

CONDOBOLIN RSL CLUB LTD
ABN 38 000 864 120

**FINANCIAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2018**

**Liability limited by a scheme approved under
Professional Standards Legislation**

CONDOBOLIN RSL CLUB LTD
ABN 38 000 864 120

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given of a General Meeting of the Condobolin RSL Club Ltd to be held on commencing at at the premises of the Club situated at 20 McDonnell Street Condobolin NSW 2877.

BUSINESS

The business of the meeting shall be the business of the Annual General Meeting as set out in Clause 81 of the Constitution as follows:-

1. To receive and consider the following reports
 - 1.1 The President's Report
 - 1.2 The Financial Report
 - 1.3 The Director's Report
 - 1.4 The Auditors Report
2. To declare the results of the election of the Board of Directors and/or
3. To appoint an Auditor in the event that there is a vacancy in the office of Auditor
4. To deal with other business of which due notice has been given to members
5. To call for questions, recommendations and comment on the management of the Club

Dated this of ,2019

Secretary/ Manager
Condobolin RSL Club Ltd

CONDOBOLIN RSL CLUB LTD
ABN 38 000 864 120

DIRECTORS' REPORT

The directors present their report on the company for the financial year ended 31 December 2018.

Information on Directors

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

Mr Graeme Barry Yetman
Mr Daryl Nairn
Mrs Fay Krebs retired 22 August 2018
Mrs Donna Nagle
Mrs Julie Emery
Mr Glenn Raymond Tyack retired 22 May 2018
Mr Jeffrey Michael Grogan retired 7 September 2018
Mrs Sharon Buerckner
Mrs Susan Coombes
Mr James Stewart
Mrs Marie Ritchie retired 7 September 2018

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

Operating Results

The loss of the company after providing for income tax amounted to \$85,827.

Significant Changes in the State of Affairs

There have been no significant changes in the state of affairs of the Company during the year.

Principal Activities

The principal activities of the company during the financial year were that of a registered licenced club.

No significant changes in the nature of the company's activity occurred during the financial year.

Events After the Reporting Date

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

Environmental Issues

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

Dividends paid or recommended

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

Options

No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

CONDOBOLIN RSL CLUB LTD
ABN 38 000 864 120

DIRECTORS' REPORT

Indemnification and Insurance of Officers and Auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.

Auditors' Independence Declaration

The lead auditors' independence declaration in accordance with section 307C of the Corporations Act 2001, for the year ended 31 December 2018 has been received and can be found on page 3.

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

Director: _____
Mr Graeme Barry Yetman

Director: _____
Mr Daryl Nairn

Dated this _____ day of

**AUDITORS' INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
CONDOBOLIN RSL CLUB LTD**

We declare that, to the best of our knowledge and belief, during the year ended 31 December 2018 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.

Name of Firm: Lewis & Redenbach
Chartered Accountants

Name of Partner: _____
Graham Lewis

Address: 126 Bathurst Street Condobolin NSW 2877

Dated this **day of**

CONDOBOLIN RSL CLUB LTD
ABN 38 000 864 120

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	Note	2018	2017
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	451,352.05	433,797.57
Trade and other receivables	5	22,829.79	30,774.71
Inventories	6	35,989.00	23,235.00
TOTAL CURRENT ASSETS		510,170.84	487,807.28
NON-CURRENT ASSETS			
Property, plant and equipment	7	1,775,756.08	1,893,350.00
Intangible assets	8	42,000.00	42,000.00
TOTAL NON-CURRENT ASSETS		1,817,756.08	1,935,350.00
TOTAL ASSETS		2,327,926.92	2,423,157.28
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	127,903.10	134,219.76
Borrowings	10	149,888.17	146,063.13
Other current liabilities	11	15,000.00	15,000.00
TOTAL CURRENT LIABILITIES		292,791.27	295,282.89
NON-CURRENT LIABILITIES			
Borrowings	10	35,594.13	42,505.45
TOTAL NON-CURRENT LIABILITIES		35,594.13	42,505.45
TOTAL LIABILITIES		328,385.40	337,788.34
NET ASSETS		1,999,541.52	2,085,368.94
EQUITY			
Reserves	12	33,352.00	33,352.00
Retained earnings	13	1,966,189.52	2,052,016.94
TOTAL EQUITY		1,999,541.52	2,085,368.94

The accompanying notes form part of these financial statements.

