interest, unless the proposed commercial arrangement or contract is first approved by the Board.
- 34.6 A "pecuniary interest" in a company for the purposes of Rule 32.5 does not include any interest exempted by the Registered Clubs Act.

CONTRACTS WITH SECRETARY AND MANAGERS

- 32.7 Unless otherwise permitted by the Registered Clubs Act, the Club must not enter into a commercial arrangement or contract with:
 - (a) the Secretary or a manager; or
 - (b) any close relative of the Secretary or a manager;
 - (c) any company or other body in which the Secretary or a manager or a close relative of the Secretary or a manager has a controlling interest.

LOANS TO DIRECTORS AND EMPLOYEES

- 32.8 The Club must not:
 - (a) lend money to a director of the Club; and
 - (b) unless otherwise permitted by the Registered Clubs Act and Regulations, the Club must not lend money to an employee of the Club unless the amount of the proposed loan is ten thousand dollars (\$10,000) or less and the proposed loan has first been approved by the Board.

RESTRICTIONS ON THE EMPLOYMENT OF CLOSE RELATIVES OF DIRECTORS AND TOP EXECUTIVES

- 32.9 A person who is a close relative of a director or top executive must not be employed by the Club unless their employment is approved by the Board.
- 32.10 If a person who is being considered for employment by the Club is a close relative of a director of the Club, the director must not take part in any decision relating to the person's employment.

FIRST SPECIAL RESOLUTION CONTINUED

DISCLOSURES BY DIRECTORS AND EMPLOYEES OF THE CLUB

32.11 A director, top executive or employee of the Club must disclose any of the following matters to the Club to the extent that they relate to the director, top executive or employee:

- (a) any material personal interest that the director has in a matter relating to the affairs of the Club; and
- (b) any personal or financial interest of the director or top executive in a contract relating to the procurement of goods or services or any major capital works of the Club;
- (c) any financial interest of the director or top executive in a hotel situated within forty (40) kilometres of the Club's premises;
- (d) any gift (which includes money, hospitality and discounts) valued at one thousand dollars (\$1,000) or more, or any remuneration (including any fees for service) of an amount of one thousand dollars (\$1,000) or more, received by the director, top executive or employee from an affiliated body of the Club or from a person or body that has entered into a contract with the Club;
- (e) The Club must keep a register in an approved form containing details of the disclosures made to the Club in accordance with this Rule 32.

TRAINING DISCLOSURES

- 32.12 The Club must make available to members:
 - (a) details of any training which has been completed by directors, the Secretary and managers of the Club in accordance with the Registered Clubs Regulation; and
 - (b) the reasons for any exemption of any director, the Secretary and any manager of the Club from the training prescribed by the Registered Clubs Regulation.
- 32.13 The Club must indicate, by displaying a notice on the Club's premises and on the Club's website (if any), how the members of the Club can access the information.

PROVISION OF INFORMATION TO MEMBERS

- 33 The Club must:
 - (a) make the information required by the Registered Clubs Regulations available to the members of the Club within four (4) months after the end of each reporting period to which the information relates: and
 - (b) indicate, by displaying a notice on the Club's premises and on the Club's website (if any), how the members of the Club can access the information."
- (m) inserting the following new sub-heading and Rule 36.42:

"CANCELLATION AND POSTPONMENT OF GENERAL MEETINGS

- 36.42 The Board may cancel or postpone any general meeting prior to the date on which it is to be held, except where such cancellation or postponement would be contrary to the Act. The Board may give such notice of the cancellation or postponement as it thinks fit but any failure to give notice of the cancellation or postponement does not invalidate the cancellation or postponement or any resolution passed at a postponed meeting. This Rule 36.42 will not operate in relation to a meeting called pursuant to a request or requisition of members."
- (n) **inserting** the following new sub-heading and Rule 36.43:

"USE OF TECHNOLOGY FOR GENERAL MEETINGS

- 36.43 The Club may hold a general meeting at two (2) or more venues using technology that gives the members as a whole a reasonable opportunity to participate at the at the meeting."
- (o) **inserting** the following new sub-heading and Rule 36.44:

FIRST SPECIAL RESOLUTION CONTINUED

"WITHDRAWAL OF RESOLUTIONS

- 36.44 The Board may withdraw any resolution which has been proposed by the Board and which is to be considered at a general meeting, except where the withdrawal of such a resolution would be contrary to the Act."
- (p) **replacing** the full stop at the end of Rule 44.1(c) with a semi colon and then adding the word "or" and inserting the new Rule 44.1(d):
 - "by notifying the member in accordance with Rule 44.1A (in the case of notices of general meetings (including Annual General Meetings) only)."
- (q) inserting the new Rule 44.1A:

"If the member nominates:

