GRUBERS BECKETT
Chartered Accountants

Returned and Services League of Australia (Qld Branch)
Cairns Sub Branch Inc

ABN 32 438 826 190

Annual Report – 31 December 2021

Returned and Services League of Australia (Qld Branch)
Cairns Sub Branch Inc

Directors' report
31 December 2021

The officers present their report, together with the financial statements, on the Association for the year ended 31 December 2021.

Officers

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

President – Jeffrey Langham
(Acting President – Peter Hayton – until 2021 AGM)
Treasurer – Benjamin Hemphill

Board Directors
Nathan Shingles
Gordon Burgess
Craig Maher
Neil Turnbull
Rob Lee

Resigned during the year
Andrew Dunn
Lee-Anne Greenwood
Gerry Tooth

Secretary – Mal McCullough

Principal activities
During the financial year the principal continuing activities of the Association consisted of service to past, present and future Australian Defence Force personnel and the greater Cairns community. Through advocacy, welfare services, volunteering and our Hall Kokoda Museum, the Association works to provide assistance to all serving and former serving members and their families.

Review of operations
The outcome of operations for the Association before provision and depreciation expenses for the year was a loss of $50,517. The Association is exempt from income tax under Section 50.5 of the *Income Tax Assessment Act 1997.*

Significant changes in the state of affairs
There were no significant changes in the state of affairs of the Association during the financial year.

Matters subsequent to the end of the financial year
No matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the Association's operations, the results of those operations, or the Association's state of affairs in future financial years.

Likely developments and expected results of operations
Information on likely developments in the operations of the Association and the expected results of operations have not been included in this report because the officers believe it would be likely to result in unreasonable prejudice to the Association.

Environmental regulation
The Association is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Indemnity and insurance of officers
The Association has indemnified the officers and executives of the Association for costs incurred, in their capacity as a officer or executive, for which they may be held personally liable, except where there is a lack of good faith.

Returned and Services League of Australia (Qld Branch)
Cairns Sub Branch Inc

Directors' report
31 December 2021

During the financial year, the Association paid a premium in respect of a contract to insure the officers and executives of the Association against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor
The Association has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Association or any related entity against a liability incurred by the auditor.

During the financial year, the Association has not paid a premium in respect of a contract to insure the auditor of the Association or any related entity.

Proceedings on behalf of the Association
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Association, or to intervene in any proceedings to which the Association is a party for the purpose of taking responsibility on behalf of the Association for all or part of those proceedings.

Auditor's independence declaration
A copy of the auditor's independence declaration is set out immediately after this officers' report.

This report is made in accordance with a resolution of officers.

On behalf of the Committee

Jeffrey Langham
President

Dated this..28th........day of May 2022
Cairns

Returned and Services League of Australia (Qld Branch) Cairns Sub Branch Inc

Auditors' Independence Declaration to the members of Returned and Services League of Australia (QLD Branch) Cairns Sub Branch Incorporated

31 December 2021

I declare that, to the best of my knowledge and belief, in relation to the audit of Returned and Services League of Australia (QLD Branch) Cairns Sub Branch Incorporated for the year ended 31 December 2021 there have been;

a) no contraventions of the auditor independence requirements as set out in the Associations Incorporation Act (QLD) in relation to the audit; and

b) no contraventions of any applicable code of professional conduct in relation to the audit.

Name of Firm: GRUBERS BECKETT
Chartered Accountants

Name of Partner: ....
Alfred C. Gruber

Address: Suite 1-3/20 Lake Street
Cairns QLD 4870

Dated this......31st..........day of March 2022

Returned and Services League of Australia (Qld Branch) Cairns Sub Branch Inc

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31 December 2021

General information

The financial statements cover Returned and Services League of Australia (Qld Branch) Cairns Sub Branch Inc as an individual entity. The financial statements are presented in Australian dollars, which is Returned and Services League of Australia (Qld Branch) Cairns Sub Branch Inc 's functional and presentation currency.

Returned and Services League of Australia (Qld Branch) Cairns Sub Branch Inc is an Association incorporated under the *Association Incorporation Act (Qld)* in Australia. Its registered office and principal place of business are:

Registered office

Principal place of business

Level 1
115 – 119 The Esplanade

A description of the nature of the Sub Branch's operations and its principal activities are included in the officers' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of officers. The officers have the power to amend and reissue the financial statements.