CONDOBOLIN RSL CLUB LTD
ABN 38 000 864 120

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	Retained earnings	Total
		\$	\$
Balance at 1 January 2017		2,170,385	2,170,385
Profit attributable to equity shareholders		(118,369)	(118,369)
Balance at 31 December 2017		2,052,017	2,052,017
Profit attributable to equity shareholders		(85,827)	(85,827)
Balance at 31 December 2018		1,966,190	1,966,190

The accompanying notes form part of these financial statements.

CONDOBOLIN RSL CLUB LTD
ABN 38 000 864 120

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018 \$	2017 \$
SALES		
Sales	<u>520,030.07</u>	<u>569,701.86</u>
LESS: COST OF GOODS SOLD		
Opening Stock	23,235.00	23,695.00
Purchases	274,566.45	285,365.68
Closing Stock	<u>(35,989.00)</u>	<u>(23,235.00)</u>
	<u>261,812.45</u>	<u>285,825.68</u>
GROSS PROFIT FROM TRADING	<u>258,217.62</u>	<u>283,876.18</u>
OTHER INCOME		
Insurance Recoveries	33,470.54	4,895.00
Catering Income	3,351.81	616.37
Rebates	17,180.00	17,180.00
Room & Equipment Hire	2,177.26	1,719.03
Wage Subsidy	9,090.91	-
Sundry Income	200.90	77.27
Supplier Promotions	18,205.92	-
Subscriptions & Nomination Fees	4,566.83	10,785.87
Poker Machine Net Takings	1,077,875.91	1,075,802.20
ATM Commission	17,178.54	18,384.57
Keno Commission	134,669.02	143,066.38
TAB Commission	13,786.07	14,388.58
Other Commissions	880.94	1,520.70
Interest Received	<u>1,354.56</u>	<u>1,803.23</u>
	<u>1,333,989.21</u>	<u>1,290,239.20</u>
	<u>1,592,206.83</u>	<u>1,574,115.38</u>

CONDOBOLIN RSL CLUB LTD

ABN 38 000 864 120

**PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018	2017
	\$	\$
EXPENSES		
Accountancy Fees	22,500.00	25,000.00
Advertising & Donations	195,538.45	161,258.74
Board Expenses	2,644.79	3,991.11
Bank Charges & Borrowing Costs	6,566.40	6,934.67
Bar & Laundry Expenses	7,675.55	15,516.40
Cleaning Supplies	17,224.19	16,829.11
Club Hospitality	9,682.98	6,610.32
Courtesy Bus & Taxi Fares	5,320.91	6,215.91
Catering Costs	11,987.76	9,607.26
Consulting Fees	2,181.82	-
Computer Software & Support	44,399.21	42,211.32
Conferences & Meetings	2,462.73	1,083.64
Donations & Sponsorship	13,517.20	15,980.27
Depreciation	209,515.00	197,731.00
Newspapers	1,227.08	1,330.64
Insurance	32,272.73	31,172.65
Interest Expense	591.59	1,505.48
Income not Banked	2,615.69	11,824.57
Keno Operating & Promotional Costs	6,229.64	8,081.92
Leasing Charges	18,649.08	23,194.07
Light & Power	96,095.16	90,344.61
Pay Tv & Sky Channel	31,686.81	35,060.68
Printing Postage & Stationery	12,102.58	11,298.61
Poker Machine Monitoring	18,814.79	18,799.33
Poker Machine Tax	52,339.95	59,055.70
Rates	12,136.87	16,106.11
Repairs & Maintenance - Plant & General	51,525.91	65,573.99
Repairs & Maintenance - Poker Machines	23,303.67	22,862.60
Security Costs	1,454.82	1,867.56
Staff Training	4,461.17	5,907.81
Subscriptions & Licences	16,518.86	18,048.80
Sundry Expenses	2,111.48	3,899.53
Superannuation Contributions	50,913.44	51,913.24
Telephone	10,982.24	11,580.05
Travelling Expenses	11,121.88	7,557.05
Uniforms	3,037.70	5,583.22
Wages	666,624.12	680,945.91
Loss before income tax	1,678,034.25	1,692,483.88
Income tax expense	(85,827.42)	(118,368.50)
Loss after income tax	(85,827.42)	(118,368.50)

The accompanying notes form part of these financial statements.

