

ARARAT RSL ANNUAL REPORT

2022



Cover Pic taken by:
Linda Stevens

About this Annual Report

Compiled by Maria Whitford,
Manager Ararat RSL

Designed and typeset by
Hansen Design & Print
- hansenprint.com.au

Photography by
ABIS Kayla Hayes,
Kerri Kingston and others

Financial tables by
Stannards Accountants
and Advisors

Ararat RSL Sub Branch Inc
74-76 High Street (PO Box 572)
Ararat Victoria 3377

Phone (03) 5352 2794
Email: admin@araratrsl.com.au
Website: araratrsl.com.au

Contents

About this Annual Report	1
2022 Committee of Management	2
President's Report	2
Manager's Report	3
Secretary's Report	4
Treasurer's Report	5

2022 Review

Appeals 2022	6
Welfare & Veteran Support.....	6
Commemorative Day Expenses	6
VALE	6
Charitable Activities 2022.....	7
Membership Growth	7
Donations & Sponsorship.....	7
Anzac Day 2022.....	8
Anzac Day 2022.....	9
Good News Stories	10
Good News Stories	11
Good News Stories	12

Financial Statements - P13-35

Statement of Surplus or Deficit and Other Comprehensive Income
Statement of Financial Position
Statement of Changes in Equity
Statement of Cash Flows
Notes To and Forming Part of the Financial Statements
Declaration by Committee
Independent Auditors Report

Patriotic Funds - P36-55

Statement of Surplus or Deficit and Other Comprehensive Income
Statement of Financial Position
Statement of Changes in Equity
Statement of Cash Flows
Notes To and Forming Part of the Financial Statements
Declaration by Committee
Independent Auditors Report

2022 Committee of Management



FRANK NEULIST
President



MAURIE ANDERSON
Vice President /
Memorabilia



GREG DALMAYER
Secretary



BARRY SERTORI
Treasurer



LYN RUSSELL
Welfare / Appeals



SCOTT RIGBY
Committee



MARIA WHITFORD
General Manager

President's Report

This past year has again seen this sub branch meet its targets with percentage increases in all departments. New staff have settled into their roles and customer feedback has been excellent. Some directors have taken on new positions and duties and with our new management team the future is looking bright.

Appeals director Lyn Russell has increased her team and the figures reflect this effort, the sub-branch volunteers as a whole are a great bunch of people who have again reached a record amount collected.

My thanks go to the General Manager Maria Whitford and the management team for their assistance during the year making my job easier, my team of directors for their input in the successful running of the sub branch and compliance of the numerous rules and regulations.

Toby Steele Assistance Manager for his experience and helpful manner and his training off new staff that have received star reviews on social media, very proud of such a lovely team of people.

Anzac day and Remembrance Day were all well attended my thanks to all organisations that contributed to their success.

Frank J. Neulist JP
President/life member
Ararat RSL

Manager's Report

Dear Members,

What a year we have had, 2022 was another record year for the club, we were unbeatable, well and truly surpassing our figures year on year. We did finish the year off with an impressive set of numbers from all areas of the Club this is a true reflection to the management team and staff providing a consistent delivery in Food and Beverage whilst maintain high levels of customer service. This year we have managed to appoint an Assistant Manager who is from the Airlines and has had an extensive career in people management. 2022 was challenging in terms of personnel the 'great resignation' as it is affectionately called struck at this sub branch hard in 2022. For all of 2022 we had 33 resignations and 24 appointments. We were hardest hit between February and September where 21 resignations hit my desk and could only manage 9 appointments. This put immense pressure on the club. It was literally all hands-on deck. This change saw me back on the floor, the level of work behind the scenes just kept piling. Although I enjoyed mingling with the members and their guests it was a relief to find some staff to ease the workload. The staff that have been here for years put in an amazing amount of time helping us out and doing all these extra hours to ensure we didn't close the doors.

As part of these objectives major welfare initiatives were continued throughout 2022, as such our support of the local community with the grants program we saw just over \$10,000 delivered to community groups across the region. Lyn Russell a dedicated board member, to veterans health in conjunction with Scott Rigby also a passionate member of the board have set up a calendar of events that include the benefit of Veterans, Morning coffee, walks in the park, mentoring sessions, RSL Active, formal talks with guest speakers, lunches to other towns. This is just the start of what we this team is getting together. Of course, all this wouldn't be possible without the support of the board.

Our 55 EGM Entitlements have been extended post 2022 for another 10 years. This will allow the Club to continue with its work with our veterans, current serving members and our local community as well as maintain our competitive pricing. Our gaming services provider contract ended after a 10 year relationship, we are now an independent venue when it comes to both membership, and gaming machines. We are on a new journey to diversify this member club and consider moving some of our revenues to come from other businesses in town. I believe that there are many opportunities in Ararat, and we can certainly secure a future for this Sub Branch which can be both supportive to our Veterans and their families, whilst providing other options for our community.

Management

The Management Team expanded with Toby taking on the role of Assistant Manager – 2022 has seen some

changes to the management structure, As we get bigger and busier I am always looking for ways to make sure we have the right set-up to continue to provide members with the best club in the Victoria. Alison is still Marketing Manager and membership, however, and has taken on systems. This digital world means that we need a dedicated person across all our systems. Leanne does an amazing job as Accounts Manager she has also taken on the role of Repairs and Maintenance. Kaye has always been the Head Chef who looks after the functions; however I have extended her title to Functions Manager. As we move forward Kaye will be an Executive Chef with an appointment of a new Head Chef

Staff Members

To all my staff members congratulations on another great year in all areas. I say every year that we have a great bunch of staff, however this year with such a new big intake it has taken our service to a new level. All staff have really embraced RSL, what we offer and what we stand for and have taken on the new challenge with gusto and professionalism. I really look forward to a super successful year with all our amazing staff here at the RSL.

I am saddened to lose a couple of our long-time chefs in 2023, as they ready to embark on new journeys. I wish both Nelson and Eric all the best with their futures and know that I have really cherished my relationship with both chefs.

Committee

To my Committee, I would like to again thank them for their unconditional support again this year. The Executive Committee, President: Frank Neulist, Vice-President: Maurie Anderson, Secretary: Greg Dalmayer and Treasurer: Barry Sertori. Committee Members consisting of Scott Rigby and Lyn Russell. I look forward to working with you all in 2023. So many exciting things to come in 2023.

The Future

This Club, our Club, your Club is still one of the best performing smaller Sub-Branches in rural Victoria. It is time now with a little bit of focus to steer this ship into bigger and better opportunities. I hope to bring you some exciting news in 2023. We will be doing some minor renovations at the RSL to make it a better facility for you all to enjoy.



Maria Whitford
General Manager

Secretary's Report**The year 2022**

This year has seen a return to normal trading since the last two years of COVID lockdowns. Maria and her staff are to be commended on the management and conduct of the of the branch.

Community Grants

The branch was able to again make available to the community a series of financial grants to assist organisations with funding. These grants have not been available for the last two years due to lockdowns. This year saw in excess of \$10K granted to the following organisations:

Lake Bolac Music Club, Ararat Emergency Relief, Moyston Willaura Football Netball Club, Ararat Alexander Croquet Club, Ararat Eagles Football Netball Club, Lake Bolac and District Little Athletics, Lions Club Ararat, Ararat Genealogy Society, Ararat Men's Shed, Ararat City Band and Ararat Musical Comedy Society.