- (a) an electronic means (the nominated notification means) by which the member may be notified that notices of meeting are available; and
- (b) an electronic means (the nominated access means) the member may use to access notices of meeting; the Club may give the member notice of the meeting by notifying the member (using the nominated notification means);
- (c) that the notice of meeting is available; and
- (d) how the member may use the nominated access means to access the notice of meeting.
- (r) **inserting** the following new Rule 44.1B:
 - "Notwithstanding any of the provisions of this Constitution, the Club may give notice of a meeting in accordance with Rule 44.1A(c) and (d), even if a member has not nominated a nominated notification means or nominated access means, if the Club is permitted to do so under the Act."
- (s) inserting the following new Rule 44.4:
- "Where a notice of general meeting (including an Annual General Meeting) is sent to a member in accordance with Rule 44.1A or 44.1B, the notice is taken to be given on the day following that on which the member is notified that the notice of meeting is available."

Notes to Members on the First Special Resolution

- 1. The First Special Resolution proposes a series of amendments to the Club's Constitution to bring it into line with the *Corporations Act, Gaming Machines Act, Liquor Act and Registered Clubs Act.*
- 2. Paragraph (a) insets a definition of the Registered Clubs Accountability Code.
- 3. Paragraphs (b) and (c) establishes rules relating to Staff membership.
- 4. **Paragraph (d)** clarifies that Provisional members are not entitled to enter promotions that are only available for full members of the Club.
- 5. Paragraph (e) updates a reference to the Registered Clubs Regulations.
- 6. Paragraph (f) clarifies that a full member of the Club may invite a member of another registered Club to attend the Club as a Temporary member for the purposes of participating in an organised sport or competition to be conducted by the Club.
- 7. **Paragraphs (g) and (h)** amend the existing requirements for membership applications to include the applicant's email address in order for the Club to contact members electronically. They also clarify that members are required to update the Secretary of any change to their contact details.
- 8. **Paragraphs (i) and (j)** clarify that the Club may use technology to allow members to vote in an election of the Board. This is permitted by the *Corporations Act*.
- 9. **Paragraph (k)** clarifies that a board resolution can be passed by way of email. This is permitted by the *Corporations Act.*

FIRST SPECIAL RESOLUTION CONTINUED

- 10. **Paragraph (I)** amends existing provisions relating to corporate governance and accountability to bring the Constitution into line with the *Corporations Act*, the *Registered Clubs Act* and the *Registered Clubs Accountability Code*.
- 11. Paragraphs (m), (n) and (o) amend existing provisions relating to proposed resolutions, and the holding and postponing of general meetings to bring the Constitution into line with the *Corporations Act*.
- 12. Paragraphs (p), (q), (r) and (s) amend existing provisions relating to notices to members to bring the Constitution into line with the *Corporations Act*. The amendments refer to the Club's ability to give notice of general meetings to members electronically if a member elects to receive notices this way or if the *Corporations Act* allows the Club to do so.

SECOND SPECIAL RESOLUTION

[The Second Special Resolution is to be read in conjunction with the notes to members set out below.] That the Constitution of Davistown R.S.L Club Limited be amended by:

- (a) **deleting** Rule 28.1(f) and inserting the following new Rule 28.1(f): "Deleted."
- (b) **deleting** from Rules 28.1(h) and (i) the word "various".
- (c) deleting from Rule 28.1(j) the words "any position" and inserting the words "the positions".
- (d) **deleting** Rule 28.1(k) and **inserting** the following new Rule 28.1(k): "Deleted."
- (e) **inserting** the following new Rule 28.1(z):
 - "As and from the conclusion of Annual General Meeting of the Club held in 2022, and for the purposes of the election of the Board held in that year, the directors must meet as soon as reasonably practicable after the date of the Annual General Meeting each year and elect from amongst themselves the President, Senior Vice President and Junior Vice President. The results of the election of the President, Senior Vice President and Junior Vice President shall be posted on the noticeboard as soon as possible after the meeting."

Notes to Members on the Second Special Resolution

- 1. The Second Special Resolution proposes to amend the provisions of the Constitution relating to the election of the executive positions on the Board.
- 2. Currently, members directly elect the positions of President, Senior Vice President and Junior Vice President and members can nominate for those specific positions. The Second Special Resolution, if passed, will result in the Board electing the executive positions from amongst themselves.
- 3. The Board recommends that the Club's members pass the Second Special Resolution as:
- (a) the members will still elect all directors, and
- (b) the directors then go and elect the particular officeholders, such as President, for the term, ie from one annual general meeting to the next.
- 4. This allows the directors who have been elected by members to consider the strengths and expertise held by the directors and to determine who is the best director to serve in an executive position until the next election.
- 5. The Board recommends the Second Special Resolution to members.