CONDOBOLIN RSL CLUB LTD
ABN 38 000 864 120

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	1,860,610.00	1,886,615.00
Payments to suppliers and employees	(1,723,503.00)	(1,809,526.00)
Interest received	1,354.00	1,803.00
Borrowing costs paid	(591.00)	(1,505.00)
Net cash provided by operating activities	14	137,870.00
		77,387.00
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	(91,920.00)	(181,621.00)
Net cash used in investing activities	(91,920.00)	(181,621.00)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	26,097.00	122,859.00
Repayment of borrowings	(54,492.00)	(9,790.00)
Net cash provided by (used in) financing activities	(28,395.00)	113,069.00
Net increase in cash held	17,555.00	8,835.00
Cash at beginning of financial year	433,797.00	424,962.00
Cash at end of financial year	4	451,352.00
		433,797.00

The accompanying notes form part of these financial statements.

CONDOBOLIN RSL CLUB LTD
ABN 38 000 864 120

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

The financial reports cover Condobolin RSL Club Ltd as an individual entity. Condobolin RSL Club Ltd is a for profit proprietary company incorporated and domiciled in Australia.

The functional and presentation currency of Condobolin RSL Club Ltd is Australian dollars.

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

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and the other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

These financial statements and associated notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The financial statements 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 significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and is net of any rebates and discounts received.

Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

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.

CONDOBOLIN RSL CLUB LTD

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

Depreciation

Property, plant and equipment excluding freehold land, is depreciated on a straight line basis over the assets useful life to the Company, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

Leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight line basis over the life of the lease term.

Financial Instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The company's trade and most other receivables fall into this category of financial instruments.

In some circumstances, the company renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the company does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

CONDOBOLIN RSL CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that do not qualify for inclusion in any of the other categories of financial assets or which have been designated in this category. The company's available-for-sale financial assets comprise listed securities.

All available for sale financial assets are measured at fair value, with subsequent changes in value recognised in other comprehensive income.

Gains and losses arising from financial instruments classified as available-for-sale are only recognised in profit or loss when they are sold or when the investment is impaired.

In the case of impairment or sale, any gain or loss previously recognised in equity is transferred to the profit or loss.

Available-for-sale financial assets

A significant or prolonged decline in value of an available-for-sale asset below its cost is objective evidence of impairment, in this case, the cumulative loss that has been recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Any subsequent increase in the value of the asset is taken directly to other comprehensive income.

Impairment of Non-Financial Assets

At the end of each reporting period the company determines whether there is an evidence of any impairment indicator for non-financial assets.

Where this indicator exists and regardless of goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss

Intangibles

CONDOBOLIN RSL CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

Cash and Cash Equivalents

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

Revenue and Other Income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Sale of goods

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

Interest revenue

Interest revenue is recognised using the effective interest rate method.

Rendering of services

Revenue in relation to rendering of services is recognised depends on whether the outcome of the services can be measured reliably. If this is the case then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period. If the outcome cannot be reliably measured then revenue is recognised to the extent of expenses recognised that are recoverable.

Trade and Other Payables

Trade and other payables represent the liabilities at the end of the reporting period for goods and services received by the company that remain unpaid.

Trade payables are recognised at their transaction price. Trade payables are obligations on the basis of normal credit terms.

Borrowing Costs

All borrowing costs are recognised as an expense in the period in which they are incurred.

CONDOBOLIN RSL CLUB LTD
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

Comparative Amounts

Comparatives are consistent with prior years, unless otherwise stated.

Where a change in comparatives has also affected the opening retained earnings previously presented in a comparative period, an opening statement of financial position at the earliest date of the comparative period has been presented.

