

Waverley RSL Sub-Branch Patriotic Fund

ABN 48 018 405 843

Financial Statements

For the Year Ended 31 December 2023

Waverley RSL Sub-Branch Patriotic Fund

ABN 48 018 405 843

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For the Year Ended 31 December 2023

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Waverley RSL Sub-Branch Patriotic Fund

ABN 48 018 405 843

Auditor's Independence Declaration under Section 60-40 of the Charities and Not-for-profits Commission Act 2012 to the Committee of Waverley RSL Sub-Branch Patriotic Fund

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2023, there have been:

- (i) no contraventions of the auditor independence requirements as set out in section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Postan Miller and Associates Pty Ltd

Postan Miller and Associates Pty Ltd
Suite 32, 25 Claremont Street
SOUTH YARRA VIC 3141

A handwritten signature in black ink, appearing to read "N Postan".

NICOLE L POSTAN
DIRECTOR

Date 12 March 2024

Waverley RSL Sub-Branch Patriotic Fund

ABN 48 018 405 843

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

		2023	2022
		\$	\$
Revenue	3	396,078	150,580
Other income	3	40,652	2,820
		<u>436,730</u>	<u>153,400</u>
Depreciation		(80,492)	(83,288)
Consulting fees		(11,145)	-
Interest - NAB Commercial Bill		(114,262)	(98,540)
Wages - Welfare		-	(13,432)
Superannuation - Welfare		-	(1,321)
Payroll Tax - Welfare		-	(489)
WorkCover - Welfare		-	(189)
Other Welfare Fees		-	(2,625)
Veteran Fees		(2,788)	(1,623)
Write off /Loss on disposal of Property, plant and equipment		(961)	(1,069)
		<u>(209,648)</u>	<u>(202,576)</u>
Surplus/ (deficit) before income tax		227,082	(49,176)
Income tax expense		-	-
		<u>227,082</u>	<u>(49,176)</u>
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that will be reclassified to profit or loss when specific conditions are met		-	-
		<u>-</u>	<u>-</u>
Total comprehensive income/(loss) for the year		227,082	(49,176)

The accompanying notes form part of these financial statements.

Waverley RSL Sub-Branch Patriotic Fund

ABN 48 018 405 843

Statement of Financial Position

As At 31 December 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	52,481	47,889
Trade and other receivables		56,727	-
TOTAL CURRENT ASSETS		109,208	47,889
NON-CURRENT ASSETS			
Property, plant and equipment	5	23,909,327	23,908,397
TOTAL NON-CURRENT ASSETS		23,909,327	23,908,397
TOTAL ASSETS		24,018,535	23,956,286
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	19,513	24,347
Borrowings	7	992,853	480,000
TOTAL CURRENT LIABILITIES		1,012,366	504,347
NON-CURRENT LIABILITIES			
Borrowings	7	1,253,148	1,926,000
TOTAL NON-CURRENT LIABILITIES		1,253,148	1,926,000
TOTAL LIABILITIES		2,265,514	2,430,347
NET ASSETS		21,753,021	21,525,939
EQUITY			
Accumulated surplus		1,880,256	1,653,174
Reserves		19,872,765	19,872,765
TOTAL EQUITY		21,753,021	21,525,939

The accompanying notes form part of these financial statements.

Waverley RSL Sub-Branch Patriotic Fund

ABN 48 018 405 843

Statement of Changes in Equity For the Year Ended 31 December 2023

2023

	Accumulated surplus \$	Reserves \$	Total \$
Balance at 1 January 2023	1,653,174	19,872,765	21,525,939
Surplus for the year	227,082	-	227,082
Balance at 31 December 2023	1,880,256	19,872,765	21,753,021

2022

	Accumulated surplus \$	Reserves \$	Total \$
Balance at 1 January 2022	1,702,350	19,872,765	21,575,115
Deficit for the year	(49,176)	-	(49,176)
Balance at 31 December 2022	1,653,174	19,872,765	21,525,939

The accompanying notes form part of these financial statements.