Commemorative Ceremonies

ANZAC Day and Remembrance Day services saw a return to large attendances from the community to pay respects to those who have given their lives in service to their country. Great to see the Navy back providing a catafalque party.

It was also very impressive to see the Crew of HMAS ARARAT 2 and Navy band parade in Ararat to say farewell to the city due to the decommissioning of the ship, and present the freedom scroll to the city. The Navy has a great report with the city and this Sub Branch.

Appeals

A huge thanks to Lyn Russell, our appeals director who again pulled together a team of volunteers to sell ANZAC Day and Remembrance Day poppies and raise a great amount of funds that go towards the welfare of our veterans in the community.

Welfare

2022 has seen the promoting of Open Arms welfare program in the Ararat District. This program is designed to support veterans and community members by allowing participants to get together in various activities. This program has been very successful in Warrnambool and is supported by Legacy.

Conclusion

As this is my first report as Secretary, I would like to thank our President, Frank Neulist for his never-ending work behind the scenes in planning the events that the RSL are involved in. This also reflects in the number of people joining as members.

2023 will see more improvements to the club and hopefully another successful year.



Greg Dalmayer
Secretary
Ararat RSL

Treasurer's Report

The Clubs Financials for 2022 indicate an amazingly successful year financially and are a reflection of the outstanding work by our General Manager and her staff. The Club's trading revenue increased by 327,120 to \$5,669,629 to reflect a surplus of \$634,106, an increase of \$82,326 (net profit of 2021 \$551,780).

Our cashflow reduced by \$820,311 on 31 December 2022, but saw expenditure on Plant and equipment of \$2,004,223 and transfer of \$700,000 to a Term Deposit.

Other operating results were as follows.

	2022	Prior Year
INCOME		
Bar	901,522	493,236
Gaming	2,918,607	2,866,762
Catering	1,636,201	1,171,202
Function	85,119	75,077
Relief Grants Covid		373,873
COST OF SALES		
Bar	424,336	247,684
Gaming	1,192,109	1,245,255
Catering	1,466,441	1,155,299

The financial statements have been prepared as a special purpose financial report as explained in Note 1 to the financial statements.

GENERAL APPEALS AGENCY FUND

Led by board members Lyn Russell, her volunteer group this year raised this year collected an amazing \$18,246 through the Anzac Day Appeal and \$14,215 through the Poppy Appeal, an amazing effort, and a total of \$32,461 being Congratulations to all team members on such a great effort.

PATRIOTIC FUND

Loan Liability was reduced again by \$60,000 and rent transfers were \$250,909 (\$242,728 in 2021).

It is noted as of 31 December 2022, the patriotic Fund is indebted to the Sub Branch operations an amount of \$1,561,365 for various capital expenditure incurred on its transfer from previous premises to its current location.

Our Trading results increased over 2021 and in many areas surpassed those of 2019, our last 'normal' year prior to COVID -19 Lockdowns etc. adversely impacting our business.

These outstanding financial results have been achieved by a team effort from our President Frank, the Committee, General Manager and all our Staff and Members. I congratulate everyone on their contributions in ensuring our Club's continuing success.

Barry J. Sertori



Treasurer

20 February 2022.

2022 Appeals Money Raised

- Anzac Appeal \$18,426
- Poppy Appeal \$14,215

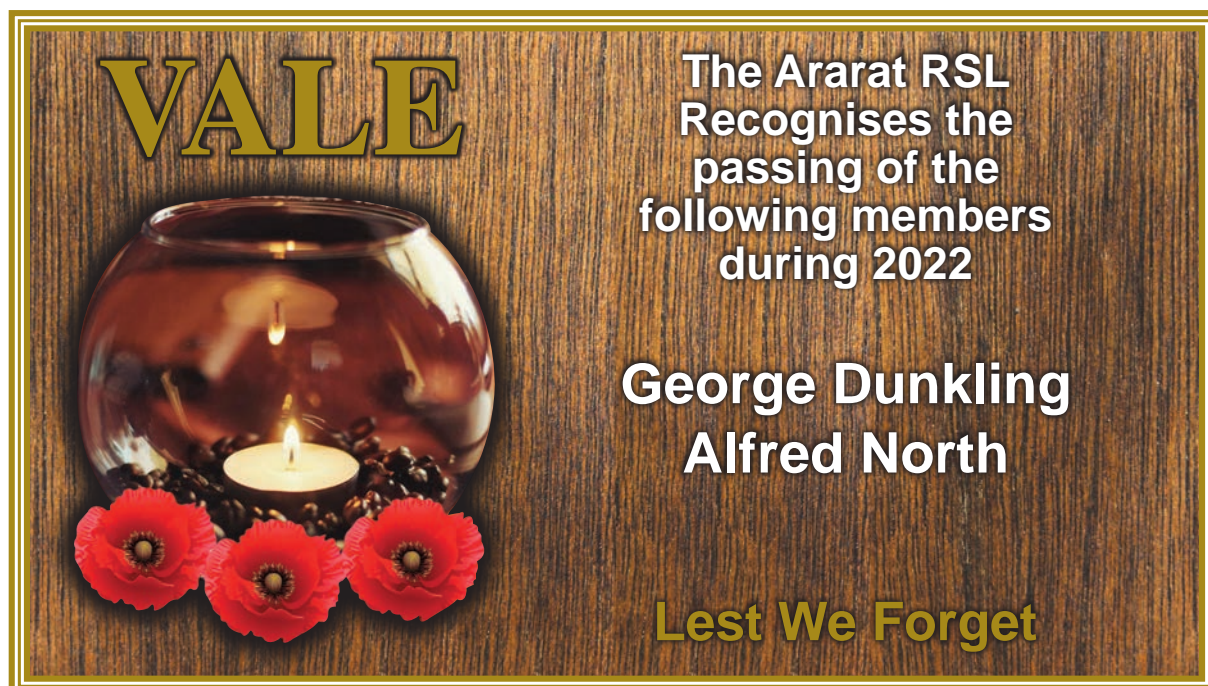
**Welfare & Veteran Support**

- Veterans over 80 sponsored membership \$450
- Haircuts \$905
- Laurel Ladies \$3857.50
- Ararat Legacy \$3085
- Veterans Christmas lunch & RSL Active launch \$3346.50
- Travel expenses for medical \$95
- Opens Arms Veteran & Family Counselling \$1000
- Other expenses \$125
- Veterans' health seminar \$720
- Advocacy Workshop \$775

Volunteer hours – 330hrs equate to \$15384.60 in volunteered in kind contribution

Commemorative Day Expenses

Commemorative expenses given in kind \$13,009.90



Charitable Activities 2022

The Ararat RSL gave an additional \$12700 in-kind for local non for-profit & community organisations in 2022.

The Recipients were: Ararat Liquor Accord, Justice of the Peace, Ride to Remember, Grampians Cricket Association, GAB Network, Royal Children's Hospital Appeal, Jailhouse Rock Festival, Ararat Garden Club, Ararat Vic Police, SES, Red Cross, Ararat Emergency Relief, Ararat Bike Ladies, Ararat RSL Appeal Volunteers.

Membership Growth

Members Spend - \$95,248 was spent on members during 2022, which was made up of the following costs. General Vouchers \$5265 including birthday vouchers, Members draws \$11,750, App Prizes \$24,121, Entertainment \$3518 & points redeemed to the sum of \$50,594. There is a significant increase in 2022 of points redeemed, due to the introduction of the new Membership Program "Your RSL". An increase in reward points per dollar spend has attributed to this figure.