Returned and Services League of Australia (Qld Branch) Cairns Sub Branch Inc

Statement of profit or loss and other comprehensive income
For the year ended 31 December 2021

	Note	2021 $	2020 $
Revenue	3	488,810	564,969
Other income			
Expenses			
Changes in inventories		(3,140)	2,129
Raw materials and consumables used		(230,587)	(196,915)
Employee benefits expense		(201,303)	(168,473)
Depreciation		(4,089)	(5,177)
Other expenses		(100,208)	(189,067)
		(539,327)	(557,503)
Profit/(loss) from operations		(50,517)	7,466
Less: Amortisation of development expenses		(157,194)	(157,624)
Less: Provision for non-recoverability against the loan to Cairns RSL Sub Branch Ltd		-	(372,882)
		(157,194)	(530,506)
Profit/(Loss) before income tax expense		(207,711)	(523,040)
Income tax expense		-	-
Profit/(Loss) after income tax expense for the year attributable to the members of Returned and Services League of Australia (Qld Branch) Cairns Sub Branch Inc		(207,711)	(523,040)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of Returned and Services League of Australia (Qld Branch) Cairns Sub Branch Inc		(207,711)	(523,040)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Returned and Services League of Australia (Qld Branch) Cairns Sub Branch Inc

Statement of financial position
As at 31 December 2021

	Note	2021 $	2020 $
Assets			
Current assets			
Cash and cash equivalents	6	785,949	628,957
Trade and other receivables	7	105,472	-
Inventories	8	5,541	6,372
Prepayments	9	26,839	21,813
Total current assets		923,801	657,142
Non-current assets			
Loans and Advances	10	900,000	1,200,000
Property, plant and equipment	11	6,021,305	6,025,394
Intangible assets	12	411,718	568,912
Total non-current assets		7,333,023	7,794,306
Total assets		8,256,824	8,451,448
Liabilities			
Current liabilities			
Trade and other payables	13	29,344	23,141
Employee benefits	14	10,253	14,455
Unspent Grant Monies	15	62,718	51,632
Total current liabilities		102,315	89,228
Total liabilities		102,315	89,228
Net assets		8,154,509	8,362,220
Equity			
Reserves	16	4,369,524	4,369,524
Retained profits		3,784,985	3,992,696
Total equity		8,154,509	8,362,220

The above statement of financial position should be read in conjunction with the accompanying notes

Returned and Services League of Australia (Qld Branch) Cairns Sub Branch Inc

Statement of changes in equity
For the year ended 31 December 2021

	Retained profit $	Reserves $	Total equity $
Balance at 1 January 2020	4,515,735	4,369,524	8,885,260
Net surplus (loss) for the year	(523,040)		(523,040)
Revaluation increment	-	-	-
	-		
Balance at 31 December 2020	3,992,696	4,369,524	8,362,220

	Retained profit $	Reserves $	Total equity $
Balance at 1 January 2021	3,992,696	4,369,524	8,362,220
Net surplus (loss) for the year	(207,711)		(207,711)
Revaluation increment	-	-	-
	-		
Balance at 31 December 2021	3,784,985	4,369,524	8,154,509

The above statement of changes in equity should be read in conjunction with the accompanying notes

Returned and Services League of Australia (Qld Branch) Cairns Sub Branch Inc

Statement of cash flows
For the year ended 31 December 2021

	Note	2021 $	2020 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		542,237	572,092
Payments to suppliers and employees (inclusive of GST)		(623,931)	(728,426)
		(81,694)	(156,334)
Interest received		4,428	97,008
Other revenue		34,258	73,455
Net cash from operating activities	21	(43,008)	14,129
Cash flows from investing activities			
Payments for property, plant and equipment			
Payment for intangible assets		-	-
Net cash used in investing activities		-	-
Cash flows from financing activities			
Repayment of loan by Cairns RSL Sub Branch Ltd		200,000	-
Net cash from financing activities		200,000	-
Net increase in cash and cash equivalents		156,992	14,129
Cash and cash equivalents at the beginning of the financial year		628,957	614,828
Cash and cash equivalents at the end of the financial year	6	785,949	628,957

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted
The Association has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation
In the officers' opinion, the Association is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the Incorporated Associations Act (Qld) requirements to prepare and distribute financial statements to the members of Returned and Services League of Australia (Qld Branch) Cairns Sub Branch Inc . The officers have determined that the accounting policies adopted are appropriate to meet the needs of the members of Returned and Services League of Australia (Qld Branch) Cairns Sub Branch Inc .

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for for-profit oriented entities.

Historical cost convention
The financial statements have been prepared under the historical cost convention.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Association's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Revenue recognition
Revenue is recognised when it is probable that the economic benefit will flow to the Association and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Sale of goods
Sale of goods revenue is recognised at the point of sale, which is where the customer has taken delivery of the goods, the risks and rewards are transferred to the customer and there is a valid sales contract. Amounts disclosed as revenue are net of sales returns and trade discounts.