Waverley RSL Sub-Branch Patriotic Fund

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Statement of Cash Flows

For the Year Ended 31 December 2023

	2023	2022
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	398,863	153,400
Payments to suppliers and employees	(75,493)	(23,155)
Interest paid	(114,262)	(98,540)
Net cash provided by/(used in) operating activities	8 <u>209,108</u>	<u>31,705</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of plant and equipment	48,318	1,277
Purchase of property, plant and equipment	(92,834)	(54,887)
Net cash (used in)/ provided by investing activities	<u>(44,516)</u>	<u>(53,610)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payment of finance lease liabilities	(160,000)	(10,000)
Net cash (used in)/provided by financing activities	<u>(160,000)</u>	<u>(10,000)</u>
Net increase/(decrease) in cash and cash equivalents held	4,592	(31,905)
Cash and cash equivalents at beginning of year	47,889	79,794
Cash and cash equivalents at end of financial year	4 <u>52,481</u>	<u>47,889</u>

The accompanying notes form part of these financial statements.

Waverley RSL Sub-Branch Patriotic Fund

ABN 48 018 405 843

Notes to the Financial Statements

For the Year Ended 31 December 2023

The financial report covers Waverley RSL Sub-Branch Patriotic Fund as an individual entity. Waverley RSL Sub-Branch Patriotic Fund is a not-for-profit Association, registered and domiciled in Australia.

The functional and presentation currency of Waverley RSL Sub-Branch Patriotic Fund is Australian dollars.

When required by Australian Accounting Standards, comparative figures have been adjusted to conform to changes in presentation in the current year. 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 the Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012*.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the Association 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.

Rental income

Investment property revenue is recognised on a straight-line basis over a period of the lease term so as to reflect a constant periodic rate of return on the net investment.

Gain on disposal of non-current assets

When a non-current asset is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

Other income

Other income is recognised on an accruals basis when the Association is entitled to it.

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

(b) Income Tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

Waverley RSL Sub-Branch Patriotic Fund

ABN 48 018 405 843

Notes to the Financial Statements For the Year Ended 31 December 2023

2 Summary of Significant Accounting Policies

(c) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

(d) 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.

(e) 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.

Land and buildings

Land and buildings are measured using the revaluation model, based on periodic, at least every 3-5 years, valuations by external independent valuer less subsequent depreciation and impairment for buildings. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

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

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Buildings	2 - 2.5%
Furniture, Fixtures and Fittings	10 - 30%
Office & Kitchen Equipment	10 - 40%
Motor Vehicles	20%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(f) Impairment of non-financial assets

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

Waverley RSL Sub-Branch Patriotic Fund

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Notes to the Financial Statements For the Year Ended 31 December 2023

2 Summary of Significant Accounting Policies

(f) Impairment of non-financial assets

Where an indicator exists and regardless for 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.

(g) Adoption of new and revised accounting standards

The Association has adopted all standards which became effective for the first time at 31 December 2023, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Association.

3 Revenue and Other Income

Revenue from continuing operations

	2023	2022
	\$	\$
Revenue		
- rent received	396,078	150,580
Total Revenue	396,078	150,580

	2023	2022
	\$	\$
Other Income		
- donations received	2,060	2,100
- interest received	-	-
- net gain on sale of plant & equipment	37,867	-
- other income	5	-
- grants	720	720
Total Other Income	40,652	2,820

Waverley RSL Sub-Branch Patriotic Fund

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Notes to the Financial Statements For the Year Ended 31 December 2023

4 Cash and Cash Equivalents

	2023	2022
	\$	\$
General cheque account	49,684	45,140
Patriotic fund - welfare	2,797	2,749
	<u>52,481</u>	<u>47,889</u>

5 Property, plant and equipment

	2023	2022
	\$	\$
LAND AND BUILDINGS		
Land and buildings		
At fair value - independent valuation	23,500,000	23,500,000
At cost	73,091	66,431
Accumulated depreciation	(4,616)	(2,784)
Total land and buildings	<u>23,568,475</u>	<u>23,563,647</u>
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	150,461	162,910
Accumulated depreciation	(136,360)	(154,198)
Total plant and equipment	<u>14,101</u>	<u>8,712</u>
Furniture, fixtures and fittings		
At cost	1,609,692	1,653,207
Accumulated depreciation	(1,318,357)	(1,352,642)
Total furniture, fixtures and fittings	<u>291,335</u>	<u>300,565</u>
Motor vehicles		
At cost	18,251	61,149
Accumulated depreciation	(947)	(49,956)
Total motor vehicles	<u>17,304</u>	<u>11,193</u>
Office equipment		
At cost	143,262	143,050
Accumulated depreciation	(125,150)	(118,770)
Total office equipment	<u>18,112</u>	<u>24,280</u>
	<u>23,909,327</u>	<u>23,908,397</u>