Membership - The Ararat RSL has seen a slight increase in Membership numbers from the previous year. 2021 closed with 1813 financial members. 2022 closed with approximately 1876 financial members.

Donations & Sponsorship

- Aradale Bowls Club \$3300
- Ararat Basketball Association \$3000
- Ararat Bowls Club \$350
- Ararat City Band \$1000
- Ararat City Tennis Club \$200
- Ararat Community Enterprise \$500
- Ararat Eagles Football/Netball Club \$250
- Ararat Primary School 800 \$3000
- Ararat RSL Rats Football/Netball Club \$400
- Ararat Harness Racing Club \$300
- Ararat Legacy Golf Day \$300
- Ararat Basketball Association \$3000
- Ararat Musical Comedy Society \$300
- Ararat Turf Club Inc \$2000
- Beaufort Primary School \$50
- Biggest Morning Tea \$50
- E.G.H.S. Murray to Moyne \$500
- Grampians Cricket Club \$50
- Great Western Racing Club \$1000
- Hauser Disability Support \$200
- McHappy Day \$200
- Melbourne Legacy \$500
- Moyston Willaura Football/Netball Club \$70
- Ride to Remember \$1100
- Santa's Place \$50
- Willaura Exhibition Anzac Day \$350
- Willaura Lions Club \$600
- Wimmera Bowls Club \$500
- Proud Major Sponsors of Ararat RSL Rats Football Club \$12,000

Anzac Day 2022



Anzac Day pics taken by: Craig Wilson, Ararat Advocate

Anzac Day 2022



Anzac Day pics taken by: Craig Wilson, Ararat Advocate

Good News Stories

Veterans Christmas Lunch

Friday December 9th, we hosted a Christmas Lunch for Veterans, ex-serving personnel, reservists & Legacy to celebrate all things Christmas, but more importantly, the opportunity for Veterans to meet and new friendships to be formed. Adam Kent from Melbourne Legacy was our MC for the Lunch and entertainment was provided by our very own Committee Member Scott Rigby.

The Guests enjoyed a beautiful traditional Christmas Lunch & Plum Pudding. Along with our ex-serving personnel, guests included were Martha Haylett – Labour for Ripon, Legatees from Ararat Legacy, RSL Victoria RSL Active program, Beaufort Legacy, Melbourne Legacy & Open Arms.

We also announced the launch of a new program for Ararat RSL, Ararat RSL Active, which will be piloted in late January.

This program, supported by Ararat RSL and Ararat Legacy, will allow Veterans locally and in the surrounding area, along with their family, to get together and participate in a variety of tailored activities & events.



James Mepham Open Arms, Stephen Gilmour RSL Active, Adam Kent Melbourne Legacy



Martha Haylett Labour for Ripon, Adam Kent Melbourne Legacy



Members, Lucy Turner & Theresia Johnson



Kevin Bowles Ararat Legacy, Stuart Kerr Ararat Legacy President, Stephen Gilmour RSL Active



Service Member Trevor Klauss



Service Member Frank Abbruzzese

Good News Stories

Ararat RSL 2022 Community Grants

After a long hiatus, due to COVID 19, 2022 saw the return of the Ararat RSL Community Grants Program, giving \$10810 back into our community. The worthy recipients are as follows. Pictured below from left to right. Ararat RSL President with the local community group winners, Jo Ritchie (Ararat Lions Club), Deb Slorach, Peta Chaplain & Daryl Chaplain (Ararat Musical Comedy Society), Lake Bolac Little Athletics Club.

- Ararat City Band - \$1000
- Ararat Croquet Club - \$600
- Ararat Eagles Football/Netball Club - \$1000
- Ararat Emergency Relief - \$1000
- Ararat Genealogical Society - \$1000
- Ararat Lions Club - \$600
- Ararat Mens Shed \$900
- Ararat Musical Comedy Society - \$1000
- Ararat Neighbourhood House - \$1000
- Lake Bolac Little Athletics Club - \$910
- Lake Bolac Music Club - \$1000
- Moyston Willaura Football/Netball Club - \$800



Good News Stories

Visit to Primary School 800

President Frank Neulist attended Ararat Primary School 800 in early December to present a cheque for \$3000. Greeted by the little Preps & teacher Oliver Reeve, Frank was delighted to see the excitement in their eyes as they spoke of their trip to the aquarium that the donation contributed to. The donation also contributed to the continued development of the Kitchen Garden & Science Program.



Good News Stories

Remembrance Day 2022

Once again the weather was kind on November 11, as we remembered the sacrifice of those who have died for Australia in wars and conflicts. The Service took place at the Ararat War Memorial, as it usually does, but this year was a little different. Joining us in the commemorations was Ararat RSL's Committee Member Scott Rigby on the bagpipes & local Rodney Lewin on the Bugle, both ex-serving Members of the Australian Army.

Scott, joined the Army at the age of 18 in 1999, and immediately was sent to East Timor for a 6 month tour on operations and was then based in Sydney at The 3rd Battalion, Royal Australian Regiment, Parachute Unit.

After 2 years as a digger in the Battalion, Scott joined the 3rd Battalion Pipes & Drums & continued that until 2005, during which time he completed another tour of East Timor. Discharged in 2005 at the rank of a Corporal/ Acting Platoon Sergeant. Scott has now made his home in Ararat, with his family and has joined the Ararat RSL Committee.

Rodney, born & raised in Ararat, left home at the age of 17, to join the Australian Army. Initially an Infantryman, he went on to serve as a Drummer/Bugler & bandsman in the 8th/9th Battalion and 1st Battalion of the Royal Australian Regiment respectively. His longest posting was to RAR Band where he progressed through the Infantry Ranks to become Platoon SGT before Corps, transferring in 2002 to the Australian Army Band Corps. Subsequent postings were to Australian Army Band Kapooka, Australian Army Band Brisbane & finally The Band of the Royal Military College Duntroon in Canberra. During his service, Rod has performed on many ceremonial & commemorative occasions, the Edinburg Tattoo, Scotland, and the Basel Tattoo, Switzerland being ceremonial highlights, whilst Gallipoli, the VP50 tour of PNG, the anniversary of the Battle of Polygon Wood and performing as the Bugler for the opening of the Isurava Memorial on the Kokoda Track in front of Prime Ministers of Australia & Papua New Guinea are commemorative ones. He was a regular Bugler for the Australian War Memorials' Last Post Ceremonies. On retirement after more than 40 years military Service, Rod has chosen to return to Ararat to live. He has re-joined the Ararat City Band and has commenced sounding the Bugle for local commemorative services.



Pictured L-R Scott Rigby, Ararat RSL President Frank Neulist & Rod Lewin

FINANCIAL REPORTS



ARARAT RSL SUB-BRANCH INC.

ABN: 18 081 581 162

**AUDITED FINANCIAL STATEMENTS -
SPECIAL PURPOSE MEMBERS' REPORT
FOR THE YEAR ENDED
31 DECEMBER 2022**

ARARAT RSL SUB-BRANCH INC.

ABN: 18 081 581 162

Contents

Statement of Surplus or Deficit and Other Comprehensive Income for the year ended 31 December 2022	2
Statement of Financial Position as at 31 December 2022	3
Statement of Changes in Equity for the Year Ended 31 December 2022	4
Statement of Cash Flows for the Year Ended 31 December 2022	5
Notes To and Forming Part of the Financial Statements for the Year Ended 31 December 2022	6
Declaration By Committee	18
Independent Auditors Report	20

ARARAT RSL SUB-BRANCH INC.

