



# RSLWA

**The Returned & Services League of Australia  
WA Branch Incorporated  
ABN 59 263 172 184**

**ANNUAL FINANCIAL REPORT**  
For the year ended 31 December 2021

# The Returned & Services League of Australia WA Branch Incorporated

For the year ended 31 December 2021

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### General Information

The financial report covers The Returned & Services League of Australia WA Branch Incorporated as an individual entity. The financial report is presented in Australian dollars, which is The Returned & Services League of Australia WA Branch Incorporated's functional and presentation currency.

The financial report consists of the financial statements, notes to the financial statements and the Directors' declaration. The financial report was authorised for issue on 5 May 2022.

# The Returned & Services League of Australia WA Branch Incorporated

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

	Note	Year-end 31-Dec 2021 \$	Restated* Year-end 31-Dec 2020 \$
Operational items			
Revenue	5	5,710,267	9,155,323
Cost of sales		(434,736)	(89,440)
Advertising and promotion		(6,122)	(37,977)
Payments to sub-branches and national HQ		(88,975)	(101,092)
Employee benefits expenditure		(3,002,398)	(2,173,124)
Depreciation and amortisation		(924,757)	(294,685)
Legal, consultants and contractors		(49,910)	(36,520)
Short-term rental expenditure		(9,914)	(163,055)
Travel		(68,562)	(43,224)
ANZAC day activities (grant-funded)	6	(464,043)	(123,146)
Finance costs (interest, bank & investment fees)		(85,065)	(95,547)
Other		(1,524,961)	(1,402,248)
<b>Operational (deficit) / surplus before income tax expense</b>		<b>(949,176)</b>	<b>4,595,265</b>
<b>Non-operating items</b>			
Net gains on the revaluation of financial assets at fair value through profit or loss	3(b)	3,764,881	156,120
Net Gain on investment property at fair value gain		449,348	-
Impairment of investment property held for sale	3(h)	-	(62,399)
Gain on modification of lease	3(l)	-	47,980
<b>Surplus before income tax expense attributable to members of the branch</b>		<b>3,265,053</b>	<b>4,736,966</b>
Income tax expense		-	-
<b>Surplus after income tax expense attributable to members of the branch</b>		<b>3,265,053</b>	<b>4,736,966</b>
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>		-	-
<b>Total comprehensive income for the year, net of tax</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income attributable to members of the branch</b>		<b>3,265,053</b>	<b>4,736,966</b>

*This statement of profit or loss and other comprehensive income is to be read in conjunction with the notes accompanying the financial statements.*

*\* Certain amounts shown here do not correspond to the 31 December 2020 annual financial statements and reflect restatements disclosed in Note 4.*

# The Returned & Services League of Australia WA Branch Incorporated

## Statement of financial position As at 31 December 2021

	Note	31-Dec 2021 \$	Restated* 31-Dec 2020 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	7	2,794,930	680,701
Trade and other receivables	8	405,913	388,409
Inventories		63,420	39,696
Contract Asset	11	128,594	-
Non-current assets held for sale	13	-	480,000
<b>Total current assets</b>		<b>3,392,857</b>	<b>1,588,806</b>
<b>Non-current assets</b>			
Financial assets	9	35,238,282	32,322,961
Property, plant and equipment	10	41,076,892	42,566,149
Contract Asset	11	380,391	-
<b>Total non-current assets</b>		<b>76,695,565</b>	<b>74,889,110</b>
<b>TOTAL ASSETS</b>		<b>80,088,422</b>	<b>76,477,916</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Contract liability	12	130,010	-
Trade and other payables	14	313,008	748,622
Provisions	15	370,740	295,944
Other liabilities	16	583,128	364,894
<b>Total current liabilities</b>		<b>1,396,886</b>	<b>1,409,460</b>
<b>Non-current liabilities</b>			
Contract Liability	12	396,459	-
Provisions	15	32,356	28,704
Other liabilities	16	-	42,084
<b>Total non-current liabilities</b>		<b>428,815</b>	<b>70,788</b>
<b>TOTAL LIABILITIES</b>		<b>1,825,701</b>	<b>1,480,248</b>
<b>NET ASSETS</b>		<b>78,262,721</b>	<b>74,997,668</b>
<b>MEMBERS' EQUITY</b>			
Reserves	20	512,779	512,779
Retained earnings		77,749,942	74,484,889
<b>TOTAL MEMBERS' EQUITY</b>		<b>78,262,721</b>	<b>74,997,668</b>

*This statement of financial position is to be read in conjunction with the notes accompanying the financial statements.*

*\* Certain amounts shown here do not correspond to the 31 December 2020 annual financial statements and reflect restatements disclosed in Note 4.*