CORE AND NON-CORE PROPERTIES OF THE CLUB

Pursuant to Section 41J (2) of the Registered Clubs Act for the financial year ended 31st December, 2018:

(a) the following properties are core property of the Club:

Licensed premises of Davistown RSL Club Ltd.

Car park adjoining licensed premises

Two bowling green's adjoining licensed premises.

the following properties are non-core properties: Nil

NOTES TO MEMBERS

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Section 41J (2) of the Registered Clubs Act requires the Annual Report to specify the core property and non-core property of the Club as at the end of the financial year to which the report relates.

Core property is any real property owned or occupied by the Club that comprises:

- (a) the defined premises of the Club; or
- (b) any facility provided by the Club for use by its members and their guests; or
- (c) any other property declared by a resolution passed by a majority of the members present at a general meeting of ordinary members of the Club to be core property of the Club.

Non-core property is any other property other than that referred to above as core property and any property which is declared by the members at a general meeting of ordinary members of the Club not to be core property.

The significance of the distinction between core property and non-core property is that the Club cannot dispose of any core property unless:

- (a) the property has been valued by a registered valuer within the meaning of the Valuers Act 2003; and
- (b) the disposal has been approved at a general meeting of the ordinary members of the Club at which the majority of the votes cast support the approval: and
- (c) any sale is by way of public auction or open tender conducted by an independent real estate agent or auctioneer.
- 2. These disposal provisions and what constitutes a disposal for the purposes of Section 41J are to some extent modified by regulations made under the Registered Clubs Act and by Section 41J itself. For example, the requirements in paragraph 4 above do not apply to:
 - Core property that is being leased or licensed for a period not exceeding 10 years on terms that have been the subject of a valuation by a registered valuer;
 - Core property that is leased or licensed to a telecommunications provider for the purposes of a telecommunication tower.

Davistown RSL Club Limited

PRESIDENT'S REPORT

2020 was a challenging year for all of us and I hope that you and your families are safe and coping with the challenges within our community.



I now present to you the members of Davistown RSL the 2020 Annual Report.

As I was elected only in July 2020 what happened prior I can not answer.

The net profit for the year was \$373,193.

Due to the COVID shutdown between March and June inclusive and the ongoing limited restrictions and access I believe this is a reasonable result under the circumstances.

Also, the ongoing Job Keeper payment helped the Club to keep operating and helped to support the club and staff.

The restrictions hopefully will ease soon and we can get back to leading a normal life again.

Col White President

Davistown RSL Club Limited

GENERAL MANAGERS REPORT

Once again, it is my pleasure to present the Annual report for Davistown RSL Club for the year ending December 2020.



What a year 2020 had been starting off with the state's worst bushfires and COVID-19, quite unprecedented and tragic, you would be hard pressed to find a time in history that has seen so much devastation, with a silent killer being unleased and it would grow into a global pandemic.

COVID-19 swept across the world, sending global stock markets and economies into depression like figures with a mounting daily death tally unlike any other in recent history.

Early March 2020, saw restrictions begin to impact on the Club and the entire industry, with people refused into venues, if they had returned from overseas or had been in contact with a returned traveller.

Pretty quickly the situation escalated, leading ultimately to the closure of the club on Monday 23rd March 2020 after the Prime minster announced on Sunday evening 22nd March that all hospitality venues were to be closed by Midday Monday 23rd March, with an unknown opening date.

As is turned out the club was closed for 70 days. Once were opened it was in a restricted capacity, with the safety and welfare of our staff and families a priority and the membership respected that and followed the sometime ominous rules set by the government to ensure that not only our club but the entire industry stayed open.

At time of writing this report NSW hospitality venues still have certain restriction placed on them, which could be the norm but only time will tell.

During this period of the pandemic a range of measures were introduced by the government to support business in the form of JobKeeper and Cash Booster subsidy to which the Club was eligible.

The reported net surplus was a pleasing result in light of all that 2020 through at us, up \$226,368 on 2019 to \$373,193 in 2020. This resulted after charging \$832,945 for depreciation and \$54,521 for interest on borrowings.

All Staff have stepped up in 2020 once again and they are certainly the driving force of the continuing success of "The Davo", I'm sure, you the members, will join me in thanking them for the extraordinary service that they provide day in and day out.

Thanks also must for to the Board of Directors, with new President Col White I look forward to working with you all in 2021 and beyond.

Finally, to the wonderful members of the Club, as always, I appreciate your support, your patronage, but more importantly, your friendship. Club's aren't about bricks and mortar – it's the members that give this great Club its life. I thank you for your continued loyalty and support this year in difficult times and into the future.

BEN BRADLEY ACCM GENERAL MANAGER

SUB BRANCH REPORT







Executive Committee
President, Paul Osborn JP.
Secretary, Peter Grothen.
Treasurer, Kerry Hutchison.
Vice President, Mal Brian.
Vice President, Chris Salakas.