ABN: 18 081 581 162

Statement of Surplus or (Deficit) and Other Comprehensive Income for the Year Ended 31 December 2022

	Note	2022 \$	2021 \$
Revenue	2	5,669,629	5,341,809
Cost of good sold	2	(3,082,886)	(2,648,686)
Gross profit		2,586,743	2,693,123
Interest income		3,373	130
Administration expenses		(346,003)	(220,528)
Advertising and promotion		(228,330)	(97,384)
Employee benefits expense - administration staff		(360,711)	(416,939)
Gaming machine entitlement amortisation		(149,186)	(141,404)
Occupancy costs		(552,607)	(457,805)
Other expenses		(303,413)	(807,413)
Total expenses		(1,940,250)	(2,141,473)
Surplus Before Income Tax Expense		649,866	551,780
Income tax expense		-	-
Surplus Before Income Tax Expense		649,866	551,780
Other comprehensive income for the year (net of tax)		(15,760)	-
Total Comprehensive Income for the year attributable to the members		634,106	551,780

The accompanying notes form part of these financial statements.

ARARAT RSL SUB-BRANCH INC.

ABN: 18 081 581 162

Statement of Financial Position as at 31 December 2022

	Note	2022 \$	2021 \$
Current Assets			
Cash & cash equivalents	10	1,277,207	2,097,578
Financial assets	9	700,000	-
Trade & other receivables	3	29,866	24,190
Inventories	4	46,150	46,647
Total Current Assets		2,053,223	2,168,415
Non Current Assets			
Financial assets	9	4,320	20,080
Trade & other receivables	3	1,561,365	1,561,365
Plant and equipment	5	720,365	339,612
Gaming licence entitlements	6	1,589,705	176,278
Total Non Current Assets		3,875,755	2,097,335
Total Assets		5,928,978	4,265,750
Current Liabilities			
Trade payables & other liabilities	7	443,699	524,030
Provisions	8	223,718	280,226
Lease liability		176,574	337,543
Total Current Liabilities		843,991	1,141,799
Non Current Liabilities			
Provisions	8	8,350	17,846
Lease liability		1,336,426	-
Total Non Current Liabilities		1,344,776	17,846
Total Liabilities		2,188,767	1,159,645
Net Assets		3,740,211	3,106,105
Equity			
Reserves		(8,855)	6,905
Retained surplus		3,749,066	3,099,200
Total Equity		3,740,211	3,106,105

The accompanying notes form part of these financial statements.

ARARAT RSL SUB-BRANCH INC.

ABN: 18 081 581 162

Statement of Changes in Equity for the Year Ended 31 December 2022

	Reserves	Retained surplus \$	Total \$
Balance at 1 January 2021	2,425	2,547,420	2,549,845
Deficit attributable to members	-	551,780	551,780
Other comprehensive income for the year	4,480	-	4,480
Balance at 31 December 2021	6,905	3,099,200	3,106,105
Surplus attributable to members	-	649,866	649,866
Other comprehensive income for the year	(15,760)	-	(15,760)
Balance at 31 December 2022	(8,855)	3,749,066	3,740,211

The accompanying notes form part of these financial statements.

ARARAT RSL SUB-BRANCH INC.

ABN: 18 081 581 162

Statement of Cash Flows for the Year Ended 31 December 2022

	Note	2022 \$	2021 \$
Cash Flows from Operating Activities			
Cash receipts from customers		5,663,951	5,100,733
Cash payments to suppliers and employees		(4,958,929)	(4,023,517)
Interest received		3,373	130
Interest paid		-	-
Net cash inflow from operating activities	10(b)	708,395	1,077,346
Cash Flows from Investing Activities			
Purchase of plant and equipment		(2,004,223)	(8,499)
Purchase of term deposit		(700,000)	-
Net cash (outflow) from investing activities		(2,704,223)	(8,499)
Cash Flows from Financing Activities			
Payments in relation to lease arrangements		1,175,457	(387,036)
Net cash (outflow) from financing activities		1,175,457	(387,036)
Net increase /(decrease) in cash held		(820,371)	681,811
Cash at beginning of financial year		2,097,578	1,415,767
Cash at end of financial year	10(a)	1,277,207	2,097,578

The accompanying notes form part of these financial statements.

ARARAT RSL SUB-BRANCH INC.

ABN: 18 081 581 162

Notes To and Forming Part of the Financial Statements for the Year Ended 31 December 2022

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This special purpose financial report has been prepared for distribution to the members of the Sub- Branch to fulfil the Association's financial reporting requirements under the Associations Incorporation Reform Act 2012 and the Australian Charities and Not-for-Profits Commission Act 2012 (the Acts). The accounting policies used in the preparation of this report, as described below, are consistent with the financial reporting requirements of the Acts, and are, in the opinion of the committee, appropriate to meet the needs of members.

The requirements of Australian Accounting Standards, Accounting Interpretations, and other professional reporting requirements, do not have mandatory applicability to the Sub-Branch, except to the extent required by the Act, because it is not a "reporting entity".

Basis of Accounting

The report has been prepared in accordance with the requirements of the following applicable Australian Accounting Standards and Accounting Interpretations:

AASB 107: Statement of Cash Flows

AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors;

AASB 110: Events after the Balance Sheet Date;

AASB 1048: Interpretation of Standards; and

AASB 1054: Australian Additional Disclosures

No other Accounting Standards, Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

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

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held 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.

Inventory

Inventory is valued at the lower of cost or net realisable value basis. Costs are assigned on a first-in first-out basis.

Gaming Licence Entitlements

The Sub-branch has elected to account for its gaming entitlements on a cost basis. That is, entitlements are recorded at cost and amortised on a straight line basis over their useful lives, whilst the VCG loan is reduced by each quarterly instalment until the liability is reduced to \$nil.

ARARAT RSL SUB-BRANCH INC.

ABN: 18 081 581 162

Notes To and Forming Part of the Financial Statements for the Year Ended 31 December 2022 (cont'd)

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Sub-Branch becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Sub-Branch commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15.63.

Classification and subsequent measurement

Financial liabilities

Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit and loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability, that is, it is the rate that discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if:

- it is incurred for the purpose of repurchasing or repaying in the near term;
- it is part of a portfolio where there is an actual pattern of short-term profit taking; or
- it is a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in effective hedging relationships)

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of a financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to accumulated surplus upon derecognition of the financial liability.

ARARAT RSL SUB-BRANCH INC.

ABN: 18 081 581 162

Notes To and Forming Part of the Financial Statements for the Year Ended 31 December 2022 (cont'd)

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd) Financial Instruments (cont'd)

If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses are taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Financial asset

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit and loss

on the basis of the two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset is subsequently measured at amortised cost if it meets the following conditions:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principle amount outstanding on specified dates.

A financial asset is subsequently measured at fair value through other comprehensive income if it meets the following conditions:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principle amount outstanding on specified dates; and
- the business model for managing the financial assets comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the conditions of amortised cost and fair value through other comprehensive income's measurement conditions are subsequently measured at fair value through profit and loss.

The Sub-Branch initially designates a financial instrument as measured at fair value through profit and loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as accounting mismatch) that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance with the documented risk management or investment strategy and information about the Sub-Branch was documented appropriately, so as the performance of the financial liability that was part of an Sub-Branch's financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of the financial instruments to measure at fair value through profit and loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

ARARAT RSL SUB-BRANCH INC.