# The Returned & Services League of Australia WA Branch Incorporated

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

	Retained earnings *	Welfare reserve	Bequest reserve/ specific	Total
	\$	\$	\$	\$
<b>31 December 2020</b>				
Balance at 1 January 2020	69,446,836	438,625	74,154	69,959,615
Adjustment for correction of error (note 4)	301,087	-	-	301,087
	69,747,923	438,625	74,154	70,260,702
Surplus after income tax expense for the period	4,736,966	-	-	4,736,966
Other comprehensive income for the period, net of tax	-	-	-	-
<b>Total comprehensive income</b>	<b>4,736,966</b>	<b>-</b>	<b>-</b>	<b>4,736,966</b>
<b>Balance at 31 December 2020</b>	<b>74,484,889</b>	<b>438,625</b>	<b>74,154</b>	<b>74,997,668</b>
<b>31 December 2021</b>				
Balance at 1 January 2021	74,484,889	438,625	74,154	74,997,668
Surplus after income tax expense for the period	3,265,053	-	-	3,265,053
Other comprehensive income for the period, net of tax	-	-	-	-
<b>Total comprehensive income</b>	<b>3,265,053</b>	<b>-</b>	<b>-</b>	<b>3,265,053</b>
<b>Balance at 31 December 2021</b>	<b>77,749,942</b>	<b>438,625</b>	<b>74,154</b>	<b>78,262,721</b>

*This statement of changes in equity is to be read in conjunction with the notes accompanying the financial statements.*

*\* Certain amounts shown here do not correspond to the 31 December 2020 annual financial statements and reflect restatements disclosed in Note 4.*

# The Returned & Services League of Australia WA Branch Incorporated

## Statement of cash flows For the year ended 31 December 2021

	Note	Year-end 31-Dec 2021 \$	Year-end 31-Dec 2020 \$
<b>Cash flows from operating activities</b>			
Receipts from customers		1,153,398	77,429
Grants received		595,143	6,172,323
Donations/fundraising/other received		1,429,055	753,529
Membership received		347,227	314,456
Interest and other costs of finance paid		(85,065)	(95,547)
		<u>3,439,758</u>	<u>7,222,190</u>
Payments to suppliers and employees		(5,081,488)	(4,094,020)
<b>Net cash provided by operating activities</b>	17	<u>(1,641,690)</u>	<u>3,128,170</u>
<b>Cash flow from investing activities</b>			
Purchase of property, plant and equipment		(1,078,724)	(17,708,173)
Proceeds from sale of property, plant and equipment		480,000	5,080
Proceeds from financial assets		3,444,096	1,555,094
Net cash applied to financial assets		-	(1,337,159)
Interest received		17,310	74,516
Dividends and distributions received		893,237	1,018,686
<b>Net cash provided / (used in) by investing activities</b>		<u>3,755,919</u>	<u>(16,391,956)</u>
<b>Cash flow from financing activities</b>			
Repayment of lease liabilities		-	(304,004)
<b>Net cash (used in) financing activities</b>		<u>-</u>	<u>(304,004)</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<u>2,114,229</u>	<u>(13,567,790)</u>
<b>Cash and cash equivalents at the beginning of the year</b>		<u>680,701</u>	<u>14,248,491</u>
<b>Cash and cash equivalents at the end of the year</b>	7	<u><u>2,794,930</u></u>	<u><u>680,701</u></u>

*This statement of cash flows is to be read in conjunction with the notes accompanying the financial statement*

# The Returned & Services League of Australia WA Branch Incorporated

## Notes to the financial statements For the year ended 31 December 2021

### 1. Reporting entity

The Returned & Services League of Australia WA Branch Incorporated ('RSLWA') is an association incorporated in Western Australia. The registered office is at Level 4, 28 St George's Terrace, Perth, Western Australia. These financial statements of the RSLWA are for the year ending 31 December 2021.

The RSLWA's primary purpose is to provide for the well-being, care, compensation and commemoration of serving and ex-serving Defence Force Personnel and their dependants.

Board Members for 2021 were:

Peter Aspinall	State President	1/1/2021 – 30/11/2021
Duncan Anderson	Acting State President	1/12/2021 – 31/12/2021
Duncan Anderson	State Vice President	1/1/2021 – 30/11/2021
Vacant	State Vice President	1/12/2021 – 31/12/2021
Bill Collidge	Member	Continuing
Wayne Gibson	Member	Continuing
Ken Morris	Member	Continuing
Royce Spencer	Member	Continuing
Robyn Steenbach	Member	Continuing
Melissa Whelan	Member	Appointed February 2021
Tim Curtis	Co-opted Member	Appointed February 2021
<u>Trustees</u>		
Don Blair	Chair	1/1/2021 – 11/6/2021
Wayne Tarr	Chair from 12/6/2021	Continuing
Philip Orchard		Continuing
Doug Simpson		Appointed June 2021

### 2. Basis of preparation

#### (a) Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (AASBs) – Reduced Disclosure Requirements (including Australian Accounting Interpretations), the RSLWA's rules, the *Associations Incorporation Act 2015*, *Charitable Collections Act (1946) (WA)*, and the *Australian Charities and Not-for-profits Commission Act 2012*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. The following is a summary of the material accounting policies adopted by the RSLWA in the preparation of these financial statements. The accounting policies have been consistently applied unless otherwise stated.