Waverley RSL Sub-Branch Patriotic Fund

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Notes to the Financial Statements For the Year Ended 31 December 2023

5 Property, plant and equipment

Revaluation of Land and Buildings

The property has been valued using a valuation dated 4 October 2019 obtained from Knight Frank Valuation & Advisory Victoria. Due consideration was given to the market conditions at the time and sale costs applicable. Accordingly, the committee had adopted the valuation and the revaluation adjustment has been taken to the reserve account. The committee have reviewed recent sales in the area as well as the current rate notices. The committee has determined based on these assessments that there is no change in the value of Land and Building.

(a) Movements in carrying amounts of property, plant and equipment

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

	Land & Buildings	Plant and Equipment	Furniture, Fixtures and Fittings	Motor Vehicles	Office Equipment	Total
	\$	\$	\$	\$	\$	\$
Year ended 31 December 2023						
Balance at the beginning of year	23,563,647	8,712	300,565	11,193	24,280	23,908,397
Additions	6,660	9,586	53,672	18,251	4,665	92,834
Disposals	-	(123)	(580)	(10,452)	(257)	(11,412)
Depreciation expense	(1,832)	(4,074)	(62,322)	(1,688)	(10,576)	(80,492)
Balance at the end of the year	23,568,475	14,101	291,335	17,304	18,112	23,909,327

	Buildings	Plant and Equipment	Furniture, Fixtures and Fittings	Motor Vehicles	Office Equipment	Total
	\$	\$	\$	\$	\$	\$
Year ended 31 December 2022						
Balance at the beginning of year	23,562,386	6,129	326,500	13,775	30,355	23,939,145
Additions	2,555	5,864	38,480	-	7,988	54,887
Disposals	-	(1,130)	(42)	-	(1,175)	(2,347)
Depreciation expense	(1,294)	(2,151)	(64,373)	(2,582)	(12,888)	(83,288)
Balance at the end of the year	23,563,647	8,712	300,565	11,193	24,280	23,908,397

Waverley RSL Sub-Branch Patriotic Fund

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Notes to the Financial Statements For the Year Ended 31 December 2023

6 Trade and Other Payables

	2023	2022
	\$	\$
CURRENT		
Trade payables	9,645	24,061
GST payable	9,868	286
	<u>19,513</u>	<u>24,347</u>

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.

7 Borrowings

	2023	2022
	\$	\$
CURRENT		
Secured liabilities:		
Bank loans	992,853	480,000
	<u>992,853</u>	<u>480,000</u>
	2023	2022
	\$	\$
NON-CURRENT		
Bank loan - secured	-	1,212,852
Loan - Waverley RSL Sub-Branch Inc.	1,253,148	713,148
	<u>1,253,148</u>	<u>1,926,000</u>

Security

The following securities are secured over the bank loan:

- General Security Agreement with Waverley RSL Sub-Branch Inc;
- Commercial Mortgage over property located at 161 Coleman Parade, Glen Waverley VIC 3150; and
- Liquor license granted to Waverley RSL.

Waverley RSL Sub-Branch Patriotic Fund

ABN 48 018 405 843

Notes to the Financial Statements For the Year Ended 31 December 2023

8 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

	2023	2022
	\$	\$
(Deficit) /Surplus for the year	227,082	(49,176)
Cash flows excluded from surplus/(deficit) attributable to operating activities		
Non-cash flows in surplus/(deficit):		
- depreciation	80,492	83,288
-(gain)/loss on disposal of plant and equipment	(37,867)	1,069
- write-off of plant and equipment	961	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(56,727)	-
- increase/(decrease) in trade and other payables	(4,833)	(3,476)
Cashflows provided by/(used in) operations	<u>209,108</u>	<u>31,705</u>

9 Related Parties

(a) The Association's main related parties are as follows:

The trustees of the Waverley RSL Sub-Branch Patriotic Fund is RSL Vic.