Committee
Don Molloy
Mike Fletcher.
Ian Hutchison.

Trustees
Don Molloy
John Collins JP.
Steve Laing

Davistown R.S.L. Sub Branch would usually commemorate Anzac Day 2020 at 0600 by holding our Dawn Service in front of our Memorial Wall outside Davistown R.S.L. Club.

This year owing to Covid 19 residents were asked to stand in their driveways with a lit candle at 0600 and pause for one minutes silence in respect for our fallen veterans.

Whilst driving to the club at 0610 to lower the flags to half-mast, and place the three wreaths at our Memorial Wall, I was heartened to see so many families in their driveways paying their respects and talking to their neighbours. When I arrived at the club there were about twenty people there who had their own dawn service and laid their own wreaths in front of the Memorial Wall.

Other Memorial Services were conducted during 2020, these being Victory in the Pacific, Long Tan and Remembrance Day. A special thanks to Sandra and Rowan from the Club LTD for their assistance on these special days.

At the conclusion of VP Long Tan and the Remembrance Day Service, all who attended were invited to join us for finger food and refreshments.

The largest asset of this Sub Branch has to be our Women's Auxiliary, who work tirelessly to raise funds, not only for this Sub Branch but for other organisations within the R.S.L movement. This money goes to help our returned service men and women and their families with their health, accommodation, and to help them readjust to civilian life.

This Sub Branch continues to sponsor the Erina Cadet Unit.

The Sub Branch remains very strong with our current membership of 120 Ex-service men and women, which includes approximately 12 World War 2 Veterans.

I would like to take this opportunity to thank all the Sub Branch members who helped selling badges and handing out programs, for VP Long tan and Remembrance Day Services.

Thanks to the hardworking Committee and all our members for their support during this difficult year, and all working together to make this the best Sub Branch possible.

Paul Osborn J.P
President
Davistown RSL Sub Branch

VALE 2020

It is with regret that we record the passing of many of our members during the past year.



Gloria Hankinson Robert Zarb

Robyn Tucker Robert Pegrum

Thomas Shorey Ronald Steer

Neville Blandford Robert Hamilton

Petrus Wessel Sandra Wolfe

Marilyn McLoskey Shirley Brown

Rex Arnold Rita Davis

Norma Weir Keith Barker

Craig Shaw Patricia Weightman

Susan Ames James Brown

Vincent Gallen Norma Geronimi

Jan Ilsley Beth Rugg

Alva Jones Helen Taylor

Fay Dowling Alan Bird

Hellen Hodgins Norma Rey

Julie Walton Graham Stevens

Barbara Martin Terence Flynn

David East

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Financial Report

For The Year Ended 31 December 2020

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Directors' Report

Your directors present their report on Davistown RSL Club Limited ('the company" or "the club") for the year ended 31 December 2020.

Directors

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Name	Qualifications and period of directorship
Malcolm R Brian Colin White Gary R Dowling Michael Fletcher Jennifer Cooke Christopher Jones Leslie Puckeridge John Bourne Kerry Hutchison	President (Resigned 22 rd July 2020) President (Appointed 22 nd July 2020) Senior Vice President Junior Vice President Director Director Director (Appointed 22 nd July 2020) Director (Appointed 22 nd July 2020) Director (Resigned 22 nd July 2020)
Paul Osborn	Director (Resigned 22 nd July 2020)

Meetings of Directors

During the financial year, 10 meetings of directors were held. Attendances by each director were as follows:

	Board M	Meetings
Director	Number eligible to attend	Number attended
Malcolm R Brian	5	5
Colin White	6	6
Gary R Dowling	10	9
Michael Fletcher	10	9
Jennifer Cooke	10	10
Christopher Jones	10	7
Leslie Puckeridge	6	5
John Bourne	6	6
Kerry Hutchison	5	5
Paul Osborn	5	5

Principal Activities

The principal activities of the company during the year were to provide sporting, social and entertainment activities and amenities to the members of the company and guests from conducting the business of a licensed club.

There were no significant changes in the nature of these activities during the year.

Directors' Report

Liability of Members on Winding up

The company is incorporated and domiciled in Australia as a company limited by guarantee. In accordance with the constitution of the company, every member of the company undertakes to contribute an amount limited to \$5 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. At 31 December 2020 there were 12,415 members (2019: 12,530). At 31 December 2020 the total amount that members of the company are liable to contribute if the company is wound up is \$62,075 (2019: \$62,650).

Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is party for the purposes of taking responsibility on behalf of the company for all or any part of those proceedings. The company was not a party to any such proceedings during the year.