These financial statements are not consolidated accounts, that is, they do not include the financial assets and liabilities of Sub-Branches.

#### (b) Basis of measurement

The financial statements have been prepared on an accruals basis and are based on historical costs except for, where applicable, the revaluation of financial assets at fair value through profit or loss.

#### (c) 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 RSLWA 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 3 (r).

# The Returned & Services League of Australia WA Branch Incorporated

## Notes to the financial statements For the year ended 31 December 2021

### 3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

#### (a) Cash and cash equivalents

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

Bank overdrafts that are repayable on demand and form an integral part of the RSLWA's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

#### (b) Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the RSLWA has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

#### Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

#### (c) Trade and other receivables

Other receivables are recognised at amortised cost, less any allowance for expected credit loss.

#### (d) Property, plant and equipment

##### Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour; any other costs directly attributable to bringing the asset to a working condition for its intended use; and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

Gains and losses on disposal of an item of plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised within "other income" in profit or loss. When revalued assets are sold, the amounts included in the revaluation reserve are transferred to retained earnings.



# The Returned & Services League of Australia WA Branch Incorporated

## Notes to the financial statements For the year ended 31 December 2021

### (d) Property, plant and equipment (continued)

#### Subsequent costs

The cost of replacing part of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the RSLWA and its cost can be measured reliably. The costs of the day-to-day servicing of plant and equipment are recognised in profit or loss as incurred.

#### Leasehold land

Leasehold land represents the RSLWA's interests in pastoral leases. The RSLWA considers these rights to be indefinite unless otherwise noted. Leasehold land is recorded at cost and is not depreciated unless the life of the right to the lease is considered to be fixed. In this case, the leasehold land is depreciated over the term of the lease on a straight-line basis.

#### Depreciation

Depreciation is recognised in the Statement of profit or loss and other comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives, unless it is reasonably certain that the RSLWA will obtain ownership or extension of the lease by the end of the lease term. Land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

- Buildings/Leasehold improvements 25 to 40 years
- Furniture and equipment 3 to 20 years
- Mobile plant and vehicles 5 to 10 years
- Computing equipment 2 to 5 years

Depreciation methods, useful lives and residual values are reassessed at the reporting date.

#### Land and properties owned by RSLWA

RSLWA owns a number of properties acquired over time by various means including Government Crown leases subsequently converted to freehold title, bequests and direct purchase.

These assets are stated at historical cost less accumulated depreciation in accordance with the significant accounting policies stated at Note 3(d). Title Deeds to the properties are held by RSLWA and relevant details maintained on a Register.

Accordingly, it has been determined that the total value of the Sub-branch properties be reflected in the Statement of Financial Position at 'Nil' Value. The appropriate value of a Sub-Branch property will be brought to account at the time of sale / disposal.

In November 2016, the Government and RSLWA executed a Heads of Agreement for the returned ownership of the land on which ANZAC House is situated back to RSLWA. The land acquisition has been reflected in the Statement of Financial Position at a deemed cost equivalent to its fair value as at the date of acquisition.

# The Returned & Services League of Australia WA Branch Incorporated

## Notes to the financial statements For the year ended 31 December 2021

### (e) Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the RSLWA expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

The RSLWA has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

### (f) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the non-current assets to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of a non-current asset but not in excess of any cumulative impairment loss previously recognised.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

Non-current assets classified as held for sale are presented separately on the face of the statement of financial position, in current assets.

### (g) 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 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 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.

# The Returned & Services League of Australia WA Branch Incorporated

## Notes to the financial statements For the year ended 31 December 2021

### (h) Impairment

The carrying amounts of the RSLWA's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

#### Financial assets

RSLWA recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon RSLWA's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

#### Non-financial assets

The carrying amounts of the RSLWA's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the Statement of Comprehensive Income.

The recoverable amount of an asset is the greater of its value in use and its fair value (less costs to sell). In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### (i) Trade and other payables

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

### (j) Contract liabilities

Contract liabilities represent RSLWA's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the RSLWA recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the RSLWA has transferred the goods or services to the customer.