ABN: 18 081 581 162

Notes To and Forming Part of the Financial Statements for the Year Ended 31 December 2022 (cont'd)

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial Instruments (cont'd)

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All the following criteria need to be satisfied for derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Sub-Branch no longer controls the asset (i.e. no practical ability to make unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in an investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in an investments revaluation reserve is not reclassified to profit or loss, but is transferred to accumulated surplus.

Impairment

The Sub-Branch recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

ARARAT RSL SUB-BRANCH INC.

ABN: 18 081 581 162

Notes To and Forming Part of the Financial Statements for the Year Ended 31 December 2022 (cont'd)

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial Instruments (cont'd)

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The Sub-Branch uses the following approaches to impairment, as applicable under AASB 9:

- the general approach;
- the simplified approach;
- the purchased or originated credit impaired approach; and
- low credit risk operational simplification.

General approach

Under the general approach, at each reporting period, the Sub-Branch assesses whether the financial instruments are credit impaired, and if:

- the credit risk of the financial instrument has increased significantly since initial recognition, the Sub-Branch measures the loss allowance of the financial instrument at an amount equal to the lifetime expected credit losses; and
- there is no significant increase in credit risk since initial recognition, the Sub-Branch measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Simplified approach

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to:

- trade receivables or contract assets that result from transactions that are within the scope of AASB 15, that contain a significant financing component; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables is used, taking into consideration various data to derive an expected credit loss, (i.e. diversity of its customer base, appropriate groupings of its historical loss experience etc).

Purchased or originated credit-impaired approach

For a financial asset that is considered to be credit impaired (not on acquisition or origination), the Sub-Branch measures any change in its lifetime expected credit loss as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

Evidence of credit impairment includes:

- significant financial difficulty of the issuer or borrower;
- a breach of contract (e.g. default or past due event);
- where a lender has granted to the borrower a concession, due to borrower's financial difficulty, that the lender would not otherwise consider;
- where it is probable the borrower will enter bankruptcy or other financial reorganisation; and
- the disappearance of an active market for the financial asset because of financial difficulties.

ARARAT RSL SUB-BRANCH INC.

ABN: 18 081 581 162

Notes To and Forming Part of the Financial Statements for the Year Ended 31 December 2022 (cont'd)

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial Instruments (cont'd)

Low credit risk operational simplification approach

If a financial asset is determined to have low credit risk at the initial reporting date, the Sub-Branch assumes that the credit risk has not increased significantly since initial recognition and accordingly can continue to recognise a loss allowance of 12-month expected credit loss.

In order to make such determination that the financial asset has low credit risk, the Sub-Branch applies its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

A financial asset is considered to have low credit risk if:

- there is a low risk of default by the borrower;
- the borrower has strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term, may, but not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

A financial asset is not considered to carry low credit risk merely due to existence of collateral, or because a borrower has a lower risk of default than the risk inherent in the financial assets, or lower than the credit risk of the jurisdiction in which it operates.

Recognition of expected credit losses in financial statements

At each reporting date, the Sub-Branch recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (e.g. loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

Impairment of Assets

At each reporting date, the Sub-Branch reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

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

ARARAT RSL SUB-BRANCH INC.

ABN: 18 081 581 162

Notes To and Forming Part of the Financial Statements for the Year Ended 31 December 2022 (cont'd)

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Leases

At inception of a contract, the Sub-Branch assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Sub-Branch where the Sub-Branch is a lessee.

Initially, the lease liability is measured at the present value of the lease payments still to be paid the commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Sub-Branch uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use asset comprises the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date, as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost, less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Sub-Branch anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

Employee benefits

Provision for employee benefits represents amounts accrued for annual leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements. Based on past experience, the Sub-Branch does not expect the full amount of annual leave classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Sub-Branch does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

Revenue

Revenue is recognised to the extent that it is probable that economic will flow to the Company and the revenue can be reliably measured. The following specific criteria must also be met before revenue is recognised:

Gaming revenue

Gaming revenue is the net amount received after deducting the difference between gaming wins and losses. Gaming revenue is recognised at a point in time, which occurs on the outcome of the game in question.

ARARAT RSL SUB-BRANCH INC.

ABN: 18 081 581 162

Notes To and Forming Part of the Financial Statements for the Year Ended 31 December 2022 (cont'd)

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Revenue (cont'd)

Food and beverage revenue

Revenue from sales of food and beverages is recognised at a point in time, being when goods are provided to a customer.

Revenue is measured at the fair value of consideration received or receivable.

Interest revenue

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

Other income

Other income is recognised on an accruals basis when the Sub-Branch is entitled to it.

Income Tax

The Sub-Branch is not liable for income tax. The ongoing Income Exempt Charity status is subject to the Sub-Branch meeting the terms of the Deed of Settlement with the Commissioner of Taxation of the Commonwealth of Australia.

Goods and Services Tax (GST)

Revenues and expenses are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax 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. Receivables and payables in the statement of financial position are shown inclusive of GST. Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financial activities, which are disclosed as operating cash flows.

Comparative Figures

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

Significant accounting judgments

In the process of applying the Sub-Branch's accounting policies, management have not made any judgments, apart from those involving 'normal' estimations, which have had a significant effect on amounts recognised in the financial statements.

ARARAT RSL SUB-BRANCH INC.

ABN: 18 081 581 162

Notes To and Forming Part of the Financial Statements for the Year Ended 31 December 2022 (cont'd)

	2022 \$	2021 \$
2 SURPLUS / (DEFICIT) FOR THE YEAR		
Surplus / (Deficit) has been determine after:		
Revenue		
- Bar	901,522	493,268
- Gaming	2,918,607	2,866,762
- Government pandemic relief	-	376,873
- Kitchen	1,636,201	1,171,202
- TGS payments forgiven	-	300,332
- Other	213,299	133,372
	5,669,629	5,341,809
Costs of goods sold		
- Bar	424,336	247,684
- Gaming	1,192,109	1,245,255
- kitchen	1,466,441	1,155,299
- Other	-	448
	3,082,886	2,648,686
3 TRADE & OTHER RECEIVABLES		
Current		
Receivables	21,480	20,581
Provision for impairment of receivables	-	(3,400)
	21,480	17,181
Prepayments	8,386	7,009
	29,866	24,190
Non Current		
Loan – Ararat RSL Patriotic Fund	1,561,365	1,561,365
4 INVENTORIES		
Stock on hand - food & bar (at cost)	46,150	46,647

ARARAT RSL SUB-BRANCH INC.

ABN: 18 081 581 162

Notes To and Forming Part of the Financial Statements for the Year Ended 31 December 2022 (cont'd)

	2022 \$	2021 \$
5 PLANT AND EQUIPMENT		
Plant and Equipment - at cost	786,611	20,223
Less: Accumulated depreciation	(66,246)	(5,389)
	720,365	14,834
Right of use asset - at cost	-	1,623,890
Less: Accumulated depreciation	-	(1,299,112)
	-	324,778
	720,365	339,612
6 GAMING LICENCE ENTITLEMENTS		
Cost	1,766,711	1,766,711
Less: Accumulated amortisation	(177,006)	(1,590,433)
	1,589,705	176,278
The Sub-Branch has Gaming Machine Entitlements for 55 machines which have a 10 year life from August 2022.		
7 TRADE PAYABLES & OTHER LIABILITIES		
Current		
Trade creditors	135,707	176,235
Accruals and other payables	304,065	342,489
Accrued income - Prepaid membership fees	3,927	5,306
	443,699	524,030
8 PROVISIONS		
Current		
Provision for annual leave	140,315	131,933
Provision for long service leave	83,403	148,293
	223,718	280,226
Non Current		
Provision for long service leave	8,350	17,846

ARARAT RSL SUB-BRANCH INC.