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 6.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

C White

Director

Dated: 16 February 2021



Auditor's Independence Declaration Under Section 307C of the Corporations Act 2001 To The Directors of Davistown RSL Club Limited

! declare that, to the best of my knowledge and belief, during the year ended 31 December 2020 there have been:

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

FORTUNITY ASSURANCE

Adrian Thompson

Partner,

155 The Entrance Road

ERINA NSW 2250

Dated: 16 February 2021

Statement of Comprehensive Income For The Year Ended 31 December 2020

	Note	2020 \$	2019 \$
Revenue	3	8,603,273	10,193,509
Other income	3	6,909	98,970
Cost of goods sold Employee benefits expense Poker machine tax, licences and donations Entertainment and promotions Property costs Depreciation Finance costs Other expenses	4 4	(1,415,990) (3,407,127) (633,429) (489,905) (298,388) (832,945) (54,521) (1,103,837)	(2,066,161) (3,700,013) (846,792) (908,829) (275,202) (885,936) (96,388) (1,363,683)
Profit before income tax Income tax expense Profit after income tax	5	374,040 (847) ————————————————————————————————————	149,475 (2,650) ————————————————————————————————————
Other comprehensive income for the year Total comprehensive income for the year		373,193	146,825

The accompanying notes form part of these financial statements.

Statement of Financial Position As At 31 December 2020

	Note	2020 \$	2019 \$
Assets			
Current Assets			
Cash and cash equivalents	7	1,752,058	891,597
Other receivables	8	94,200	89,238
Inventories	9	86,826	98,145
Other assets	10	110,643	162,890
Total Current Assets		2,043,727	1,241,870
Non-Current Assets		3	
Property, plant and equipment	11	10,022,864	10,365,623
Deferred tax assets	14	21,515	22,362
Total Non-Current Assets		10,044,379	10,387,985
Total Assets		12,088,106	11,629,855
Current Liabilities		-	
Trade and other payables	12	548,560	464,072
Financial liabilities	13	778,738	550,963
Employee benefits	15	509,834	417,848
Total Current Liabilities		1,837,132	1,432,883
Non-Current Liabilities		2 -2	2
Long term payables	12	42,929	52,247
Financial liabilities	13	967,322	1,204,007
Employee benefits	15	77,246	150,434
Total Non-Current Liabilities		1,087,497	1,406,688
Total Liabilities		2,924,629	2,839,571
Net Assets		9,163,477	8,790,284
Members' Funds			
Retained earnings		9,163,477	8,790,284

The accompanying notes form part of these financial statements.

Statement of Changes in Members Funds For The Year Ended 31 December 2020

	Retained Earnings	Total
	\$	\$
Balance at 1 January 2019	8,643,459	8,643,459
Total comprehensive income for the year	146,825	146,825
Balance at 31 December 2019	8,790,284	8,790,284
Total comprehensive income for the year	373,193	373,193
Balance at 31 December 2020	9,163,477	9,163,477
		0

The accompanying notes form part of the financial statements.

Statement of Cash Flows For The Year Ended 31 December 2020

	Note	2020 \$	2019 \$
Cash flows from operating activities			
Receipts from customers		9,323,833	11,205,750
Payments to suppliers and employees		(7,918,151)	(10,038,700)
Interest received		1,487	5,340
Interest paid		(54,521)	(96,388)
Net cash provided by operating activities	16	1,352,648	1,076,002
		4	
Cash flows from investing activities			
Payments for property, plant & equipment		(582,306)	(635,425)
Proceeds from sale of assets		99,029	91,887
Net cash used in investing activities		(483,277)	(543,538)
		-	
Cash flows from financing activities			
Proceeds from borrowings		224,433	-
Repayments of borrowings		(233,343)	(458,073)
Net cash provided by financing activities		(8,910)	(458,073)
		-	
Net (decrease)/increase in cash held		860,461	74,391
Cash at the beginning of the financial ye	ar	891,597	817,206
Cash at the end of the financial year	7	1,752,058	891,597

The accompanying notes form part of these financial statements.

The financial statements cover Davistown RSL Club Limited as an individual entity unlisted public company limited by guarantee, incorporated and domiciled in Australia. Davistown RSL Club Limited is a company limited by guarantee.

The financial statements were authorised for issue on 16 February 2021 by the directors of the company.

Note 1. Summary of Significant Accounting Policies

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied 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, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

(a) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to members and quests.

Revenue from rendering a service is recognised upon the delivery of the service to members and guests.

Where the entity receives memberships, sponsorships or grants, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB15.

Where both these condition are satisfied the Company;

- · Identifies each performance obligation relating to the membership, sponsorship or grant;
- Recognises a contract liability for its obligations under the contract or grant;
- Recognises revenue as it satisfies its performance obligations.