CONDOBOLIN RSL CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	\$	\$
3 Revenue and Other Income		
Revenue		
Sales revenue:		
Sale of goods	520,030.07	569,701.86
Rendering of services	1,248,957.31	1,263,948.30
	<u>1,768,987.38</u>	<u>1,833,650.16</u>
Other revenue:		
Interest received	1,354.56	1,803.23
Other revenue	83,677.34	24,487.67
	<u>85,031.90</u>	<u>26,290.90</u>
Total revenue	<u>1,854,019.28</u>	<u>1,859,941.06</u>
Interest revenue from:		
Interest Received	1,354.56	1,803.23
Total interest revenue on financial assets not at fair value through profit or loss	<u>1,354.56</u>	<u>1,803.23</u>
Other revenue from:		
Insurance Recoveries	33,470.54	4,895.00
Catering Income	3,351.81	616.37
Rebates	17,180.00	17,180.00
Room & Equipment Hire	2,177.26	1,719.03
Wage Subsidy	9,090.91	-
Sundry Income	200.90	77.27
Supplier Promotions	18,205.92	-
Total other revenue	<u>83,677.34</u>	<u>24,487.67</u>
4 Cash and Cash Equivalents		
Cash on Hand	58,551.60	75,920.13
Cash at Bank	72,508.60	15,423.35
Business Online Saver	320,291.85	342,454.09
	<u>451,352.05</u>	<u>433,797.57</u>

CONDOBOLIN RSL CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	\$	\$
Reconciliation of cash		
Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:		
Cash and cash equivalents	451,352.00	433,797.57
	<u>451,352.00</u>	<u>433,797.57</u>
5 Trade and Other Receivables		
Current		
Receivables	25,466.56	34,574.71
Less: Provision for Doubtful Debts	<u>(8,800.00)</u>	<u>(8,800.00)</u>
	16,666.56	25,774.71
Employee Social Club	1,163.23	-
TAB Security Deposit	<u>5,000.00</u>	<u>5,000.00</u>
	<u>22,829.79</u>	<u>30,774.71</u>
The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short term nature of the balances.		
6 Inventories		
Current		
At cost:		
Trading Stock	<u>35,989.00</u>	<u>23,235.00</u>
7 Property, Plant and Equipment		
BUILDINGS		
Buildings at:		
Independent valuation	2,026,668.00	2,026,668.00
Directors' valuation	1,062,904.26	1,024,280.00
Less accumulated depreciation	<u>(1,690,587.00)</u>	<u>(1,629,738.00)</u>
Total Buildings	<u>1,398,985.26</u>	<u>1,421,210.00</u>

CONDOBOLIN RSL CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	\$	\$
PLANT AND EQUIPMENT		
Plant and Equipment:		
At cost	1,356,986.82	1,368,840.00
Accumulated depreciation	(980,216.00)	(896,700.00)
Total Plant and Equipment	376,770.82	472,140.00
Total Property, Plant and Equipment	1,775,756.08	1,893,350.00
Movements in Carrying Amounts of Property, Plant and Equipment		
8 Intangible Assets		
Formation Expenses		
2 x Poker Machine Licences ex Sports Club 8/12/16	42,000.00	42,000.00
Closing carrying value at 31 December 2018	42,000.00	42,000.00
9 Trade and Other Payables		
Current		
Creditor Control	103,062.79	124,592.76
Accruals	16,236.31	-
GST Clearing Account	8,604.00	9,627.00
127,903.10	134,219.76	

Trade and other payables are unsecured, non interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short term nature of the balances.

CONDOBOLIN RSL CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	\$	\$
10 Borrowings		
Current		
Loan Contract Liability	105,594.50	122,859.00
Annual Leave Provision	26,846.54	7,139.87
Unpaid Poker Machine Tickets	<u>17,447.13</u>	<u>16,064.26</u>
Total current borrowings	<u>149,888.17</u>	<u>146,063.13</u>
Non-Current		
CBA Bank Loan	1,091.68	12,221.85
Long Service Leave Provision	<u>34,502.45</u>	<u>30,283.60</u>
Total non-current borrowings	<u>35,594.13</u>	<u>42,505.45</u>
Total borrowings	<u>185,482.30</u>	<u>188,568.58</u>
11 Other Liabilities		
Current		
Accrued Charges	<u>15,000.00</u>	<u>15,000.00</u>
12 Reserves		
Capital Profits Reserve	<u>33,352.00</u>	<u>33,352.00</u>
13 Retained Earnings		
Retained earnings at the beginning of the financial year	2,052,016.94	2,170,385.44
Net loss attributable to members of the company	<u>(85,827.42)</u>	<u>(118,368.50)</u>
Retained earnings at the end of the financial year	<u>1,966,189.52</u>	<u>2,052,016.94</u>

