

Swansea RSL Club Limited

ABN 82 001 052 642

Summary Financial Statements

For the Year Ended 31 December 2024

The financial statements and other specific disclosures have been derived from Swansea RSL Club Limited's full financial statements for the financial year. Other information included in the Summary Financial Statements is consistent with Swansea RSL Club Limited's full financial statements.

The Summary Financial Statements do not, and cannot be expected to, provide as full an understanding of the financial performance, financial position and financing and investing activities of Swansea RSL Club Limited's as the full financial statements.

A copy of Swansea RSL Club Limited's 2024 full financial statements, including the independent audit report, is available to all members and will be sent to members without charge upon request.

Swansea RSL Club Limited

ABN 82 001 052 642

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Swansea RSL Club Limited

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Directors' Report 31 December 2024

Your Directors present their report on Swansea RSL Club Limited for the financial year ended 31 December 2024.

Directors

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

Name	Position	Occupation	Years' Service
G. Davies	President	Retired	37
A. Rankins	Senior Vice President	Company Director	12
P. Jeffery	Director	Retired	17
C. George	Director	Administration Manager	11
P. Black	Director	Logistics Superintendant	1
D. Lewis	Director	General Manager Sales	1
T. Jones	-	-	Resigned 24/06/2024

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

Club secretary

The following person held the position of Club secretary at the end of the financial year:

K. Emerton who is also the General Manager of the Club has held the position of Secretary for 19 years.

Principal activities

The principal activity of Swansea RSL Club Limited during the financial year was the conduct of a Licensed Club.

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

Operating results

The profit of the Club after providing for income tax amounted to \$ 512,474 (2023: \$ 1,115,814).

Review of operations

Profit from bar trading amounted to \$947,061 and gross profit percentage of 65% was obtained from sales of \$2,606,205.

Net gaming revenue amounted to \$4,297,033 and compares with \$4,693,753 in 2023.

Profit from catering trading amounted to \$796,736 and compares to a profit of \$874,841 in 2023.

Swansea RSL Club Limited

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Directors' Report

31 December 2024

Meetings of Directors

During the financial year, 12 meetings of Directors were held. Attendances by each Director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
G. Davies	12	12
A. Rankins	12	9
P. Jeffery	12	10
C. George	12	11
P. Black	12	11
D. Lewis	12	9
T. Jones (resigned 24/06/2024)	6	3

Members guarantee

Swansea RSL Club Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the Club, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$1 for all members, subject to the provisions of the Club's constitution.

At 31 December 2024 the collective liability of members was \$18,272 (2023: \$17,749).

Significant changes in state of affairs

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

After balance date events

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

Environmental issues

The Club's operations are subject to environmental regulations under the laws of the Commonwealth and State of Australia. The Directors are not aware of any breaches of the legislation during the financial year which are material in nature.

Swansea RSL Club Limited

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Directors' Report

31 December 2024

Short and long term objectives

The Club has established short and long term objectives as outlined in the Club's business plan which is reviewed on an annual basis. These objectives are both financial and non financial and are aimed towards providing a comfortable and secure environment to its members that continues to meet their needs. These objectives are measured through both financial and non financial key performance indicators that have been determined relevant to the Club industry. No information is included on the likely developments in the operations of the Club and the expected results of those operations.

Auditor's independence declaration

The lead auditor's independence declaration for the year ended 31 December 2024 has been received and can be found on page 5 of the financial report.

Mandatory Director Training

Under the Registered Clubs Amendment (Disclosures) Regulation 2019, the Club is required to disclose to its members certain information relating to mandatory training requirements undertaken by Directors. As the Club has annual gaming machine profits of more than \$1 million, the Regulation prescribes that all Directors must complete their mandatory training within 12 months of appointment unless otherwise exempt.

All Directors have completed the mandatory training requirements.

Disclosure of Core and Non-Core Property

Pursuant to Section 41J(2) of the Registered Clubs Act 1976 and for the financial year ended 31 December 2024, the Directors have determined that the property of the Club shall be classified as follows:

Property, Plant & Equipment:

Address	Current Usage	Classification
5 - 7 Chalmers Street, Swansea	Club Building	Core
12 Bridge Street, Swansea	Club Building & Carpark	Core
6 Chalmers Street, Swansea	Carpark	Core
8 Peel Street, Swansea	Carpark	Core
7 Bridge Street, Swansea	Carpark	Core
11 Chalmers Street, Swansea	Carpark	Core

Investment Property:

4 Chalmers Street, Swansea	Investment Property	Non-Core
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Indemnification and insurance of officers

The Club has paid premiums to insure each of the Directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director of the Club, other than conduct involving a wilful breach of duty in relation to the Club.