The Members of the Committee of the Waverley RSL Sub-Branch Inc are responsible for the preparation of these financial reports. The Committee is elected for a two-year term commencing on 1 April and ending 31 March.

(b) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

	2023	2022
	\$	\$
Waverley RSL Sub-Branch Inc.		
Rental Income - Waverley premises	396,078	150,580
Welfare Wages & associated On-costs expenses	-	15,431

(c) Loans to/(from) related parties

	Opening balance	Closing balance
	\$	\$
Loans receivable/(payable) to Waverley RSL Sub-Branch Inc.		
2023	(713,148)	(1,253,148)
2022	(468,148)	(713,148)

Waverley RSL Sub-Branch Patriotic Fund

ABN 48 018 405 843

Notes to the Financial Statements For the Year Ended 31 December 2023

10 Contingencies

In the opinion of the Committee, the Association did not have any contingencies at 31 December 2023 (31 December 2022: None).

11 Commitments

There are no Commitments at 31 December 2022 (\$Nil 2021).

12 Events Occurring After the Reporting Date

In prior years, construction was undertaken at Waverley RSL after seeking the necessary Council approval and Architecture appointment. Since the construction was complete, there has been a claim by Yarra Valley Water that the easement on the adjacent land has not been reinstated to their satisfaction. At the time of signing of these financial statements, it was decided that the required construction needs to take place and the cost would be borne by the builders insurance. The Committee does not anticipate any outflow of funds will be required from Waverley RSL Sub-Branch Patriotic Fund Inc. Construction is to commence April 2024.

Discussions are still being held with Suburban Railway Loop (SRL)(now at confirmation of Stage 2B budget) in relations to their plan to build a railway line that by-passes the Waverley RSL Sub Branch Patriotic Fund's premises which is expected to commence in 4 years time.

Other than the above, no matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

13 Statutory Information

The registered office and principal place of business of the Association is:

Waverley RSL Sub-Branch Patriotic Fund
161 Coleman Parade,
Glen Waverley VIC 3150

Waverley RSL Sub-Branch Patriotic Fund

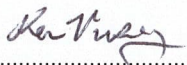
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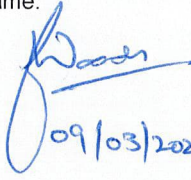
Declaration by Members of the Committee

In accordance with a resolution of the Committee of the Association, the members of the Committee declare that:

- there are reasonable grounds to believe that Waverley RSL Sub-Branch Patriotic Fund is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2022* and on behalf of the Committee by:

Committee member 
Name: **KEN VILKERY**
TREASURER

Committee member **GRANTLEY WOODS**
Name: 
09/03/2024

Date **9.3.24**

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Waverley RSL Sub-Branch Patriotic Fund

Independent Audit Report to the members of Waverley RSL Sub-Branch Patriotic Fund

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Waverley RSL Sub-Branch Patriotic Fund, which comprises the statement of financial position as at 31 December 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by members of the committee.

In our opinion the financial report of Waverley RSL Sub-Branch Patriotic Fund has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Registered Entity's financial position as at 31 December 2023 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2022*.

Basis for 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 Registered Entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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Waverley RSL Sub-Branch Patriotic Fund

Independent Audit Report to the members of Waverley RSL Sub-Branch Patriotic Fund

Responsibilities of Responsible Entities for the Financial Report

The members of the Committee of the Registered Entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Simplified Disclosures and the ACNC Act, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the members of the Committee are responsible for assessing the Registered Entity'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 members of the Committee either intends to liquidate the Registered Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the financial report.

Postan Miller and Associates Pty Ltd

Postan Miller and Associates Pty Ltd
Suite 32, 25 Claremont Street
SOUTH YARRA VIC 3141

A handwritten signature in black ink, appearing to read "N Postan".

NICOLE L POSTAN
DIRECTOR

Date 12 March 2024