Grant revenue
Grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the grant, it is probably that the economic benefits grained from the grant will flow to the entity and the amount of the grant can be measured reliably.

When the grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the balance sheet as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

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.

Note 1. Significant accounting policies (continued)

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Subscriptions
Revenue from the provision of membership subscriptions is recognised on a straight-line basis over the financial year.

Donations
Donations and bequests are recognised as revenue when received.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Association's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Association's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the Association will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Other receivables are recognised at amortised cost, less any provision for impairment.

Returned and Services League of Australia (Qld Branch) Cairns Sub Branch Inc

Notes to the financial statements
31 December 2021

Note 1. Significant accounting policies (continued)

Inventories
Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value on a 'first in first out' basis. Cost comprises of direct materials and delivery costs, direct labour, import duties and other taxes, an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity, and, where applicable, transfers from cash flow hedging reserves in equity. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

Stock in transit is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Furniture and Fittings	3-7 years
Plant and equipment	3-7 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Association. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Leases
The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to the ownership of leased assets, and operating leases, under which the lessor effectively retains substantially all such risks and benefits.

Finance leases are capitalised. A lease asset and liability are established at the fair value of the leased assets, or if lower, the present value of minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the finance costs, so as to achieve a constant rate of interest on the remaining balance of the liability.

Leased assets acquired under a finance lease are depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Association will obtain ownership at the end of the lease term.

Operating lease payments, net of any incentives received from the lessor, are charged to profit or loss on a straight-line basis over the term of the lease.

Impairment of non-financial assets
Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Note 1. Significant accounting policies (continued)

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables
These amounts represent liabilities for goods and services provided to the Association prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee benefits

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

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

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Note 1. Significant accounting policies (continued)

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Association for the annual reporting period ended 31 December 2021. The Association has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Critical accounting judgements, estimates and assumptions

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

Provision for impairment of receivables
The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtor's financial position.

Provision for impairment of inventories
The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

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

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets
The Association assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Association and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

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

Note 3. Revenue

	2021 $	2020 $
Donations	4,297	11,403
Grants received	42,185	55,422
Members subscriptions	5,988	8,080
Rental Income	397,258	319,601
	449,728	394,506
Other revenue		
Interest	4,428	97,008
Other revenue (*refer to note 4.*)	34,654	73,455
	39,082	170,463
Revenue	488,810	564,969

Note 4. Other Revenue

	2021 $	2020 $
Covid Stimulus Package	-	35,516
Merchandise and fundraising sales	32,092	21,671
Paid Parental Leave Subsidy	-	13,570
Sponsorships	1,909	2,175
Day Club and Band Income	653	523
	34,654	73,455

Note 5. Expenses

	2021 $	2020 $
Profit before income tax includes the following specific expenses:		
Cost of sales		
Cost of sales	3,140	(2,129)
Depreciation & Amortisation		
Development approval amortised	157,194	157,624
Furniture & Fittings	534	703
Plant and equipment	3,555	4,474
Total depreciation & amortisation	161,282	162,801
Rental expense relating to operating leases		
Minimum lease payments	146,598	104,170
Superannuation expense		
Defined contribution superannuation expense	24,481	18,239
Provision for doubtful debts	-	89,719

Note 6. Current assets - cash and cash equivalents

	2021 $	2020 $
Cash on hand	256	399
Cash at bank	785,693	628,558
	785,949	628,957

Note 7. Current assets - trade and other receivables

	2021 $	2020 $
Trade receivables	5,472	134,719
Less: Provision for doubtful debts	-	(134,719)
	5,472	0
Other receivables	-	-
Financial Settlement – Cairns RSL Club Ltd (refer note 10.)	100,000	
	105,472	-

Returned and Services League of Australia (Qld Branch) Cairns Sub Branch Inc

Notes to the financial statements
31 December 2018

Note 8. Current assets - inventories

	2021 $	2020 $
Inventory at cost	5,541	6,372
	5,541	6,372

Note 9. Current assets - other

	2021 $	2020 $
Prepayments	26,839	21,813
	26,839	21,813

Note 10. Non-Current assets - Loans and Advances

	2021 $	2020 $
Financial Settlement – Cairns RSL Club Ltd		
Loan – Cairns RSL Club Ltd	900,000	2,123,350
Loan (Interest unpaid) – Cairns RSL Club Ltd	0	99,532
	0	2,222,882
Less provision for non-recoverability against the loan to Cairns RSL Club Ltd	0	(1,022,882)
	900,000	1,200,000

On the 22nd of April 2021 a financial settlement has been reached with the Cairns RSL Club Ltd in respect of the loan from the sub branch which at 31 December 2020 was $2,222,882. On settlement of the dispute, it was determined that the Club would pay $1,200,000 on an agreed schedule with $200,000 being paid during the period ended 31st of December 2021 and $100,000 being repaid each year thereafter.