# The Returned & Services League of Australia WA Branch Incorporated

## Notes to the financial statements For the year ended 31 December 2021

### (k) Provisions

Provisions are recognised when the RSLWA has a present (legal or constructive) obligation as a result of a past event, it is probable the RSLWA will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

### (l) Lease liability

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, RSLWA's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

### (m) Employee benefits

#### Short-term benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and 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 recognised in non-current liabilities, provided there is an unconditional right to defer settlement of the liability.

The liability is measured as 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 national government 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.

# The Returned & Services League of Australia WA Branch Incorporated

## Notes to the financial statements For the year ended 31 December 2021

### (n) Fair value measurements

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.

### (o) Revenue

The RSLWA recognises revenue as follows:

#### Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the RSLWA is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, RSLWA: 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.

#### Sales revenue

Events, fundraising and raffles are recognised when received or receivable.

#### Donations

Donations are recognised at the time the pledge is made.

#### Grants

Grant revenue is recognised in profit or loss when the RSLWA satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the RSLWA is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

#### Membership revenue

Membership revenue is recognised in profit or loss when the RSLWA satisfies its performance obligations to its members over the membership year. Membership paid in advance will be recognised in the statement of financial position as a liability until the respective membership year.

# The Returned & Services League of Australia WA Branch Incorporated

## Notes to the financial statements For the year ended 31 December 2021

### (o) Revenue (continued)

#### Interest revenue

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.

#### Volunteer services

The RSLWA has elected not to recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such resources received is also not recognised.

#### Other revenue

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

### (p) Income tax

The RSLWA is a charitable institution and is exempt from income tax under Division 50 of the Income Tax Assessment Act.

### (q) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST excluded. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

Commitments and contingencies are disclosed net of GST.

### (r) 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.

#### Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the RSLWA estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

# The Returned & Services League of Australia WA Branch Incorporated

## Notes to the financial statements For the year ended 31 December 2021

### (r) Critical accounting judgements, estimates and assumptions

#### **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 incorporated association based on known information. This consideration extends to the nature of the products and services offered, customers and staffing in which the incorporated association 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 incorporated association unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

#### **Estimation of useful lives of assets**

The incorporated association determines the estimated useful lives and related depreciation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation 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.

### (s) New, revised or amending accounting standards and interpretations adopted

RSLWA 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.

# The Returned & Services League of Australia WA Branch Incorporated

## Notes to the financial statements For the year ended 31 December 2021

### 4. Restatement of comparatives

An error was discovered in RSLWA's Peet investment recognition whereby interest accrued on the associated loan receivable was not recognised as per the loan agreement, which first occurred in the year ended 31 December 2019. This error resulted in the financial asset and interest revenue being understated. Extracts (being only those line items affected) are disclosed below.

#### *Statement of profit or loss and other comprehensive income*

	<b>31-Dec 2020 Reported \$</b>	<b>Adjustment \$</b>	<b>31-Dec 2020 Restated \$</b>
<i>Interest revenue</i>	8,793,949	361,374	9,155,323
Operational surplus before income tax expense	4,233,891	361,374	4,595,265
Surplus after income tax expense	4,375,592	361,374	4,736,966

#### *Statement of financial position at the beginning of the earliest comparative period*

	<b>1-Jan 2020 Reported \$</b>	<b>Adjustment \$</b>	<b>1-Jan 2020 Restated \$</b>
Assets			
<i>Financial assets</i>	31,016,851	301,087	31,317,938
Total Assets	71,361,217	301,087	71,662,304
Net Assets	69,959,615	301,087	70,260,702
Equity			
<i>Retained profits</i>	69,446,836	301,087	69,747,923

#### *Statement of financial position at the end of the earliest comparative period*

	<b>31-Dec 2020 Reported \$</b>	<b>Adjustment \$</b>	<b>31-Dec 2020 Restated \$</b>
Assets			
<i>Financial assets</i>	31,660,500	662,461	32,322,961
Total Assets	75,815,455	662,461	76,477,916
Net Assets	74,335,207	662,461	74,997,668
Equity			
<i>Retained profits</i>	73,822,428	662,461	74,484,889



# The Returned & Services League of Australia WA Branch Incorporated

## Notes to the financial statements For the year ended 31 December 2021

### 5. Revenue

	Year-end 31-Dec 2021 \$	Year-end 31-Dec 2020* \$
Sales	1,290,622	199,695
Membership subscriptions	322,762	300,221
Grants (tied)	687,113	6,141,023
Donations, sponsorship, bequests, and un-tied grants	297,716	289,788
Interest received	420,860	435,890
Dividends and distributions from investments	1,559,855	1,324,965
Bank guarantee redemption	552,172	-
Other	579,167	463,741
	<b>5,710,267</b>	<b>9,155,323</b>

(a) Grant funding was approved/provided for the following major projects:

	\$	\$
- ANZAC House Veteran Central (Lotterywest)	-	600,000
- ANZAC Day Activities (Lotterywest)	434,071	123,146
- ANZAC House Veteran Central (Department Veterans Affairs)	-	5,000,000
- BEST Grant (Department Veterans' Affairs)	-	74,918
- ANZAC Day Trust Grant	133,000	90,000
- Veterans Employment Program – RSL National	91,970	-
- COVID-19 Sub-Branches Support (Lotterywest)	-	169,244
- State War Memorial (Department Veterans Affairs)	-	83,715
- Other	28,072	-
	<b>687,113</b>	<b>6,141,023</b>

All revenue is derived from operations in Western Australia

\* Certain amounts shown here do not correspond to the 31 December 2020 annual financial statements and reflect restatements disclosed in Note 4.