Note 1. Summary of Significant Accounting Policies (cont'd)

Accounting Policies (cont'd)

Revenue (cont'd)

When the contract is not enforceable or does not have sufficiently specific performance obligations, the Company;

- Recognise the asset received in accordance with the recognition requirements of other applicable accounting standards (AASB9, AASB16 and AASB138);
- Recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liabilities);
- Recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to financial assets.

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

(b) Income Tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date and adjusted to take into account the principal of mutuality.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a. business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Note 1. Statement of Significant Accounting Policies (cont'd)

(c) Inventories

Inventories are valued at cost, and current replacement cost. Inventories acquired at no cost or form nominal consideration are valued at the current replacement cost as at the date of acquisition.

(d) Property Plant and Equipment

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

Property

Freehold land is measured on the cost basis. Buildings are measured on the cost basis less depreciation and impairment losses.

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

The carrying amount of plant and equipment is reviewed annually by directors 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 assets 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 cost of materials, direct labour and borrowing costs. 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

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over their useful lives to the economic entity commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Poker Machines	20 - 33%
Plant & equipment	15-20%
Leased plant	20%
Motor vehicles	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Note 1. Statement of Significant Accounting Policies (cont'd)

(d) Property Plant and Equipment (cont'd)

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement.

(e) Leases

Leases of fixed assets, which are not legally owned by the company, but where substantially all the risks and benefits incidental to ownership have been transferred to the company are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Finance leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset.

(f) Financial Instruments

Recognition

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at cost which includes transaction costs when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets

Financial assets that are within the scope of the accounting standards are required to be subsequent measured at amortised or fair value on the basis of the company's business model for managing financial assets and the contractual cash flow characteristics of the financial assets. The company holds investment classified as financial asset at fair value through other comprehensive income. In adopting AASB 9 Financial Instruments, the company has made an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. No further impairment of the financial assets at fair value through other comprehensive income will be recognised.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Note 1. Statement of Significant Accounting Policies (cont'd)

(g) Impairment of Assets

At the end of each reporting period, the entity assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the assets fair value less costs to sell and value in use, to the assets carrying amount.

Any excess of the assets carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(h) Employee Benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

(i) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(j) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except, where the amount of GST included is not recoverable from Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Note 1. Statement of Significant Accounting Policies (cont'd)

(j) Goods and Services Tax (GST) (cont'd)

Receivables and payables in the Statement of Financial Position are shown inclusive of GST are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(k) Trade and Other Receivables

Trade and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Trade and Other Debtors expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other trade debtors are classified as non-current assets.

(I) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the company during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(m) Members Subscriptions

Members subscriptions received in advance are amounts received from members in respect of subscriptions for 2021 and subsequent years, and are shown in the balance sheet under trade and other payables.

(n) Limitation of Members' Liability

In accordance with the Club's Constitution the liability of members in the event of the Club being wound up would not exceed \$5 per member.

(o) Comparative Figures

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

When an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

Note 1. Statement of Significant Accounting Policies (cont'd)

(p) New and Amended Accounting Policies

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

Note 2. Critical Accounting Judgements, Estimates and Assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimation of useful lives of assets

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

Employee benefits provision

As discussed in Note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

	2020 \$	2019 \$
Note 3. Revenue and Other Income		
Revenue		
Sale of goods:		
- Bar sales	1,914,406	2,685,536
- Catering	1,658,181	2,491,578
Total Sale of goods	3,572,587	5,177,114
Services:		
- Net clearances	3,454,021	4,363,165
- Bingo	4,466	18,295
 Market nights, functions 	117,097	146,147
 TAB & Keno commissions 	64,741	105,970
- Green fees	31,417	61,511
- Commissions received	66,113	94,166
Total Services	3,737,855	4,789,254
Other revenue:	Viz.	
 Interest received 	1,487	5,340
 Members subscriptions 	55,496	53,842
- Rents	8,864	16,809
- Sundry income	123,484	151,150
- Government subsidy income	1,103,500	:=:
Total Other revenue	1,292,831	227,141
Total Revenue	8,603,273	10,193,509
Other Income		
- Gain on disposal of non-current assets	6,909	98,970
Total Revenue and Other Income	8,610,182	10,292,479
Note 4. Expenses		-
Depreciation		
Depreciation - Buildings	226 526	222 064
	336,536	333,864
- Plant and equipment	496,409	552,072
	832,945	885,936
Finance costs		
- Interest on financial liabilities	54,521	96,388
etrois		