Swansea RSL Club Limited


ABN 82 001 052 642


Directors' Report 31 December 2024

Proceedings on behalf of the Club

No Director has applied for leave of court to bring proceedings on behalf of the Club or intervene in any proceedings to which the Club is a party for the purpose of taking responsibility on behalf of the Club for all or any part of those proceedings.

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


Director:


Director:

Dated 17 February 2025

Swansea RSL Club Limited

ABN 82 001 052 642

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Swansea RSL Club Limited

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2024, 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.

Cutcher & Neale Assurance Pty Limited
(An authorised audit company)



N. Nancarrow CA
Director

NEWCASTLE

10 February 2025

SYDNEY

Level 1, Suite 1.03, 100 Pacific Highway,
North Sydney, NSW, 2060

BRISBANE

Suite 5, 36 Agnes Street,
Fortitude Valley, QLD, 4006

NEWCASTLE

Level 3, 130 Parry Street,
Newcastle West, NSW, 2302

CONTACT

PHONE 1800 988 522
EMAIL cnmail@cutcher.com.au

Liability Limited by a scheme approved under Professional Standards Legislation. Cutcher & Neale Assurance Pty Limited ABN 37 126 556 330

Swansea RSL Club Limited

ABN 82 001 052 642

Independent Audit Report to the members of Swansea RSL Club Limited

Report on the Audit of the Financial Report

Opinion

The summary financial statements, which comprise the summary statement of financial position as at 31 December 2024, the summary statement of profit or loss and other comprehensive income, the summary statement of changes in equity, the summary statement of cash flows, discussion and analysis of the financial statements and the Directors' declaration for the year then ended, and related notes, are derived from the audited financial report of Swansea RSL Club Limited for the year ended 31 December 2024.

In our opinion, the accompanying summary financial statements are consistent, in all material respects with the audited financial statements, on the basis described in Note 1.

Summary Financial Statements

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

The Audited Financial Report and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial report in our report dated 18 February 2025.

Directors' Responsibility for the Summary Financial Statements

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

Auditor's Responsibility

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

Cutcher & Neale Assurance Pty Limited
(An authorised audit company)



N. Nancarrow CA
Director

NEWCASTLE

18 February 2025

SYDNEY

Level 1, Suite 1.03, 100 Pacific Highway,
North Sydney, NSW, 2060

BRISBANE

Suite 5, 36 Agnes Street,
Fortitude Valley, QLD, 4006

NEWCASTLE

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PHONE 1800 988 522
EMAIL cnmail@cutcher.com.au

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Swansea RSL Club Limited

ABN 82 001 052 642


Directors' Declaration


In the Directors' opinion:

The summary financial statements of Swansea RSL Club Limited for the financial year ended 31 December 2024, as set out on pages 8 to 14:

- a. comply with Australian Accounting Standards as described in Note 1; and
- b. have been derived from and are consistent with the full financial statements of Swansea RSL Club Limited.

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


Director:


Director:

Dated 17 February 2025

Swansea RSL Club Limited

ABN 82 001 052 642

Summary Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 December 2024

	Note	2024 \$	2023 \$
Bar sales		2,606,205	2,636,336
Less: Cost of goods sold		(914,919)	(927,829)
		<u>1,691,286</u>	<u>1,708,507</u>
Catering sales		3,956,979	4,165,489
Less: Cost of goods sold		(1,467,316)	(1,557,353)
		<u>2,489,663</u>	<u>2,608,136</u>
Gross profit		4,180,949	4,316,643
Gaming machine net clearances		4,297,033	4,693,753
Tab and Keno commissions		156,385	151,083
Raffles and bingo revenue		228,801	224,760
Other revenue from contracts with customers	2	58,109	53,942
Other revenue from ordinary activities	2	198,377	181,550
Borrowing cost expense		(40,965)	(28,801)
Bar trading expenses		(744,225)	(712,533)
Catering trading expenses		(1,692,927)	(1,733,295)
Gaming machine trading expenses		(1,077,231)	(1,200,363)
Tab and Keno expenses		(228,791)	(239,718)
Raffle and bingo expenses		(269,304)	(269,505)
Occupancy expenses		(710,270)	(641,962)
Club promotion and entertainment expenses		(278,771)	(262,402)
Depreciation and amortisation expense		(1,060,104)	(1,020,461)
Administrative expenses		(2,449,310)	(2,342,325)
Other operating expenses from ordinary activities		(76,555)	(54,330)
Profit before income tax		491,201	1,116,036
Income tax (expense)/benefit		21,273	(222)
Profit attributable to members		512,474	1,115,814
Other comprehensive income		-	-
Total comprehensive income / (loss)		512,474	1,115,814

The accompanying notes form part of these financial statements.

Swansea RSL Club Limited

ABN 82 001 052 642

Summary Statement of Financial Position As At 31 December 2024

	2024	2023
	\$	\$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	2,970,145	4,411,885
Trade and other receivables	94,162	49,834
Inventories – at cost	103,353	84,997
Prepayments	215,360	204,436
TOTAL CURRENT ASSETS	3,383,020	4,751,152
NON-CURRENT ASSETS		
Financial assets	1,450	1,450
Property, plant and equipment	13,447,955	11,141,522
Investment properties	1,707,900	571,163
Deferred tax assets	158,343	137,070
Intangible assets	166,320	166,320
TOTAL NON-CURRENT ASSETS	15,481,968	12,017,525
TOTAL ASSETS	18,864,988	16,768,677
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	1,473,644	1,018,451
Short-term borrowings	-	1,043,396
Short-term provisions	528,099	505,683
TOTAL CURRENT LIABILITIES	2,001,743	2,567,530
NON-CURRENT LIABILITIES		
Long-term borrowings	2,517,600	388,255
Long-term provisions	54,360	34,081
TOTAL NON-CURRENT LIABILITIES	2,571,960	422,336
TOTAL LIABILITIES	4,573,703	2,989,866
NET ASSETS	14,291,285	13,778,811
EQUITY		
Retained Earnings	14,291,285	13,778,811
TOTAL EQUITY	14,291,285	13,778,811

The accompanying notes form part of these financial statements.

Swansea RSL Club Limited

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Summary Statement of Changes in Equity For the Year Ended 31 December 2024

2024

	Retained Earnings
	\$
Balance at 1 January 2024	13,778,811
Total comprehensive income for the year	<u>512,474</u>
Balance at 31 December 2024	<u><u>14,291,285</u></u>

2023

	Retained Earnings
	\$
Balance at 1 January 2023	12,662,997
Total comprehensive income for the year	<u>1,115,814</u>
Balance at 31 December 2023	<u><u>13,778,811</u></u>

The accompanying notes form part of these financial statements.

Swansea RSL Club Limited

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Summary Statement of Cash Flows

For the Year Ended 31 December 2024

	2024	2023
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	12,487,888	13,200,567
Payments to suppliers and employees	(10,463,256)	(11,073,299)
Interest received	14,024	11,541
Interest paid	(40,965)	(28,801)
Net cash provided by / (used in) operating activities	<u>1,997,691</u>	<u>2,110,008</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(2,817,972)	(679,472)
Purchase of investment property	<u>(1,707,900)</u>	<u>-</u>
Net cash provided by / (used by) investing activities	<u>(4,525,872)</u>	<u>(679,472)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from borrowings	2,517,600	-
Repayment of borrowings	<u>(1,431,651)</u>	<u>(239,271)</u>
Net cash provided by / (used in) financing activities	<u>(1,085,949)</u>	<u>(239,271)</u>
Net increase / (decrease) in cash and cash equivalents held	(1,442,232)	1,191,265
Cash and cash equivalents at beginning of year	<u>4,412,377</u>	<u>3,110,620</u>
Cash and cash equivalents at end of financial year	<u><u>2,970,145</u></u>	<u><u>4,411,885</u></u>

The accompanying notes form part of these financial statements.