### 6. ANZAC day activities (grant-funded)

Lotterywest approved grant funding for ANZAC Day 2021 activities of the Dawn and Commemorative services, Parade March, Perth Gunfire Breakfast, Regional Sub-Branch Gunfire Breakfasts, Regional Commemorations and Communications and Project/Event Management of \$795,000. The COVID-19 pandemic resulted in the cancellation of ANZAC Day 2021 for the Perth and Peel Regions. Regional WA services proceeded. Costs incurred of \$434,071 were paid from the approved Lotterywest Grant.

### 7. Cash and cash equivalents

	31-Dec 2021 \$	31-Dec 2020 \$
Cash on hand	5,650	7,183
Bank balances	155,775	215,334
Call or online saver account/s	535,865	45
Entrust cash management accounts	2,097,640	458,139
Cash and cash equivalents in statement of cash flows	<b>2,794,930</b>	<b>680,701</b>

# The Returned & Services League of Australia WA Branch Incorporated

## Notes to the financial statements For the year ended 31 December 2021

### 8. Trade and other receivables

	<b>31-Dec 2021</b>	<b>31-Dec 2020</b>
	<b>\$</b>	<b>\$</b>
Trade and other receivables	405,913	159,235
BAS receivable	-	229,174
	<b>405,913</b>	<b>388,409</b>

### 9. Financial assets

	<b>31-Dec 2021</b>	<b>31-Dec 2020*</b>
	<b>\$</b>	<b>\$</b>
<b>Current</b>		
<b>Held at amortised cost</b>	-	-
<b>Non-current</b>		
<b>Held at amortised cost</b>		
Term deposits - Funds held in trust from closed sub-branches	-	42,084
	-	<b>42,084</b>
<b>Held at fair value through profit or loss</b>		
Financial assets – managed funds	15,115,651	16,765,416
Financial assets – property trusts	14,407,000	11,703,000
Financial assets – loan receivable	4,215,611	3,812,461
Financial assets – property	1,500,020	-
	<b>35,238,282</b>	<b>32,280,877</b>
<b>Total</b>	<b>35,238,282</b>	<b>32,322,961</b>

\* Certain amounts shown here do not correspond to the 31 December 2020 annual financial statements and reflect restatements disclosed in Note 4.

# The Returned & Services League of Australia WA Branch Incorporated

## Notes to the financial statements For the year ended 31 December 2021

### 9. Financial assets

#### Reconciliation

Reconciliation of the fair values of financial assets held at fair value through profit or loss at the beginning and end of the current and previous financial year are set out below:

	<b>31-Dec 2021</b>	<b>31-Dec 2020*</b>
	<b>\$</b>	<b>\$</b>
<b>Financial assets – managed funds</b>		
Opening fair value	16,765,416	18,054,137
Additions	662,794	369,090
Disposals	(3,373,440)	(1,531,931)
Revaluation (decrements)/ increments	1,060,881	(125,880)
Closing fair value	<b>15,115,651</b>	<b>16,765,416</b>
<b>Financial assets – property trusts</b>		
Opening fair value	11,703,000	8,921,000
Additions	-	2,500,000
Disposals	-	-
Revaluation increments/ (decrements)	2,704,000	282,000
Closing fair value	<b>14,407,000</b>	<b>11,703,000</b>
<b>Financial assets – loan receivable</b>		
Opening balance	3,812,461	3,451,087
Accrued interest	403,150	361,374
Additions	-	-
Disposals	-	-
Closing fair value	<b>4,215,611</b>	<b>3,812,461</b>
<b>Financial assets – property</b>		
Opening fair value	-	-
Transfer (note 10)	1,075,020	-
Additions	-	-
Disposals	(24,348)	-
Revaluation increments	449,348	-
Closing fair value	<b>1,500,020</b>	-

\* Certain amounts shown here do not correspond to the 31 December 2020 annual financial statements and reflect restatements disclosed in Note 4.