CONDOBOLIN RSL CLUB LTD
ABN 38 000 864 120

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018 \$	2017 \$
14 Cash Flow Information		
Reconciliation of result for the year to cashflows from operating activities.		
Reconciliation of net income to net cash provided by operating activities:		
Loss after income tax	(85,827.42)	(118,368.50)
Cash flows excluded from loss attributable to operating activities		
Non-cash flows in profit		
Profit on sale of non-current assets	-	2,113.00
Depreciation	209,515.00	197,731.00
Changes in assets and liabilities		
(Increase) Decrease in current inventories	(12,754.00)	460.00
(Increase) Decrease in current receivables	7,945.00	10,518.00
Increase (Decrease) in trade creditors	(22,553.00)	(22,400.00)
Increase (Decrease) in other creditors	17,619.00	15,846.00
Increase (Decrease) in current provisions	23,925.00	(8,513.00)
	<hr/> <u>137,869.58</u>	<hr/> <u>77,386.50</u>

15 Financial Risk Management

The company is exposed to a variety of financial risks through its use of financial instruments.

The company's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The company does not have any derivative instruments at 31 December 2018.

CONDOBOLIN RSL CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	\$	\$

Objectives, Policies and Processes

The board of directors receives overall responsibility for the establishment of the company's financial risk management framework. This includes the development of policies covering specific areas such as interest rate risk and credit risk.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

The day-to-day risk management is carried out by the company's finance function under policies and objectives which have been approved by the board of directors. The chief financial officer has been delegated the authority for designing and implementing processes which follow the objectives and policies. This includes monitoring the levels of exposure to interest rate and assessment of market forecasts for interest rate movements.

The board of directors receives monthly reports which provide details of the effectiveness of the processes and policies in place.

Mitigation strategies for specific risks faced are described below.

The company does not hold any financial assets with terms that have been renegotiated, but which would otherwise be past due or impaired.

The other classes of receivables do not contain impaired assets.

16 Statutory Information

The registered office of the company is:

Condobolin RSL Club Ltd

20 McDonnell Street
Condobolin NSW 2877

The principal place of business is:

20 McDonnell Street
Condobolin NSW 2877

CONDOBOLIN RSL CLUB LTD
ABN 38 000 864 120

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes for the year ended 31 December 2018 are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
 - (b) give a true and fair view of the financial position and performance of the company.
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

Director: _____
Mr Graeme Barry Yetman

Director: _____
Mr Daryl Nairn

Dated this day of

CONDOBOLIN RSL CLUB LTD
ABN 38 000 864 120

PROFIT AND LOSS APPROPRIATION STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018	2017
		\$	\$
Loss before income tax		(85,827.42)	(118,368.50)
Income tax expense		<u>-</u>	<u>-</u>
Loss after income tax		(85,827.42)	(118,368.50)
Retained earnings at the beginning of the financial year		<u>2,052,016.94</u>	<u>2,170,385.44</u>
Total available for appropriation		<u>1,966,189.52</u>	<u>2,052,016.94</u>
Retained earnings at the end of the financial year		<u>1,966,189.52</u>	<u>2,052,016.94</u>

The accompanying notes form part of these financial statements.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF CONDOBOLIN RSL CLUB LTD
ABN 38 000 864 120

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Condobolin RSL Club Ltd, (the company) which comprises the statement of financial position as at 31 December 2018 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion, the accompanying financial report of the company 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 2018 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditors' 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 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditors' report.

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

Responsibilities of 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 and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that 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.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF CONDOBOLIN RSL CLUB LTD
ABN 38 000 864 120

Auditors' Responsibility 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 auditors' 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.
- 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 auditors' 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 auditors' 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.

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF CONDOBOLIN RSL CLUB LTD
ABN 38 000 864 120**

Name of Firm: Lewis & Redenbach
Chartered Accountants

Name of Partner: _____
Graham Lewis

Address: 126 Bathurst Street Condobolin NSW 2877

Dated this **day of**