Returned and Services League of Australia (Qld Branch) Cairns Sub Branch Inc

Notes to the financial statements
31 December 2021

Note 11. Non-current assets - property, plant and equipment

	2021 $	2020 $
Land and building at valuation	6,000,000	6,000,000
Total Land and building at 115 The Esplanade Cairns	6,000,000	6,000,000
Plant and equipment - at cost	146,522	146,522
Less: Accumulated depreciation	(131,185)	(127,631)
	15,337	18,891
Furniture, fixtures and fittings at cost	62,135	62,135
Less: Accumulated depreciation	(62,109)	(61,575)
	26	560
Website asset	5,943	5,943
	5,943	5,943
	6,021,305	6,025,394

Freehold land and buildings is shown at its fair value with revaluations being performed wherever there is a material movement in the value of an asset. The freehold land and buildings were independently valued at 14 July 2017 by Daniel Ackroyd (Certified Practising Valuer) of Integrated Valuation Services at $6,000,000, $3,000,000 attributable to the land component and $3,000,000 attributable to the building component.

Reconciliations

I	Land and Buildings $	Furniture and Fittings $	Plant and equipment $	Website Assets $	Total $
Balance at 1 January 2020	6,000,000	1,263	23,366	5,943	6,030,571
Additions	-	-	-	-	
Depreciation expense	-	(703)	(4,474)	-	(5,177)
Balance at 28 February 2021	6,000,000	560	18,891	5,943	6,025,394
Additions	-	-	-	-	-
Depreciation expense	-	(534))	(3,555)	-	(4,089)
Balance at 31 December 2021	6,000,000	26	15,336	5,943	6,021,305

Note 12. Intangible Assets

	2021 $	2020 $
Development planning costs	944,023	944,023
Less amortisation	(532,305)	(375,111)
	411,718	568,912

Capitalised development planning costs relate to a re-development application lodged by the Sub Branch for the premises located at 115 the Esplanade, Cairns. The development application was approved by Cairns City Council in October 2009. The approval has been subsequently renewed in August 2018.

It is the intention of the officers that the Sub Branch will keep the development application in its present form until the future of the re-development project can be decided. If the development does not proceed, the capitalised development costs would be fully impaired and would need to be written down to nil. The development costs are being amortised from the date of renewal on 13 August 2018 to the date of expiration on 13 August 2024.

Note 13. Trade and other payables

	2021 $	2020 $
Trade payables	13,765	9,164
GST payable	281	6,943
PAYG Payable	2,623	3,834
Other payables	4,309	535
Superannuation expense	8,366	2,665
	29,344	23,141

Note 14. Current liabilities - employee benefits

	2021 $	2020 $
Employee benefits	10,253	14,455

Note 15. Current liabilities - Other

	2021 $	2020 $
Provision for unexpended grants	62,718	51,632
	62,718	51,632

Note 16. Equity - reserves

	2021 $	2020 $
Capital profits reserve	83,761	83,761
Assets revaluation reserve	4,285,763	4,285,763
Retained profits at the end of the financial year	4,369,524	4,369,524

Note 17. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Gruber Beckett Chartered Accountants, the auditor of the Association:

	2021 $	2020 $
Audit services – Gruber Beckett		
Audit of the financial statements	4,100	4,100
	4,100	4,100

Note 18. Contingent liabilities

The Association had no contingent liabilities as at 31 December 2021 and 31 December 2020.

Note 19. Commitments

The Association had no commitments for expenditure as at 31 December 2021 and 31 December 2020.

Note 20. Events after the reporting period

No matter or circumstance has arisen since 31 December 2020 that has significantly affected, or may significantly affect the Association's operations, the results of those operations, or the Association's state of affairs in future financial years.