# The Returned & Services League of Australia WA Branch Incorporated

## Notes to the financial statements For the year ended 31 December 2021

### 10. Property, plant and equipment

	Leasehold improve- ments	Land	Motor vehicles	Computer equipment	Buildings *	Furniture Equipment Fitout	Total
<b>Cost or deemed cost</b>							
At 1 January 2020	15,178	8,601,917	66,256	181,957	15,647,188	-	24,512,496
Acquisitions	-	-	-	9,468	-	-	9,468
Work in progress	-	1,054,125	-	-	16,028,370	1,184,414	18,266,909
Disposals	(15,178)	-	-	-	-	-	(15,178)
At 31 December 2020	-	<b>9,656,042</b>	<b>66,256</b>	<b>191,425</b>	<b>31,675,558</b>	<b>1,184,414</b>	<b>42,773,695</b>
At 1 January 2021	-	9,656,042	66,256	191,425	31,675,558	1,184,414	42,773,695
Acquisitions	-	20,895	-	14,796	438,972	35,857	510,520
Re-classification (note 9)	-	(1,075,020)	-	-	-	-	(1,075,020)
Disposals	-	-	-	-	-	-	-
At 31 December 2021	-	<b>8,601,917</b>	<b>66,256</b>	<b>206,221</b>	<b>32,114,530</b>	<b>1,220,271</b>	<b>42,209,195</b>
<b>Accumulated depreciation</b>							
At 1 January 2020	7,062	-	26,127	171,374	-	-	204,563
Depreciation charge	3,036	-	7,400	2,645	-	-	13,081
Disposals	(10,098)	-	-	-	-	-	(10,098)
At 31 December 2020	-	-	<b>33,527</b>	<b>174,019</b>	-	-	<b>207,546</b>
At 1 January 2021	-	-	33,527	174,019	-	-	207,546
Depreciation charge	-	-	7,399	6,527	784,209	126,622	924,757
Disposals	-	-	-	-	-	-	-
At 31 December 2021	-	-	<b>40,926</b>	<b>180,546</b>	<b>784,209</b>	<b>126,622</b>	<b>1,132,303</b>
<b>Carrying amounts</b>							
At 31 December 2020	-	<b>9,656,042</b>	<b>32,729</b>	<b>17,406</b>	<b>31,675,558</b>	<b>1,184,414</b>	<b>42,566,149</b>
At 31 December 2021	-	<b>8,601,917</b>	<b>25,330</b>	<b>25,675</b>	<b>31,330,321</b>	<b>1,093,649</b>	<b>41,076,892</b>

\* Buildings includes accumulated work in progress (WIP) relating to the construction of ANZAC House Veteran Central which was completed in 2020.

#### RSLWA owned properties

RSLWA owns a number of properties acquired over time by various means such as freehold title, bequests and direct purchase. Sworn valuations for these properties have not been undertaken. Title Deeds to the properties are held by RSLWA and relevant details maintained on a Register.

In accordance with current Accounting Policy it has been determined that the total value of the properties be reflected in the Statement of Financial Position at 'Nil' Value (at cost).

# The Returned & Services League of Australia WA Branch Incorporated

## Notes to the financial statements For the year ended 31 December 2021

### 11. Contract Asset

	31-Dec 2021 \$	31-Dec 2020 \$
<b>Current Asset</b>		
Finance arrangement	128,594	-
	<b>128,594</b>	-
<b>Non-current Asset</b>		
Finance arrangement	380,391	-
	<b>380,391</b>	-

### 12. Contract Liability

	31-Dec 2021 \$	31-Dec 2020 \$
<b>Current liability</b>		
Finance arrangement	130,010	-
	<b>130,010</b>	-
<b>Non-current liability</b>		
Finance arrangement	396,459	-
	<b>396,459</b>	-

Contract Asset/Liability relates to the Veteran Service Provider of medical services on Level 3 which had requested a specialised fit-out during the construction of ANZAC House Veteran Central.

### 13. Non-current assets held for sale

	31-Dec 2021 \$	31-Dec 2020 \$
<b>Current</b>		
Investment property held for sale – 16 Rouse Rd Greenfields*	-	480,000
	-	<b>480,000</b>

\*Property sold and settled on 30 April 2021.