ABN: 18 081 581 162

Notes To and Forming Part of the Financial Statements for the Year Ended 31 December 2022 (cont'd)

	2022 \$	2021 \$
9 FINANCIAL ASSETS		
Current		
Term Deposit	700,000	-
Non Current		
Shares held at fair value through other comprehensive income	4,320	20,080

10 NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash on hand	90,736	96,598
Cash at bank	1,186,471	2,000,980
	1,277,207	2,097,578

(b) Reconciliation of Net Cash used in Operating Activities to Operating Surplus

Operating surplus after income tax	649,866	551,780
<i>Non Cash Flows in Operating surplus:</i>		
Gaming machine entitlement amortisation	149,186	141,404
Depreciation expense	60,857	653,958
TGS payments forgiven	-	(300,332)
Finance change on lease liability	-	30,080
<i>Change in Operating Assets & Liabilities:</i>		
(Increase)/decrease in trade debtors and other assets	(5,676)	55,282
(Increase)/decrease in inventories	497	(6,556)
(Decrease)/increase in trade creditors and accrued income	(80,331)	(80,369)
(Decrease)/increase in provisions	(66,004)	32,099
Net cash from / (used in) operating activities	708,395	1,077,346

ARARAT RSL SUB-BRANCH INC.

ABN: 18 081 581 162

Notes To and Forming Part of the Financial Statements for the Year Ended 31 December 2022 (cont'd)

	2022	2021
	\$	\$

11 EVENTS AFTER REPORTING DATE

There have been no events subsequent to the balance date that have had an impact requiring disclosure in the financial statements or notes thereto.

12 RELATED PARTY TRANSACTIONS

The loan to the Ararat RSL Sub Branch Patriotic Fund, as disclosed in note 3, is non interest bearing with no fixed payment terms and is unsecured.

The following table provides the total amount of transactions that have been entered into with related parties for the year:

- Rent paid from the Sub-Branch to the Patriotic Fund	250,909	242,727
-------------------------------------------------------	---------	---------

13 DETAILS

The registered office and principal place of business is:

Ararat RSL Sub-Branch Inc.
74-76 High St,
Ararat VIC 3377

ARARAT RSL SUB-BRANCH INC.

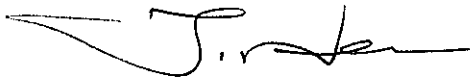
ABN: 18 081 581 162

Declaration by Members of the Committee

The Members of the Committee ('the Committee') of Ararat Sub-Branch Inc. declare that in the Committee's opinion:

- (a) there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- (b) the financial statements and notes satisfy the requirements of the Australian Charities and Not-for-Profit Commission Act 2012.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-Profit Commission Regulation 2013.



Committee Member

24.2.23

Date:

Committee Member



Date:

24.2.23

ARARAT RSL SUB-BRANCH INC.

ABN: 18 081 581 162

Detailed Surplus or (Deficit) Statement for the Year Ended 31 December 2022

	2022	2021
Bar sales	901,522	493,268
Gaming sales	2,918,607	2,866,762
Government pandemic relief	-	376,873
Kitchen sales	1,636,201	1,171,202
TGS payments forgiven	-	300,332
Interest income	3,373	130
Other income	213,299	133,372
	5,673,002	5,341,939
Bar COGS	(424,336)	(247,684)
Gaming COGS	(1,192,109)	(1,245,255)
Kitchen COGS	(1,466,441)	(1,155,299)
Other COGS	-	(448)
	(3,082,886)	(2,648,686)
Gross Profit	2,590,116	2,693,253
Administration expenses	(346,003)	(220,528)
Advertising and promotion	(228,330)	(97,384)
Committee and member expenses	(28,192)	(25,606)
Depreciation expense	(60,857)	(653,958)
Employee benefits expense - administration staff	(360,711)	(416,939)
Finance charges	-	(30,080)
Gaming machine entitlement amortisation	(149,186)	(141,404)
Occupancy costs	(552,607)	(457,805)
Professional fees	(67,207)	(42,631)
Welfare expenses	(131,128)	(42,816)
Other expenses	(16,029)	(12,322)
Total expenses	(1,940,250)	(2,141,473)
Surplus / (Deficit)	649,866	551,780

**Independent Audit Report
To The Members of Ararat RSL Sub-Branch Inc**

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a special purpose financial report, of Ararat RSL Sub-Branch Inc ("the Sub Branch"), which comprises the statement of financial position as at 31 December 2022, the statement of surplus or (deficit) 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 directors' declaration.

In our opinion the financial report of the Sub Branch is properly drawn up, including:

- a. giving a true and fair view of the Sub Branch's financial position as at 31 December 2022 and of its financial performance for the year ended; and
- b. complying with Australian Accounting Standards to the extent described in Note 1 and with the Associations Incorporation Reform Act 2012 and Division 60 of the Australian Charities and Not-for-Profits Commission Act 2012 (ACNC Act).

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibility 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 Sub Branch in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other 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 audit opinion.

Emphasis of Matter – Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared for distribution to members for the purpose of fulfilling the Committee's financial reporting responsibilities under the Associations Incorporation Reform Act 2012 and the ACNC Act. As a result, the financial report may not be suitable for another purpose.

Committee's Responsibility for the Financial Report

The Committee of the Sub Branch is responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Associations Incorporation Reform Act 2012 and the ACNC Act. The Committee's responsibility also includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee is responsible for assessing the Sub Branch'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 Committee either intends to liquidate the Sub Branch or to cease operations, or have no realistic alternative but to do so.

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

**Independent Audit Report
To The Members of Ararat RSL Sub-Branch Inc (cont'd)**

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 this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

Stannards Accountants and Advisors



James Dickson
Partner

Date: 27th February 2023



PATRIOTIC FUND

ARARAT RSL SUB-BRANCH INC. PATRIOTIC FUND

ABN 59 629 445 857

**AUDITED FINANCIAL STATEMENTS -
SPECIAL PURPOSE MEMBERS' REPORT
FOR THE YEAR ENDED
31 DECEMBER 2022**

ARARAT RSL SUB-BRANCH INC. PATRIOTIC FUND

ABN 59 629 445 857

Contents

Statement of Surplus or Deficit and Other Comprehensive Income for the year ended 31 December 2022	2
Statement of Financial Position as at 31 December 2022	3
Statement of Changes in Equity for the Year Ended 31 December 2022	4
Statement of Cash Flows for the Year Ended 31 December 2022	5
Notes To and Forming Part of the Financial Statements for the Year Ended 31 December 2022	6
Declaration By Committee	15
Independent Auditors Report	17

ARARAT RSL SUB-BRANCH INC. PATRIOTIC FUND

ABN 59 629 445 857

Statement of Surplus or (Deficit) and Other Comprehensive Income for the Year Ended 31 December 2022

Note	2022 \$	2021 \$
Revenue	250,909	242,728
Expenses	(261,085)	(267,196)
Surplus / (Deficit) Before Income Tax Expense	(10,176)	(24,468)
Income tax expense	-	-
Surplus / (Deficit) After Income Tax Expense	(10,176)	(24,468)
Other comprehensive income for the year (net of tax)	-	-
Total Comprehensive Income for the year attributable to the members	(10,176)	(24,468)

The accompanying notes form part of these financial statements.