For The Year Ended 31 D	December 2020	
	2020 \$	2019 \$
Note 5. Income Tax Expense		
(a) The components of tax expense comprises:		
Current tax Deferred tax	- 847	2,650
	847	2,650
(b) The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:		
Prima facie tax payable on profit from ordinary activities before income tax at	00.040	5 005
7.04% (2019: 3.50%) Add:	26,342	5,225
non deductible members only expensesnon mutual expenses	8,266 123,544	12,417 20,625
	131,810	33,042
Less: Tax effective of:		
- members subscriptions - non mutual income	3,908 123,073	1,882 8,586
	126,981	10,468
Adjusted for the effect of non-mutual income and expenses calculated at 27.5%		
- Non mutual income	1,504,159	44,421
- Non-mutual expenses	(1,412,065)	(141,889)
	92,094	(97,468)
Taxable income / (Tax Losses)	123,265	(69,669)
Loss carried forward applied to future period	-	69,669
Recoupment of prior year tax losses not previously brought to account	(123,265)	
Income tax attributable to operating profit	-	
	A	

For The Year Ended 31 December 2020			
Note 6. Key Management Personnel Compensation	2020 \$	2019 \$	
(a)The Directors of the Club in office during the financial Directors in connection with the Company are as follows:		or receivables by the	
Honorariums	16,700	19,332	
(b) The totals of remuneration paid to the 4 (2019:4) key company during the year are as follows:	management	personnel of the	
Key management personnel compensation	455,270	506,737	
Note 7. Cash and Cash Equivalents			
Cash at bank	1,533,438	702,977	
Cash on hand	218,620	188,620	
	1,752,058	891,597	
Note 8. Other Receivables			
Other receivables	94,200	89,238	
Note 9. Inventories			
At cost:			
Stock on hand	86,826	98,145	
Note 10. Other Assets			
Prepayments	110,643	162,890	

	2020 \$	2019 \$
Note 11. Property Plant and Equipment (cont'd)		
Land Freehold land at cost	330,000	330,000
Buildings - at cost Less accumulated depreciation	13,479,210 (5,250,700)	13,568,479 (5,023,222)
	8,228,510	8,545,257
Plant and equipment - at cost Less accumulated depreciation	8,038,150 (6,617,955)	8,967,931 (7,477,565)
	1,420,195	1,490,366
Work in progress	44,159	
Total Property Plant and Equipment	10,022,864	10,365,623
	<u> </u>	

(a) Movements in Carry Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

	Freehold Land	Buildings	Plant & Equipment	Work in Progress	Total
Balance at the Beginning of year	330,000	8,545,257	1,490,366	-	10,365,623
Additions at cost	-	19,789	518,358	44,159	582,306
Disposals	-	=	(92,120)	-	(92,120)
Depreciation expense		(336,536)	(496,409)	-	(832,945)
Carrying amount at end of year	330,000	8,228,510	1,420,195	44,159	10,022,864

Note 12. Trade and Other Payables	2020 \$	2019 \$
Current:		
Trade payables	112,670	210,177
Other payables and accrued expenses	434,614	251,464
Members subscriptions in advance	1,276	2,431
	548,560	464,072
Non-Current Members subscriptions in advance	42,929	52,247
Note 13. Financial Liabilities		
Current		
Secured		
Business flexi loan (i)	684,371	529,017
Hire purchase Commitments	94,367	21,946
	778,738	550,963
Non-Current	4	
Business flexi loan (i)	778,252	1,145,003
Hire purchase Commitments	189,070	59,004
	967,322	1,204,007
Secured Liabilities	-	-

- (i) Secured by Registered First Mortgage over the company's freehold land and an Equitable Mortgage over the assets of the company.
- (ii) Hire Purchase agreements secured over the purchase of new poker machine and cash redemption terminal additions and solar panels affixed to the Club. At the end of the financial year, two hire purchase agreements were active, with principal and interest repayments due in the next 12 months classified as current in nature and any further amounts of each agreement listed as non-current.

Note 14. Tax

(a)	Provision for Income Tax	-	-
(b)	Deferred tax assets comprises	21,515	22,362

	2020	2019
	\$	\$
Note 15. Employee Benefits		
Current		
Provision for annual leave	207,447	185,739
Provision for long service leave	302,387	232,109
	509,834	417,848
Non-Current		-
Provision for annualleave	31,519	33,455
Provision for long service leave	45,727	116,979
	77,246	150,434
	-	
Note 16. Cash Flow Information		
(a) Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax		
Profit from ordinary activities after income tax	373,193	146,825
Non-cash flows in profit from ordinary activities		
Depreciation	832,945	885,936
Net gain on disposal of assets	(6,909)	(98,970)
Changes in assets and liabilities	(-,,	(,)
Decrease/(Increase) in receivables and other debtors	(4,962)	(28,241)
(Increase)/decrease in inventories	11,319	25,556
(Increase)/decrease in other assets	52,243	37,310
Increase/(decrease) in trade and payables	75,174	101,320
Increase/(decrease) in provisions	18,798	3,610
(Increase)decrease in deferred tax asset	847	2,650
Cash flow from operations	1,352,648	1,076,002

Note 17. Financial Reporting By Segments

The Club operates predominantly in one industry. The principal activity of the Club is that of a Licensed Club registered under the Registered Club Act, 1976. The Club operates predominantly in one geographical area, being Davistown, NSW.