# The Returned & Services League of Australia WA Branch Incorporated

## Notes to the financial statements For the year ended 31 December 2021

### 14. Trade and other payables

	<b>31-Dec 2021</b>	<b>31-Dec 2020</b>
	<b>\$</b>	<b>\$</b>
Trade creditors	197,916	674,688
Other payables	115,092	73,934
	<b>313,008</b>	<b>748,622</b>

### 15. Provisions

	<b>31-Dec 2021</b>	<b>31-Dec 2020</b>
	<b>\$</b>	<b>\$</b>
<b>Current</b>		
Provision for employee entitlements	370,740	295,944
	<b>370,740</b>	<b>295,944</b>
<b>Non-current</b>		
Provision for employee entitlements	32,356	28,704
	<b>32,356</b>	<b>28,704</b>

### 16. Other liabilities

	<b>31-Dec 2021</b>	<b>31-Dec 2020</b>
	<b>\$</b>	<b>\$</b>
<b>Current</b>		
Funds held 'in trust' for other ESOs or other purposes	65,942	58,558
WA Aged Sailors Soldiers and Airmen's Relief Fund	6,578	10,046
Membership paid in advance	272,825	296,290
Deferred Income	237,783	-
	<b>583,128</b>	<b>364,894</b>
<b>Non-Current</b>		
Funds held 'in trust' for closed Sub-Branches	-	42,084
	<b>-</b>	<b>42,084</b>

# The Returned & Services League of Australia WA Branch Incorporated

## Notes to the financial statements For the year ended 31 December 2021

### 17. Reconciliation of cash flow from operations with net surplus

	Year-end 31-Dec 2021 \$	Year-end 31-Dec 2020 \$
<b>Surplus for the year</b>	3,265,053	4,375,592
Adjustments for:		
Depreciation	924,757	294,685
Interest income classed as investing activities	(403,550)	(382,052)
Dividends and distributions classed as investing activities	(666,618)	(1,018,686)
Impairment of investment property held for sales	-	62,399
Gain on revaluation of financial assets at fair value	(4,214,229)	(156,120)
Gain on modification of lease/contract asset/liability	-	(47,980)
Adjustments for changes in:		
Trade and other receivables	(17,504)	(189,361)
Inventories	(23,724)	(10,658)
Contract assets	(508,985)	-
Trade and other payables	(777,957)	98,410
Provisions	78,448	83,336
Contract liability	526,469	-
Other liabilities	176,150	18,605
<b>Net (cash used) / provided by in operating activities</b>	<b>(1,641,690)</b>	<b>3,128,170</b>

### 18. Key management personnel disclosures

The aggregate compensation made to officers and other members of key management personnel of the RSLWA is set out below:

	Year-end 31-Dec 2021 \$	Year-end 31-Dec 2020 \$
Aggregate compensation	640,594	570,454

# The Returned & Services League of Australia WA Branch Incorporated

## Notes to the financial statements For the year ended 31 December 2021

### 19. Fair value measurement

#### *Fair value hierarchy*

The following tables detail RSLWA's assets and liabilities, measured or disclosed 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
- Level 3: Unobservable inputs for the asset or liability

2021	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<i>Assets</i>				
Financial assets – managed funds	15,115,651	-	-	15,115,651
Financial assets – property trusts	-	14,407,000	-	14,407,000
Financial assets – loan receivable	4,215,611	-	-	4,215,611
Financial assets – property	-	1,500,020	-	1,500,020
<b>Total assets</b>	<b>19,331,262</b>	<b>15,907,020</b>	-	<b>35,238,282</b>
2020*	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<i>Assets</i>				
Financial assets – managed funds	16,765,416	-	-	16,765,416
Financial assets – property trusts	-	11,703,000	-	11,703,000
Financial assets – loan receivable	3,812,461	-	-	3,812,461
Investment properties	-	480,000	-	480,000
<b>Total assets</b>	<b>20,577,877</b>	<b>12,183,000</b>	-	<b>32,760,877</b>

Assets and liabilities held for sale are measured at fair value on a non-recurring basis.

There were no transfers between levels during the financial year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

*\* Certain amounts shown here do not correspond to the 31 December 2020 annual financial statements and reflect restatements disclosed in Note 4.*



# The Returned & Services League of Australia WA Branch Incorporated

## Notes to the financial statements For the year ended 31 December 2021

### 20. Equity reserves

#### *Welfare Reserve*

As per an Agreement between RSL Australia and Woolworths Limited, funds raised from the Woolworth's Poppy Appeal and ANZAC Appeal in 2021 were to be spent specifically on the welfare of veterans and their dependants. During the year ended 31 December 2021 funds of \$110,503 had been received by the RSLWA and utilised for this specific purpose.

#### *Bequest Reserve / Specific*

Relates to funds received with certain conditions for which the funds are to be used. Accordingly, to retain the specific purpose nature of the bequest, funds are transferred to Bequest Reserves as/when received.

### 21. Contingent assets and liabilities

#### *Contingent assets:*

The RSLWA had no contingent assets as at 31 December 2021 and 31 December 2020.

#### *Contingent liabilities:*

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

### 22. Commitments

The RSLWA had no commitments as at 31 December 2021 and 31 December 2020.

### 23. Related party transactions

#### *Key management personnel*

Disclosures relating to key management personnel are set out in note 18.

#### *Transactions with related parties*

There were no transactions with related parties during the current financial period and previous financial year.