ARARAT RSL SUB-BRANCH INC. PATRIOTIC FUND

ABN 59 629 445 857

Statement of Financial Position as at 31 December 2022

	Note	2022 \$	2021 \$
Current Assets			
Cash & cash equivalents	7	115,749	58,615
Total Current Assets		115,749	58,615
Non Current Assets			
Land - at cost		150,332	150,332
Buildings and improvements - at cost		4,498,108	4,467,635
Buildings and improvements - accumulated depreciation		(1,768,521)	(1,652,897)
Car Park - at cost		174,510	174,510
Plant and equipment - at cost		1,119,173	1,119,173
Plant and equipment - accumulated depreciation		(876,013)	(833,570)
Total Non Current Assets		3,297,589	3,425,183
Total Assets		3,413,338	3,483,798
Current Liabilities			
GST payable		4,712	4,996
Bank borrowings		853,637	853,637
Total Current Liabilities		858,349	858,633
Non Current Liabilities			
Ararat RSL Sub-Branch	6	1,561,365	1,561,365
Bank borrowings		880,000	940,000
Total Non Current Liabilities		2,441,365	2,501,365
Total Liabilities		3,299,714	3,359,998
Net Assets / (Deficit)		113,624	123,800
Equity			
Retained surplus		113,624	123,800
Total Equity		113,624	123,800

The accompanying notes form part of these financial statements.

ARARAT RSL SUB-BRANCH INC. PATRIOTIC FUND

ABN 59 629 445 857

Statement of Changes in Equity for the Year Ended 31 December 2022

	Retained surplus	Total \$
Balance at 1 January 2021	148,268	148,268
Deficit attributable to members	(24,468)	(24,468)
Balance at 31 December 2021	123,800	123,800
Deficit attributable to members	(10,176)	(10,176)
Balance at 31 December 2022	113,624	113,624

The accompanying notes form part of these financial statements.

ARARAT RSL SUB-BRANCH INC. PATRIOTIC FUND

ABN 59 629 445 857

Statement of Cash Flows for the Year Ended 31 December 2022

	Note	2022 \$	2021 \$
Cash Flows from Operating Activities			
Cash receipts from customers		250,909	242,727
Cash payments to suppliers		(35,938)	(25,806)
Interest received		-	1
Interest paid		(67,364)	(72,124)
Net cash (outflow) / inflow from operating activities	7(b)	147,607	144,798
Cash Flows from Investing Activities			
Plant and equipment acquired		(30,473)	(40,970)
Net cash (outflow) from investing activities		(30,473)	(40,970)
Cash Flows from Financing Activities			
Net movement in loans		(60,000)	(60,000)
Net cash inflow / (outflow) from financing activities		(60,000)	(60,000)
Increase / (Decrease) in cash held		57,134	43,828
Cash at beginning of financial year		58,615	14,787
Cash at end of financial year	7(a)	115,749	58,615

The accompanying notes form part of these financial statements.

ARARAT RSL SUB-BRANCH INC. PATRIOTIC FUND

ABN 59 629 445 857

Notes To and Forming Part of the Financial Statements for the Year Ended 31 December 2022

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This special purpose financial report has been prepared for distribution to the members of the Sub- Branch to fulfil the Fund's financial reporting requirements under the Australian Charities and Not-for-Profits Commission Act 2012 (the Act). The accounting policies used in the preparation of this report, as described below, are consistent with the financial reporting requirements of the Act, and are, in the opinion of the committee, appropriate to meet the needs of members.

The requirements of Australian Accounting Standards, Accounting Interpretations, and other professional reporting requirements, do not have mandatory applicability to the Fund, except to the extent required by the Act, because it is not a "reporting entity".

Basis of Accounting

The report has been prepared in accordance with the requirements of the following applicable Australian Accounting Standards and Accounting Interpretations:

AASB 107: Statement of Cash Flows

AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors;

AASB 110: Events after the Balance Sheet Date;

AASB 1048: Interpretation of Standards; and

AASB 1054: Australian Additional Disclosures

No other Accounting Standards, Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

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

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held 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.

Property, Plant and Equipment

Property, plant and equipment are included at cost or at valuation.

All assets, excluding freehold land and buildings from which rental income is derived are depreciated over their estimated economic lives. The carrying value of property, plant and equipment is reviewed regularly such that it does not exceed its recoverable amount.

ARARAT RSL SUB-BRANCH INC. PATRIOTIC FUND

ABN 59 629 445 857

Notes To and Forming Part of the Financial Statements for the Year Ended 31 December 2022 (cont'd)

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Fund becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Fund commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15.63.

Classification and subsequent measurement

Financial liabilities

Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit and loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability, that is, it is the rate that discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if:

- it is incurred for the purpose of repurchasing or repaying in the near term;
- it is part of a portfolio where there is an actual pattern of short-term profit taking; or
- it is a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in effective hedging relationships)

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of a financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to accumulated surplus upon derecognition of the financial liability.

ARARAT RSL SUB-BRANCH INC. PATRIOTIC FUND

ABN 59 629 445 857

Notes To and Forming Part of the Financial Statements for the Year Ended 31 December 2022 (cont'd)

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial Instruments (cont'd)

If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses are taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Financial asset

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit and loss

on the basis of the two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset is subsequently measured at amortised cost if it meets the following conditions:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principle amount outstanding on specified dates.

A financial asset is subsequently measured at fair value through other comprehensive income if it meets the following conditions:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principle amount outstanding on specified dates; and
- the business model for managing the financial assets comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the conditions of amortised cost and fair value through other comprehensive income's measurement conditions are subsequently measured at fair value through profit and loss.

The Fund initially designates a financial instrument as measured at fair value through profit and loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as accounting mismatch) that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance with the documented risk management or investment strategy and information about the Fund was documented appropriately, so as the performance of the financial liability that was part of an Fund's financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of the financial instruments to measure at fair value through profit and loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

ARARAT RSL SUB-BRANCH INC. PATRIOTIC FUND

ABN 59 629 445 857

Notes To and Forming Part of the Financial Statements for the Year Ended 31 December 2022 (cont'd)

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial Instruments (cont'd)

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All the following criteria need to be satisfied for derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Fund no longer controls the asset (i.e. no practical ability to make unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in an investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in an investments revaluation reserve is not reclassified to profit or loss, but is transferred to accumulated surplus.

Impairment

The Fund recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The Fund uses the following approaches to impairment, as applicable under AASB 9:

ARARAT RSL SUB-BRANCH INC. PATRIOTIC FUND

ABN 59 629 445 857

Notes To and Forming Part of the Financial Statements for the Year Ended 31 December 2022 (cont'd)

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial Instruments (cont'd)

- the general approach;
- the simplified approach;
- the purchased or originated credit impaired approach; and
- low credit risk operational simplification.

General approach

Under the general approach, at each reporting period, the Fund assesses whether the financial instruments are credit impaired, and if:

- the credit risk of the financial instrument has increased significantly since initial recognition, the Fund measures the loss allowance of the financial instrument at an amount equal to the lifetime expected credit losses; and
- there is no significant increase in credit risk since initial recognition, the Fund measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Simplified approach

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to:

- trade receivables or contract assets that result from transactions that are within the scope of AASB 15, that contain a significant financing component; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables is used, taking into consideration various data to derive an expected credit loss, (i.e. diversity of its customer base, appropriate groupings of its historical loss experience etc).

