

# **Epping RSL Sub-Branch Inc. General Appeals Patriotic Fund**

**Annual Report - 31 December 2021**

**Epping RSL Sub-Branch Inc. General Appeals Patriotic Fund  
Committee members' report  
31 December 2021**

The Committee members present their report, together with the financial statements, on the Fund for the year ended 31 December 2021.

**Committee members**

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

Kevin Ind (President)  
Peter Egan (Vice President)  
John Merrett (Senior Vice President)  
Leslie Luscombe  
Philip Creek

Terry Power  
Mary Bell  
Mark Stewart  
Michael Reid

**Principal activities**

The principal activities of the Fund during the year were to provide welfare and charitable activities in respect of its members and returned servicemen and servicewomen.

**Significant changes in state of affairs**

No significant change in the nature of these activities occurred during the year.

**Operating results**

The loss of the Fund for the financial year amounted to \$2,056 (2020 surplus: \$1,227).

On behalf of the Committee members



---

Kevin Ind  
President

16 March 2022

## **Epping RSL Sub-Branch Inc. General Appeals Patriotic Fund**

### **Contents**

**31 December 2021**

Auditor's independence declaration	3
Statement of profit or loss and other comprehensive income	4
Statement of financial position	5
Statement of changes in equity	6
Statement of cash flows	7
Notes to the financial statements	8
Committee members' declaration	12
Independent auditor's report to the members of Epping RSL Sub-Branch Inc. General Appeals Patriotic Fund	13

### **General information**

The financial statements cover Epping RSL Sub-Branch Inc. General Appeals Patriotic Fund as an individual entity. The financial statements are presented in Australian dollars, which is Epping RSL Sub-Branch Inc. General Appeals Patriotic Fund's functional and presentation currency.

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

The financial statements were authorised for issue on 16 March 2022.

## Auditor's Independence Declaration

### To the Members of Epping RSL Sub-Branch Inc. General Appeals Agency Fund

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as lead auditor for the audit of Epping RSL Sub-Branch Inc. General Appeals Agency Fund for the year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



D M Scammell  
Partner - Audit & Assurance

Melbourne, 16 March 2022

**Epping RSL Sub-Branch Inc. General Appeals Patriotic Fund  
Statement of profit or loss and other comprehensive income  
For the year ended 31 December 2021**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>Revenue</b>		
Badge, poppys & appeal collections	43,499	5,000
Less amounts retained by RSL General Appeals Patriotic Fund	<u>(26,357)</u>	<u>-</u>
	17,142	5,000
<b>Expenses</b>		
Funeral expenses	-	(536)
Volunteer management expenses	(723)	(301)
Welfare assistance expenses	<u>(18,475)</u>	<u>(2,936)</u>
<b>Surplus/(deficit) before income tax expense</b>	(2,056)	1,227
Income tax expense	<u>-</u>	<u>-</u>
<b>Surplus/(deficit) after income tax expense for the year attributable to the members of Epping RSL Sub-Branch Inc. General Appeals Patriotic Fund</b>	(2,056)	1,227
Other comprehensive income for the year, net of tax	<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year attributable to the members of Epping RSL Sub-Branch Inc. General Appeals Patriotic Fund</b>	<u><u>(2,056)</u></u>	<u><u>1,227</u></u>

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

**Epping RSL Sub-Branch Inc. General Appeals Patriotic Fund**  
**Statement of financial position**  
**As at 31 December 2021**

	Note	2021 \$	2020 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	3	9,770	11,152
Total current assets		<u>9,770</u>	<u>11,152</u>
<b>Total assets</b>		<u>9,770</u>	<u>11,152</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	4	674	-
Total current liabilities		<u>674</u>	<u>-</u>
<b>Total liabilities</b>		<u>674</u>	<u>-</u>
<b>Net assets</b>		<u>9,096</u>	<u>11,152</u>
<b>Equity</b>			
Retained surpluses		<u>9,096</u>	<u>11,152</u>
<b>Total equity</b>		<u>9,096</u>	<u>11,152</u>

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

**Epping RSL Sub-Branch Inc. General Appeals Patriotic Fund**  
**Statement of changes in equity**  
**For the year ended 31 December 2021**

	<b>Retained profits \$</b>	<b>Total equity \$</b>
Balance at 1 January 2020	9,925	9,925
Surplus after income tax expense for the year	1,227	1,227
Other comprehensive income for the year, net of tax	-	-
	<u>1,227</u>	<u>1,227</u>
Total comprehensive income for the year	<u>1,227</u>	<u>1,227</u>
Balance at 31 December 2020	<u>11,152</u>	<u>11,152</u>
	<b>Retained profits \$</b>	<b>Total equity \$</b>
Balance at 1 January 2021	11,152	11,152
Deficit after income tax expense for the year	(2,056)	(2,056)
Other comprehensive income for the year, net of tax	-	-
	<u>(2,056)</u>	<u>(2,056)</u>
Total comprehensive income for the year	<u>(2,056)</u>	<u>(2,056)</u>
Balance at 31 December 2021	<u>9,096</u>	<u>9,096</u>

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

**Epping RSL Sub-Branch Inc. General Appeals Patriotic Fund**  
**Statement of cash flows**  
**For the year ended 31 December 2021**

	Note	2021 \$	2020 \$
<b>Cash flows from operating activities</b>			
Receipts from customers		43,499	5,000
Payments to suppliers (inclusive of GST)		<u>(44,881)</u>	<u>(3,773)</u>
Net cash from/(used in) operating activities	5	<u>(1,382)</u>	<u>1,227</u>
Net cash from investing activities		<u>-</u>	<u>-</u>
Net cash from financing activities		<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents		(1,382)	1,227
Cash and cash equivalents at the beginning of the financial year		<u>11,152</u>	<u>9,925</u>
Cash and cash equivalents at the end of the financial year	3	<u><u>9,770</u></u>	<u><u>11,152</u></u>

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



**Epping RSL Sub-Branch Inc. General Appeals Patriotic Fund**  
**Notes to the financial statements**  
**31 December 2021**

**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 Fund 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**

This financial report is a special purpose financial report, prepared in order to satisfy the financial reporting requirements of the Committee of the Epping RSL. The Committee has determined that the Agency Account is not a reporting entity.