#### *Receivables from and payables to related parties*

There were no trade receivables from or trade payables to related parties at the end of the current financial period and previous financial year.

#### *Loans to / from related parties*

There were no loans to or from related parties at the end of the current financial period and previous financial year.

### 24. Subsequent events

Melissa Whelan resigned as a Board Member on 3 March 2022.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially positive for RSLWA up to 31 December 2021, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

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

# The Returned & Services League of Australia WA Branch Incorporated

## Directors' declaration

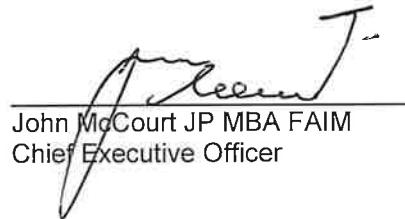
In the opinion of the directors of *The Returned & Services League of Australia WA Branch Incorporated*:

- (a) The financial statements and notes as set out on pages 3 to 25, present a true and fair view of the RSLWA as at 31 December 2021 and its financial performance for the year ended on that date, in accordance with the Australian Accounting Standards- Reduced disclosure requirements, the RSLWA's rules, the Associations Incorporation Act 2015, Charitable Collections Act (1946) (WA), and the Australian Charities and Not-for-profits Commission Act 2012.
- (b) There are reasonable grounds to believe that the RSLWA will be able to pay all its debts as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profit Commission Regulation 2013 for and on behalf of the Directors by:



\_\_\_\_\_  
Duncan Anderson  
State President



\_\_\_\_\_  
John McCourt JP MBA FAIM  
Chief Executive Officer

Dated at Perth, WA  
5 May 2022



**RSM Australia Pty Ltd**

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**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the audit of the financial report of The Returned & Services League of Australia WA Branch Incorporated for the year ended 31 December 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Australian Charities and Not-for-profits Commissions Act 2012* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

RSM AUSTRALIA PTY LTD

JAMES KOMNINOS  
Director

Perth, WA  
Dated: 5 May 2022

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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
THE RETURNED & SERVICES LEAGUE OF AUSTRALIA WA BRANCH INCORPORATED**

**Opinion**

We have audited the financial report of The Returned & Services League of Australia WA Branch Incorporated ("the Association" or "registered entity"), which comprises the statement of financial position as at 31 December 2021, the statement of 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 Association has been prepared in accordance with the Associations constitution, the *Associations Incorporated Act 2015* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the registered entity's financial position as at 31 December 2021 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Regime and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards – Reduced Disclosure Regime. 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 Association 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 opinion.

**Responsibilities of Management and Those Charged with Governance for the Financial Report**

The board of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards– Reduced Disclosure Regime and the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and for such internal control as the board 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 board are responsible for assessing the Association'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 management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

**THE POWER OF BEING UNDERSTOOD**

AUDIT | TAX | CONSULTING

RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

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### **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– Reduced Disclosure Regime 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/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.

### **Report on the requirements of the Charitable Collections Act (1946) (WA) and the Charitable Collections Regulations (1947) (WA)**

#### **Opinion**

We have audited the financial report of the Association, as required by the *Charitable Collections Act (1946) (WA)* and the *Charitable Collections Regulations (1947) (WA)*.

In our opinion

- a) The financial report of the Association has been properly prepared, and the associated records have been properly kept for the year ended 31 December 2021, in accordance with the *Charitable Collections Act (1946) (WA)* and the *Charitable Collections Regulations (1947) (WA)*; and
- b) Funds received as a result of fundraising activities conducted during the year ended 31 December 2021 have been properly accounted for and applied in accordance with the *Charitable Collections Act (1946) (WA)* and the *Charitable Collections Regulations (1947) (WA)*;

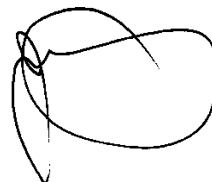
#### **Auditor's Responsibilities**

Our procedures included obtaining an understanding of the internal control structure for fundraising appeal activities and examination, on a test basis, of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising activities pursuant to the *Charitable Collections Act (1946) (WA)* and the *Charitable Collections Regulations (1947) (WA)*.

Because of the inherent limitations of any assurance engagement, it is possible that fraud, error or non-compliance may occur and not be detected. An audit is not designed to detect all instances of non-compliance with the requirements described in the above-mentioned Acts and Regulations as an audit is not performed continuously throughout the period and the audit procedures performed in respect of compliance with these requirements are undertaken on a test basis. The audit opinion expressed in this report has been formed on the above basis.

A handwritten signature in black ink that reads 'RSM'.

RSM AUSTRALIA PTY LTD

A handwritten signature in black ink, appearing to be 'James Komninos'.

JAMES KOMNINOS  
Director

Perth, WA  
Dated: 5 May 2022