	For the Year End	ea 31 Decembe	r 2020	
			2020 \$	2019 \$
Note 18. Related P	arty Disclosures			
(a) Loans to Directo	ors			
of the company	it balance date to directors		Nil	Nil
Type of Terms & Transaction	Class of Conditions	Related Party		
Purchases	Normal commercial terms	Directors		
Director - meals and Director-expenses Director-uniforms			4,209 117 282	6,559 227 1,252

⁽c) The Directors also purchased goods from the company on the same terms and conditions available to the company's employees, members and guests.

1,160

Note 19. Financial Risk Management

Director-training

The company's financial instruments consist mainly of deposits with banks, accounts receivable and payable and borrowings. The totals for each category of financial instruments, measured in accordance with AASB9 as detailed in the accounting policies to these financial statements, are as follows:

Financial assets		
Cash and cash equivalents	1,752,058	891,597
Receivables	94,200	89,238
	1,846,258	980,835
Financial liabilities		
Trade payables and Other Payables	547,284	461,641
Borrowings	1,746,060	1,754,970
	2,293,344	2,216,611
	41	

The company does not have any derivative instruments at 31 December 2020.

Note 20. Contingent Liabilities and Contingent Assets

The directors are not aware of any significant contingent liabilities or contingent assets affecting the entity at reporting date.

Note 21. Members Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. In accordance with the conditions in the Constitution, the liability of members in the event of the company being wound up would not exceed \$5 per member towards meeting any outstanding and obligations of the company. At 31 December 2020 there were 12.415 members.

Note 22. Events after the Reporting Period

The emergence of Coronavirus disease (COVID-19) during the first months of 2020 has had a significant impact on financial markets and assets globally, the broader economic and social disruption now evident and is anticipated to continue in the near-term.

Prior to the government announcement, the Club implemented additional practices and safeguards for the customers and staff members and further reduced and suspended major activities and events on the 23rd March 2020.

On 22 March 2020, the government announced forced closure of the registered and licensed clubs, licensed premises in hotels and pubs, entertainment venues and cinemas, casinos and nightclubs, effective from midday 23 March 2020 until further notice.

While the impact of COVID-19 is yet to be fully determined, we have assessed the impact of the financial position and considered potential impacts to be as follows;

- Restricted trading activity until June 2020 and revised trading expectations for the following 6 months;
- Eligible financial assistance benefits to be received by the federal government to facilitate the Public Safety forced closure period; and
- The business continues to pay its debts as and when they fall due and payable.

Given the nature of the services provided, management will continue to monitor the economic impact of this situation on the assets held and business as a whole.

Other than the item noted above, in the interval between the end of the financial year and the date of this report, no transactions or event of material and unusual nature has arisen to significantly affect the operation of the Club, the results of those operations or the state of affairs of the Club in the future financial years.

Note 23. Registered Office

The registered office address of the company is:

19 Murna Rd Davistown NSW 2251

Directors' Declaration For The Year Ended 31 December 2020

The directors of the company declare that:

- The financial report and notes, as set out on pages 7 to 25 are in accordance with the Corporations Act 2001 and:
 - (a) comply with Australian Accounting Standards -Reduced Disclosure Requirements; and
 - give a true and fair view of the financial position as at 31 December 2020 and of (b) the performance for the year ended on that date of the company;
- 2. In the director's opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

C White **Director**

Dated: 16 February, 2021



Independent Audit Report To The Members Of Davistown RSL Club Limited

Report on the Financial Report

Opinion

We have audited the financial report of Davistown RSL Club Limited (the company), which comprises the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, statement of changes member's 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 directors' declaration.

In our opinion, the accompanying financial report of Davistown RSL Club Limited is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the company's financial position as at 31 December 2020 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

Basis of Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 200* 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 2001*, which has been given to the directors of Davistown RSL Club Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 31 December 2020, 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.



Independent Audit Report To The Members Of Davistown RSL Club Limited

Other Information (continued...)

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, 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 report.

Responsibilities of the Directors for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine as necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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 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 company's internal control.



Independent Audit Report To The Members Of Davistown RSL Club Limited

Auditor's Responsibilities for the Audit of the Financial Report (continued...)

- 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 directors' 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.
- Obtain sufficient audit evidence regarding the financial information of the company of business activities with the company to express an opinion on the financial report. We are responsible solely for our audit opinion.

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

FORTUNITY ASSURANCE

Adrian Thompson

Partner

155 The Entrance Road ERINA NSW 2250

Dated: 16 February 2021