The financial report of the Fund has been presented separately from that of Epping RSL Patriotic Fund and in accordance with the Branch Bylaw 7A. The Agency Account has been created under this bylaw to facilitate the administration and management of designated Appeal funds by Epping RSL in its capacity as agent for the Returned & Services League of Australia (Victorian Branch) ("ANZAC House"), in order to preserve the Deductible Gift Recipient status of the fund represented by the Agency Account. The bylaw specifies that if these Appeals Funds (representing funds raised from ANZAC and Poppy Day Appeals) are not spent within one year of the initial receipt, they must be remitted back to the RSL General Appeals Fund.

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 not-for profit oriented entities.

*Historical cost convention*

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

*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 Fund'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**

The Fund recognises revenue as follows:

*Revenue from contracts with customers*

Revenue is recognised at an amount that reflects the consideration to which the Fund is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Fund: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

**Epping RSL Sub-Branch Inc. General Appeals Patriotic Fund**  
**Notes to the financial statements**  
**31 December 2021**

**Note 1. Significant accounting policies (continued)**

*Sale of goods*

Revenue from the sale of goods is recognised at the point in time when the member/customer obtains control of the goods, which is generally at the time of delivery. Invoices for goods or services transferred are due upon receipt by the customer.

All revenue is stated net of the amount of goods and services tax.

**Income tax**

As the Fund is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

**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 Fund'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 Fund'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 payables**

These amounts represent liabilities for goods and services provided to the Fund 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.

**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.

**Epping RSL Sub-Branch Inc. General Appeals Patriotic Fund**  
**Notes to the financial statements**  
**31 December 2021**

**Note 1. Significant accounting policies (continued)**

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

**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 Fund for the annual reporting period ended 31 December 2021. The Fund 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.

*Coronavirus (COVID-19) pandemic*

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Fund based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Fund operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Fund unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

*Revenue from contracts with customers involving sale of goods*

When recognising revenue in relation to the sale of goods to customers, the key performance obligation of the Fund is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

*Fair value measurement hierarchy*

The Fund is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

**Note 3. Current assets - cash and cash equivalents**

	2021 \$	2020 \$
Cash at bank	9,770	11,152

**Note 4. Current liabilities - trade and other payables**

	2021 \$	2020 \$
Trade creditors	674	-

**Epping RSL Sub-Branch Inc. General Appeals Patriotic Fund**  
**Notes to the financial statements**  
**31 December 2021**

**Note 5. Reconciliation of surplus/(deficit) after income tax to net cash from/(used in) operating activities**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Surplus/(deficit) after income tax expense for the year	(2,056)	1,227
Change in operating assets and liabilities:		
Increase in trade and other payables	<u>674</u>	<u>-</u>
Net cash from/(used in) operating activities	<u><u>(1,382)</u></u>	<u><u>1,227</u></u>

**Note 6. Events after the reporting period**

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

**Note 7. Fund details**

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

Epping RSL Sub-Branch Inc. General Appeals Patriotic Fund  
196 Harvest Home Road  
Epping VIC 3076

**Epping RSL Sub-Branch Inc. General Appeals Patriotic Fund  
Committee members' declaration  
31 December 2021**

In the Committee members' opinion:

- the attached financial statements and notes give a true and fair view of the Fund'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 Fund will be able to pay its debts as and when they become due and payable.

On behalf of the Committee members



---

Kevin Ind  
President

16 March 2022

# Independent Auditor's Report

## To the Members of Epping RSL Sub-Branch Inc. General Appeals Agency Fund

### Report on the audit of the financial report

#### Opinion

We have audited the financial report of Epping RSL Sub-Branch Inc. General Appeals Agency Fund (the "Fund"), which comprises the statement of financial position as at 31 December 2021, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the statement by the Committee.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Audit Opinion* paragraph, the financial report of the Epping RSL Sub-Branch-Inc. General Appeals Agency Fund is prepared in accordance with the accounting policies described in Note 1 and Branch Bylaw 7A.

#### Basis for opinion

Cash donations are a significant source of fundraising revenue for the Fund. The Committee has determined that it is impracticable to establish control over the collection of cash donations prior to entry into its financial records. Accordingly, as the evidence available to us regarding fundraising revenue from this source was limited, our audit procedures with respect to cash donations had to be restricted to the amounts recorded in the financial records. We therefore are unable to express an opinion on whether the recorded cash donations of the Fund are complete.

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 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 ethical responsibilities in accordance with the Code.

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

### **Basis of accounting**

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of reporting to the Victorian RSL. As a result, the financial report may not be suitable for another purpose.

### **Information other than the Financial Report and Auditor's Report**

The Committee are responsible for the other information. The other information comprises the information included in the Fund's annual report for the year ended 31 December 2021 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of the Committee for the financial report**

The Committee of the Fund are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*, and the *Veterans Act 2005*, and for such internal control as the Committee determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee are 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 intend 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.

### **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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. 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/auditors\\_responsibilities/ar3.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf).

This description forms part of our Auditor's report.



Grant Thornton Audit Pty Ltd  
Chartered Accountants



D M Scammell  
Partner – Audit & Assurance

Melbourne, 16 March 2022