Swansea RSL Club Limited

ABN 82 001 052 642

Notes to the Summary Financial Statements

31 December 2024

1 Material Accounting Policy Information

(a) Basis of preparation

The summary financial statements have been prepared from the audited financial statements of Swansea RSL Club Limited for the year ended 31 December 2024. The audited report for the year ended 31 December 2024 is available at request from Swansea RSL Club Limited.

The financial statements, specific disclosures and the other information included in the summary financial statements are derived from and are consistent with the full financial statements of Swansea RSL Club Limited. The summary financial statements cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of Swansea RSL Club Limited as the full financial statements.

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

The presentation currency used in the financial statements is Australian dollars.

There have been no changes to the accounting policies of the Club from last year.

2 Revenue

	2024	2023
	\$	\$
Revenue from contracts with customers		
- Trading revenue	11,245,403	11,871,421
Other revenue from contracts with customers		
- Membership subscriptions	58,109	53,942
Total revenue from contracts with customers	11,303,512	11,925,363
Other revenue from ordinary activities		
- Rent received	(260)	27,273
- Interest received	14,024	11,541
- Rebate for GST on gaming machine duty	17,180	17,180
- Other income	90,346	76,484
- Insurance recoveries	77,087	49,072
Total other revenue from ordinary activities	198,377	181,550
Total revenue	11,501,889	12,106,913

3 Result for the Year

(a) Expenses

Low-value lease expense	1,752	1,752
(Profit) / Loss on sale of property, plant and equipment	3,203	-
(Profit) / Loss on disposal of investment property	19,395	-
	22,598	-

Swansea RSL Club Limited

ABN 82 001 052 642

Discussion and Analysis of the Summary Financial Statements

31 December 2024

Information on Swansea RSL Club Limited Summary Financial Statements

The financial statements, disclosures and discussion and analysis in the summary financial statements have been derived from the 31 December 2024 financial statements of Swansea RSL Club Limited.

A copy of the full financial statements and auditors report will be sent to any member, free of charge, upon request. The summary financial statements cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the entity as the full financial statements.

The discussion and analysis is provided to assist members in understanding the summary financial statements.

Summary Statement of Profit or Loss and Other Comprehensive Income

The Club has reported a profit after tax of \$512k which is down \$603k on the 2023 result of \$1.12m.

Total revenue has declined \$605k with decreases in all trading areas especially bar down 1%, catering down 5% and gaming machines down 8%. Revenue has been impacted by the outdoor renovations with limited car parking.

Total expenses have also increased mainly through security and electricity. Non cash charges have also increased with depreciation up \$40k, loss on disposal up \$22k and interest up \$12k.

An important key performance indicator for Clubs is EBITDA as a percentage of revenue. This year, the Club has reported a respectable percentage of 13.92% compared to 17.79% in 2023.

Summary Statement of Financial Position

The key changes in assets and liabilities from 2023 include:

- Decrease in cash and cash equivalents of \$1.44m (refer to appendix 4 below)
- Increase in PPE of \$2.31m with outdoor renovations and transfer of land asset at 11 Chalmers St from investment property to PPE with the house being demolished.
- Total borrowings has increased \$1.08m. The Club repaid all of existing debt in the Jun 24 quarter totalling \$1.4m. New borrowings have commenced in the December 24 quarter relating to the house loan for 4 Chalmers St and commercial loan for the outdoor renovations. Both loans are treated as non-current as they are interest only and terms ending after at least 31 December 2025.

Summary Statement of Changes in Equity

The equity of the Club has increased by the reported profit result for the year.

Swansea RSL Club Limited

ABN 82 001 052 642

Discussion and Analysis of the Summary Financial Statements 31 December 2024

Summary Statement of Cash flows

The Club has reported negative net cash flows for 2024 of \$1.44m.

Cash flows from operating activities is slightly down on 2023 with outdoor renovation works impacting on revenue (lack of car-parking) and increasing supplier costs including electricity and security.

Investing cash flows represent the purchase of plant and equipment and investment property. Key purchases this year include 4 Chalmers St whilst Capital WIP relating to the outdoor renovations total \$2.4m at year end. Other capital purchases this year include gaming machines and gaming machine path upgrade, air conditioning and courtesy bus.

Financing cash flows represent the full repayment of existing borrowings and new borrowings that commenced in the December 2024 quarter.