Note 21. Reconciliation of profit after income tax to net cash from operating activities

	2021 $	2020 $
Profit after income tax expense for the year	(207,711)	(523,040)
Adjustments for:		
Depreciation and amortisation	161,282	162,801
Provision for Non-Recoverability	-	372,882
Change in operating assets and liabilities:		
Decrease/(Increase) in trade receivables	(5,472)	2,732
Decrease/(Increase) in inventories	831	(2,128)
Decrease/(Increase) in prepayments	(5,026)	(2,192)
Increase/(decrease) in trade and other payables	6,203	11,748
Increase/(decrease) in employee benefits	(4,202)	(908)
Increase/(decrease) in other operating liabilities	11,086	(7,766)
Net cash from operating activities	(43,008)	14,129

Returned and Services League of Australia (Qld Branch) Cairns Sub Branch Inc

Independent auditor's report to the members of Returned and Services League of Australia (Qld Branch) Cairns Sub Branch Inc

31 December 2021

In the officers' opinion:

- the Association is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 1 to the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the *Incorporated Associations Act (QLD)* requirements to prepare and distribute financial statements to the members of Returned and Services League of Australia (Qld Branch) Cairns Sub Branch Inc ;

- the attached financial statements and notes comply with the *Incorporated Associations Act (QLD)*, the Accounting Standards as described in note 1 to the financial statements, the *Incorporated Associations Act (QLD)* and other mandatory professional reporting requirements;

- the attached financial statements and notes give a true and fair view of the Association's financial position as at 31 December 2021 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the members of the committee and is signed for and on behalf of the committee by:

Jeffrey Langham
President

Ben Hemphill

Ben Hemphill
Treasurer

Dated this ....28th..............day of 2022

Cairns

Returned and Services League of Australia (Qld Branch) Cairns Sub Branch Inc

Independent auditor's report to the members of Returned and Services League of Australia (Qld Branch) Cairns Sub Branch Inc

31 December 2021

GRUBERS BECKETT
Chartered Accountants

Independent Auditor's report to Returned and Services League of Australia (Qld Branch) Cairns Sub Branch Inc

We have audited the financial report, being a special purpose financial report Returned and Services League of Australia (Qld Branch) Cairns Sub Branch Inc (the Sub Branch) which comprises the statement of financial position as at 30 June 2021, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Committee Members' declaration.

In our opinion, the accompanying financial report of the Sub Branch is in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012 including:

1. giving a true and fair value of the Sub Branch's financial position as at 31 December 2021 and of the financial performance for the year then ended; and
2. complying with Australian Accounting Standards to the extent described in note 1 and Division 60 of the Australian Charities and Not-for-profits Commission Act 2012 and the Association Incorporation Act (QLD).

Basis of Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards, are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Sub Branch in accordance with the auditor's independence requirements of Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, Association Incorporation Act (QLD) and the ethical requirements of the Accounting Professional and Ethical Standards Board 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 ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by Division 60 of the Australian Charities and Not-for-profits Commission Act 2012 and the Association Incorporation Act (QLD), which has been given to the Committee Members of the Sub Branch, would be in the same terms if given to the Committee Members as at the time of this report.

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

Emphasis of Matter – Basis of Accounting

Without modifying our opinion, we draw attention to the following:

1. Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purposes of fulfilling the Committee Members' financial reporting responsibilities under Division 60 of the Australian Charities and Not-for-profits Commission Act 2012. As a result, the financial report may not be suitable for any other purpose.

Independent Auditor’s report to the Members of Returned and Services League of Australia (Qld Branch) Cairns Sub Branch Inc. (continued)

2. Note 12 of the financial report, which details the intangible assets shown as capitalised development costs. These costs relate to the potential development of the land and buildings owned by the Sub Branch that requires the successful completion of certain activities relating to the development before it can proceed. The outcomes of these activities cannot be presently determined because there is a material uncertainty that the property development will continue in its present form. If this does not proceed, the carrying value of the development costs, which are being amortised over the period from the date of renewal to the expiration of development application approval, would be significantly impaired.

Responsibilities of the Committee Members for the Financial Report

The Committee Members of the Sub Branch are 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 Division 60 of the Australian Charities and Not-for-profits Commission Act 2012 and is appropriate to meet the needs of the Members.

The Committee Members’ responsibility also includes such internal control as the Committee Members determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Committee Members are responsible for assessing the ability of the Sub Branch 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 Members either intend to liquidate the Sub Branch or to cease operations, or have no alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually, or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and access the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide the basis for our opinion. The risk is not detecting a material misstatement from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sub Branch’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee Members.

Independent Auditor's report to the Members of Returned and Services League of Australia (Qld Branch) Cairns Sub Branch Inc. (continued)

- Conclude on the appropriateness of the Committee Members' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubts on the Sub Branch's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Sub Branch to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

Name of Firm: GRUBERS BECKETT
Chartered Accountants

Name of Partner: ………………………………
Alfred C. Gruber

Address: Suite 1-3 / 20 Lake Street
Cairns QLD 4870

Dated this……1st……day of June 2022