Purchased or originated credit-impaired approach

For a financial asset that is considered to be credit impaired (not on acquisition or origination), the Fund measures any change in its lifetime expected credit loss as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

Evidence of credit impairment includes:

- significant financial difficulty of the issuer or borrower;
- a breach of contract (e.g. default or past due event);
- where a lender has granted to the borrower a concession, due to borrower's financial difficulty, that the lender would not otherwise consider;
- where it is probable the borrower will enter bankruptcy or other financial reorganisation; and
- the disappearance of an active market for the financial asset because of financial difficulties.

Low credit risk operational simplification approach

If a financial asset is determined to have low credit risk at the initial reporting date, the Fund assumes that the credit risk has not increased significantly since initial recognition and accordingly can continue to recognise a loss allowance of 12-month expected credit loss.

In order to make such determination that the financial asset has low credit risk, the Fund applies its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

ARARAT RSL SUB-BRANCH INC. PATRIOTIC FUND

ABN 59 629 445 857

Notes To and Forming Part of the Financial Statements for the Year Ended 31 December 2022 (cont'd)

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial Instruments (cont'd)

A financial asset is considered to have low credit risk if:

- there is a low risk of default by the borrower;
- the borrower has strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term, may, but not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

A financial asset is not considered to carry low credit risk merely due to existence of collateral, or because a borrower has a lower risk of default than the risk inherent in the financial assets, or lower than the credit risk of the jurisdiction in which it operates.

Recognition of expected credit losses in financial statements

At each reporting date, the Fund recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (e.g. loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

Impairment of Assets

At each reporting date, the fund reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

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

Revenue

Rental and all other sources of income are accounted for on an accruals basis, such that revenue is recognised when it is earned.

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

Income Tax

The Fund is not liable for income tax. The ongoing Income Exempt Charity status is subject to the Fund meeting the terms of the Deed of Settlement with the Commissioner of Taxation of the Commonwealth of Australia.

ARARAT RSL SUB-BRANCH INC. PATRIOTIC FUND

ABN 59 629 445 857

Notes To and Forming Part of the Financial Statements for the Year Ended 31 December 2022 (cont'd)

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Goods and Services Tax (GST)

Revenues and expenses are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax 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. Receivables and payables in the statement of financial position are shown inclusive of GST. Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financial activities, which are disclosed as operating cash flows.

Significant accounting judgments

The Committee evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. In the current financial year, all such estimates are deemed to be 'normal' estimations in the ordinary course of business.

ARARAT RSL SUB-BRANCH INC. PATRIOTIC FUND

ABN 59 629 445 857

Notes To and Forming Part of the Financial Statements for the Year Ended 31 December 2022 (cont'd)

	2022	2021
	\$	\$
2 BORROWINGS		
The bank loan is secured by: a guarantee and indemnity for the Ararat RSL Sub-Branch Inc; and a registered first mortgage over the property held at 74-76 High St, Ararat.		
3 CONTINGENT LIABILITIES AND ASSETS		
The Fund's committee are not aware of any contingent liabilities or assets as at the date of signing this financial report.		
4 EVENTS AFTER THE REPORTING DATE		
There have been no events subsequent to the balance sheet date that have an impact that would require disclosure in the financial statements or notes thereto.		
5 ECONOMIC DEPENDENCY		
The Fund is economically dependent on the continued support of its bankers and the Returned & Services League of Australia (Victorian Branch) Inc. in meeting the bank covenant requirements imposed on their commercial loan. The Fund is also dependant on administrative support provided by the Ararat RSL Sub Branch Inc. Any change in one or more of the above would have a significant adverse on it's ability to continue to trade as a going concern.		
6 RELATED PARTY TRANSACTIONS		
The loan to the Ararat RSL Sub Branch Patriotic Fund is non interest bearing with no fixed payment terms and is unsecured.		
The following table provides the total amount of transactions that have been entered into with related parties for the year:		
- Rent paid from the Sub-Branch to the Patriotic Fund	250,909	242,727

ARARAT RSL SUB-BRANCH INC. PATRIOTIC FUND

ABN 59 629 445 857

Notes To and Forming Part of the Financial Statements for the Year Ended 31 December 2022 (cont'd)

	2022 \$	2021 \$
--	------------	------------

7 NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash at bank	115,749	58,615
--------------	---------	--------

(b) Reconciliation of Net Cash used in Operating Activities to Operating Surplus / (Deficit)

Operating surplus / (deficit)	(10,176)	(24,468)
<i>Non Cash Flows in Operating surplus / (deficit):</i>		
Depreciation	158,067	165,175
<i>Change in Operating Assets & Liabilities:</i>		
(Increase)/decrease in trade and other assets	-	-
(Decrease)/increase in trade creditors and accruals	(284)	4,091
Net cash from / (used in) operating activities	147,607	144,798

ARARAT RSL SUB-BRANCH INC. PATRIOTIC FUND

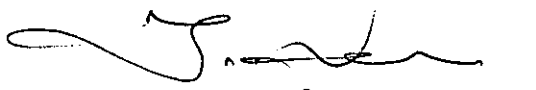
ABN 59 629 445 857

Declaration by Members of the Committee

The Members of the Committee ('the Committee') of Ararat Sub-Branch Inc. declare that in the Committee's opinion:

- (a) there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- (b) the financial statements and notes satisfy the requirements of the Australian Charities and Not-for-Profit Commission Act 2012.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-Profit Commission Regulation 2013.


24-2-23

Committee Member

Date:

**Detailed Surplus or (Deficit) Statement
for the Year Ended 31 December 2022**

	2022	2021
Income		
Rent from Ararat RSL Sub Branch	250,909	242,727
Interest received	-	1
Total Income	250,909	242,728
Expenses		
Bank charges	17,976	18,350
Depreciation	158,067	165,175
Interest paid	67,364	72,124
Welfare and charitable expenses	17,678	11,547
Total Expenditure	261,085	267,196
(Deficit)	(10,176)	(24,468)

**Independent Audit Report
To The Members of Ararat RSL Sub-Branch (Patriotic Fund)**

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a special purpose financial report, of Ararat RSL Sub-Branch (Patriotic Fund) ("the Fund"), which comprises the statement of financial position as at 31 December 2022, the statement of surplus or (deficit) 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 committee's declaration.

In our opinion the financial report of the Fund is properly drawn up, including:

- a. giving a true and fair view of the Fund's financial position as at 31 December 2022 and of its financial performance for the year ended; and
- b. complying with Australian Accounting Standards to the extent described in Note 1 and with the Australian Charities and Not-for-Profits Commission Act 2012 (ACNC Act).

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibility 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 Fund in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other 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 audit opinion.

Emphasis of Matter – Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared for distribution to members for the purpose of fulfilling the Committee's financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose.

Committee's Responsibility for the Financial Report

The Committee of the Fund is responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act. The Committee's responsibility also includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee is responsible for assessing the Fund'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 Committee either intends to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

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

**Independent Audit Report
To The Members of Ararat RSL Sub-Branch (Patriotic Fund) (cont'd)**

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 this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

Stannards Accountants and Advisors



James Dickson
Partner

Date: 27th February 2023

